STRATEGIC PLAN
2020/21-2024/25

higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

PSETA

Public Service Sector Education & Training Authority

2020/21 - 2024/25
STRATEGIC PLAN
January 2023

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ABBREVIATIONS AND ACRONYMS

4IR	Fourth Industrial Revolution
AA	Accounting Authority (the Board)
APP	Annual Performance Plan
AC	Audit Committee
AG	Auditor-General
AGSA	Auditor-General South Africa
CEO	Chief Executive Offiicer
CFO	Chief Financial Officer
COO	Chief Operating Officer
CSE	Corporate Services Executive
DG	Discretionary Grants
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Adinistration
EA	Executive Authority
EXCO	Executive Committee
GDP	Gross Domestic Product
HEI	Higher Education Institutions
HR	Human Resource
HRDSA	Human Resource Development Strategy
ICT	Information and Communication Technology
M&E	Monitoring and Evaluation
MoA	Memorandum of Agreement
MHESI	Minister of Higher Education, Science and Innovation
MOA	Memorandum of Agreement
MIS	Management Information System
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NGP	New Growth Path
NQF	National Qualifications Framework
NEDLAC	National Economic and Development Labour Council

NDP 2030	National Development Plan
NSA	National Skills Authority
NSAc	National Skills Accord
NSF	National Skilla Fund
NSG	National School of Government
NSDP 2030	National Skills Development Plan
NSF	National Skills Fund
NT	National Treasury
PFMA	Public Finance Management Act
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PS	Public Service
PSET	Post-School Education and Training
PSETA	Public Service Sector Education Training Authority
QCTO	Quality Council for Trades and Occupations
RPL	Recognition of Prior Learning
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SDA	Skills Development Act
SETA	Sector Education and Training Authority
SIPs	Strategic Integrated Projects
SD	Skills Development
SDP	Skills Development Providers
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprises
SP	Strategic Plan
SSP	Sector Skills Plan
TID	Technical Indicator Descriptor
TVET	Technical Vocational Education and Training
WIL	Work Integrated Learning
WSP	Workplace Skills Plan

CHAIRPERSON'S FOREWORD

The Public Service Sector Education and Training Authority (PSETA) Strategic Plan for the 2020/21 to 2024/25 financial years (Update 2023) five-year period is presented by the Accounting Authority (AA) in line with the Public Finance Management Act (Act No. 1 of 1999) as amended. This version of the strategic plan is a continuation of the 2020-2025 PSETA Strategy which the previous PSETA AA had developed to ensure that the goals of the National Skills Development Plan 2030 are aligned to the mandate of the PSETA.

In revising its strategic plan, PSETA has considered the profound impact of the Covid-19 pandemic on the economy and the implementation of learning interventions within the public service sector. In adjusting to the new norm, PSETA during this planning cycle, will focus on learning interventions that respond to the future world of work.

The updated PSETA Strategic Plan has been developed in accordance with the Governing Policy Pre-scripts listed below:

a)   National Development Plan Review Vision 2030
b)   Medium-Term Strategic Framework
c)   New Growth Path Framework 2010
d)   Post School Education and Training White Paper
e)   National Skills Development Plan 2030.
f)   Outcome of the Presidential Job Summit Framework Agreement 2018

The PSETA Accounting Authority strategic planning session was held under the theme 'PSETA's contribution towards building a capable, ethical and developmental state'. The PSETA Accounting Authority resolved to retain its vision and its mission as it still finds it relevant to addressing skills development needs within the public service sector. Furthermore, it is important for PSETA to focus on strategic partnerships with key stakeholders relevant to the sector to deliver on training interventions which will contribute to building a capable, ethical and developmental state.

The Sector Skills Plan (SSP) provided the research evidence which the PSETA Accounting Authority has used to guide decision-making. The SSP informed its strategic considerations and annual performance to ensure that the utilisation of public funds under PSETA's control addresses the needs of the sector. The SSP informs the PSETA strategy, which ensures that investments in skills development resonates with the needs of PSETA's respective constituencies and government's key economic and social priorities.

A critical component of the PSETA strategy is to deliver interventions that reach a significantly large number of individuals, with the aim of contributing towards building capacity for professional, responsive, and meritocratic public servants that will deliver on key government priorities. Furthermore, PSETA will embark on training interventions that will continue to uplift and empower women, youth and persons with disabilities through prioritising workplace-based learning experiences which may lead to permanent job placement in targeted jobs.

PSETA is aware of the emergence of the fourth industrial revolution (4IR) and the profound impact it will have on the public service sector skills demand and supply. The 4IR provides the opportunity for greater government efficiency and effectiveness, and therefore the digitisation of the public service sector interventions through e-government forms part of the strategic move towards improved information communication technology (ICT) systems within the sector. Covid-19 has created more acceptance around technological use to streamline and digitise paperwork, while leading to cost savings in training and development.

Research conducted by PSETA on emerging technologies show that in addition to equipping employees with technical skills required to manage 4IR technologies, focus is also required on training employees on change management techniques. A recurring obstacle to e-learning was found to be the lack of access to digital tools, low bandwidth availability accompanied by the general cost of accessing data to enable the digital tools.

In response to the skills needs identified as a result of emerging technologies, PSETA has prioritised the provision of digital skills, remote working skills and change managements skills as short learning programmes for public sector officials. In addition, PSETA has developed an e-learning policy and will be supporting and capacitating skills development providers to implement blended learning approaches.

PSETA in this Strategic Plan will be focusing on the five strategic focus priorities which are informed by the NSDP 2030 and the Department of Higher Education and Training (DHET) Five Year Strategic Outcomes and Medium-Term Strategic Framework 2019 to 2024, namely:

- Establish strategic partnerships with key stakeholders;
- Improve research and impact assessment of programmes;
- Review and realign occupational qualifications;
- Implement workplace-based learning programmes in building the workplace into a training space; and
- Reposition the operating model to enhance capability for strategy realisation.

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 2023, 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.

The PSETA Accounting Authority thanks PSETA management and stakeholders for their role in the development of the strategic plan and pledges commitment to the quality delivery of the planned pro-grammes and interventions.

Mr Thulani Tshefuta
Chairperson: PSETA Accounting Authority
Date: 25-02-2023
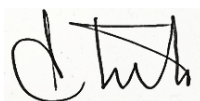
OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- was developed by the management of the PSETA under the guidance of the PSETA Accounting Authority and various consultative processes which reflected on the organisation past performance, challenges and evolving future needs in the public service, skills education, and training sector;

- is based on the National Skills Development Plan (NSDP) 2030 derived from the broader National Development Plan, which has provided the policy direction;

- took into consideration all the relevant legislation, policies, and other mandates of which the PSETA is responsible and the PSETA Sector Skills Plan (SSP) 2020/21 – 2024/25 and the SSP update for 2023-2024; and

- accurately reflects the impact, outcomes, and outputs which PSETA will endeavour to achieve over the next planning cycle.

Mr Godfrey Chooka

Manager: Strategy M& E   Signature: Date: 25-02-2023

Vacant

Corporate Services Executive   Signature: Date: 25-02-2023

Ms Shivanthini Nagalingam-Potter

Chief Operations Officer   Signature: Date: 25-02-2023

Mr Phumudzo Mbulaheni

Acting Chief Financial Officer   Signature: Date: 25-02-2023

Ms Bontle Lerumo

Chief Executive Officer   Signature: Bontle Lerumo   Date: 25-02-2023

Mr Thulani Tshefuta

AA Chairperson   **Signature:**   **Date:**   25-02-2023

PART A: OUR MANDATE

As a public entity, PSETA is governed by a legal framework, which includes the Constitution of the Republic of South Africa, legislation and policies. This legal framework sets out PSETA constitutional, legislative and policy mandate and adherence to the framework is central to the operations of PSETA.

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) (a) 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.

2.   LEGISLATIVE AND POLICY MANDATES

2.1. LEGISLATIVE MANDATE

2.1.1. 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, do the following:

(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 and 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 26I.

(f)   When required to do so as contemplated in section 7(1) of the Skills Development Levies Act, collect the skills development levies, and 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 (of the Department of Higher Education, Science and Innovation):
    (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 of South Africa 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.

(k) Perform any other duties imposed by this Act or the Skills Development Levies Act or consistent with the purposes of this Act.

2.1.2. 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.

2.1.3. 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 manner in which 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:

(3) 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.

On 27 January 2023, the Minister of DHET issued draft regulations regarding monies received by a SETA. ("2023 Grant Regulations").

Currently, the 2023 Grant Regulations are undergoing public consultation processes and therefore, have not yet been officially adopted in law.

The DHET intends to repeal the 2012 Grant Regulations and replace them with the 2023 Grant Regulations, once they are promulgated and adopted in law.

2.1.4. NATIONAL QUALIFICATIONS FRAMEWORK ACT

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 to:

(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.

2.1.5. PUBLIC FINANCE MANAGEMENT ACT

The Public Finance Management Act (Act No. 1 of 1999) ("PFMA") is another piece of 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 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 a system of internal audit under the control and direction of an audit committee that complies with and operates in accordance with regulations and instructions prescribed in terms of sections 76 and 77; and
5. Ensuring 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.

2.2   POLICY MANDATES

2.2.1. THE NATIONAL DEVELOPMENT PLAN (NDP)

Chapter 13 of the National Development Plan (NDP) "Building a capable state" extrapolates that, the vision of a capable state, should be the development of "well-run and effectively coordinated state institutions with skilled public servants who are committed to the public good and capable of delivering consistently high-quality services". The implication is that PSETA needs to locate itself at the heart of developing these 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.

The five key areas identified in the NDP as key to developing a capable and developmental state are:
1.   Stabilise the political-administrative interface to build a professional public service that serves government;
2.   Make the public service and local government careers of choice;
3.   Develop technical and specialist professional skills;
4.   Improve relations between the three spheres of government; and
5.   State-owned enterprises (SOEs).

2.2.2. NEW GROWTH PATH (NGP)

The New Growth Path (NGP) is aimed at enhancing growth, employment creation and equity. It specifically emphasises the role of government departments and agencies (specifically SETAs) in meeting set targets for scarce and critical skills with a focus on producing professional and technical skills. 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.

2.2.3. PRESIDENTIAL JOBS SUMMIT FRAMEWORK AGREEMENT

The Jobs Summit Framework Agreement was adopted at the 2018 Presidential Jobs Summit. The framework agreement comprises programmes and projects to create jobs; mechanisms to unblock barriers to effective implementation; as well as agreements on the imperative for job retention and ways to prevent job losses. The primary commitments in terms of work streams of the Jobs Summit are:

1.   Economic sector-specific interventions;
2.   Small, medium and micro enterprises support;
3.   Education and skills;
4.   Inclusive growth, transformation and inequality; and
5.   Public and social programmes, labour market and anti-corruption.

PSETA plays a critical role in the education and skills work stream, specifically in supporting access to TVET and CET 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.

For increased commitments and interventions to support dropouts and grade 12s to have competencies needed for employment and self-employment, the following are the PSETA initiatives:

(a) Increased access to TVET and CET colleges:
PSETA will work collaboratively with TVET colleges and community-based institutions that offer skills development programmes. The SETA will also include community-based institutions for career advocacy sessions.

(b) Installation Repair and Maintenance Training Initiative: In this programme SETAs and TVET colleges are called upon to work together to make this initiative possible. The intervention to be targeted should operate at the supply-demand interface in opening pathways for technical occupations.

(c) Expanding interventions by public and private sector on skills commitments for youth employment, including capacity building for young people PSETA will set aside budget to make these interventions possible.

(d) Pathway Management: Solutions to accelerate the transition of people not in employment, education or training (NEET) onto pathways for earning income – PSETA will promote small business development through collaborations with identified strategic partners to strengthen income generating opportunities for the NEET.

2.2.4. THE MEDIUM-TERM STRATEGIC FRAMEWORK (MTSF) (2019-2024)

The MTSF is a high-level government strategic document that guides the five-year implementation and monitoring of the NDP 2030. The MTSF for 2019 to 2024 emphasises the need for a paradigm shift towards a comprehensive framework inclusive of resourcing and integration of all public sector institutions. The MTSF priorities are:

- Priority 1: Capable, Ethical and Developmental State
- Priority 2: Economic Transformation and Job Creation
- Priority 3: Education, Skills and Health
- Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services
- Priority 5: Spatial Integration, Human Settlements and Local Government
- Priority 6: Social Cohesion and Safer Communities
- Priority 7: A better Africa and the World

Priority 1 of the MTSF: A Capable, Ethical and Developmental State is at the core of the PSETA's mandate and underpins the seven priorities of the MTSF. 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.

2.2.5. THE WHITE PAPER ON POST SCHOOL EDUCATION AND TRAINING OF NOVEMBER 2013

The White Paper on Post School Education and Training provides a framework within which the different stakeholders of the post-school system operate. It brings together three major components, namely education and training; skills development; and the world of work.

PSETA will focus on the participation of employers in the submission of credible workplace skills plans (WSPs). Training of labour representatives on training committees, capacity building sessions and skills development facilitator (SDF) training programmes are all initiatives aimed at responding to the White Paper and improving the quality of sector intelligence available to the SETA.

In contributing to improving the capacity of the TVET college system, PSETA will provide assistance to TVET colleges with obtaining accreditation and/or extension of scope on the PSETA historical and/or occupational qualifications including prioritised skills programmes. PSETA's role will also include funding the implementation of work integrated learning (WIL) and lecturer development programmes.

2.2.6. NATIONAL HUMAN RESOURCE DEVELOPMENT STRATEGY (HRD-SA)

The theory of change for the HRDSA is based on a number of assumptions. One of them is that HRD activities within government departments do take place. However, there is a need for the coordination of those activities across government. HRD activities are influenced by a wave of digital transformation across the globe and the public service sector is not exempted from that.

The HRD Strategy has identified five programmes aligned to the national imperatives namely:
*   Programme 1:   Foundation Education with Science, Technology, Engineering, Maths and Languages and Skills
*   Programme 2:   TVET and the rest of the college system
*   Programme 3:   Higher Education and Training, Research and Innovation
*   Programme 4:   Skills for the transformed society and the economy
*   Programme 5:   Developmental/Capable state

HRD issues cut across the implementation forum in which PSETA is part of and it requires collective engagement of all departments involved. PSETA together with DPSA can monitor the extent to which HRD targets are met by departments. PSETA is directly involved in Programme 2, 3, 4 and 5.

2.2.7. THE NATIONAL SKILLS DEVELOPMENT PLAN (NSDP) 2030

The NSDP, which comes in effect from 01 April 2020, follows from the previous National Strategy (NSDS III) to be achieved mainly by SETAs in collaboration with the DHET, TVET colleges, CETs, universities and the National Skills Fund (NSF). The NDSP is set within the broader policy framework of the NDP.

Ensuring an accountable and responsive post-school education and training system which addresses the needs of the economy and the broader developmental objectives of the country is the overarching focus of the NSDP.

Linking education and the workplace, improving the skills level of the workforce and ensuring the production of sufficient artisans to support the technical skills requirements of the country, all continue from the previous NSDS and find further emphasis in the NSDP.

PSETA has aligned its strategy to achieve the following outcomes of the NSDP by 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.

The NSDP 8 outcomes are:

NATIONAL SKILLS DEVELOPMENT PLAN OUTCOMES	
▪ **Outcome 1**	Identify and increase production of occupations in high demand
▪ **Outcome 2**	Linking education and the workplace
▪ **Outcome 3**	Improving the level of skills in the South African workforce
▪ **Outcome 4**	Increase access to occupationally directed programmes
▪ **Outcome 5**	Support the growth of the public college institutional type as a key provider of skills required for socio-economic development
▪ **Outcome 6**	Skills development support for entrepreneurship and cooperative development
▪ **Outcome 7**	Encourage and support worker-initiated training
▪ **Outcome 8**	Support career development services

2.2.8. DISASTER MANAGEMENT ACT: AMENDMENT OF REGULATIONS (2020)

The Disaster Management Act Amendment of Regulations provides direction on the management of the Covid-19 pandemic, and this has a direct implication on the implementation of interventions and programmes offered by the PSET sector and the workplace. The PSETA will partner with key departments at the forefront of containing Covid-19 and will continue to support advocacy sessions and capacity building needs by departments.

2.2.9 ECONOMIC RECOVERY AND RECONSTRUCTION PLAN - SKILLS STRATEGY

The Economic Recovery and Reconstruction Plan (ERRP) seeks to actively change the economy towards positive 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 pro-grammes 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 pre-serve 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

2.3. OTHER POLICY MANDATES

2.3.1. PUBLIC SERVICE HUMAN RESOURCE DEVELOPMENT STRATEGIC FRAMEWORK (PS-HRDSF)

The Strategic Framework for the development of human resources in the public service is a sub-sys-tem of a larger human resource development framework which addresses the focused demand for human resource development in the public service. The PS-HRDSF Vision 2015 rests on four distinct pillars relating to:

1. Capacity development
2. Organisational support systems
3. Governance and institutional development
4. Economic and growth development

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 on a consistent, predictable and reliable basis.

2.3.2. SECTOR SKILLS PLAN (SSP)

In line with section (10) of the SDA, a SETA must develop, implement and annually update an 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 monitoring of skills development provision in the sector. The PSETA SSP has identified the following four strategic focus priorities for the PSETA which will be delivered through relevant programmes:
- Priority 1: Establish strategic partnerships with key stakeholders
- Priority 2: Increased research and impact assessment of programmes
- Priority 3: Strengthen capacity of public institutions and provision of occupational qualifications
- Priority 4: Implement workplace-based learning programmes in building the workplace into a training space

3. INSTITUTIONAL POLICIES AND STRATEGIES

The PSETA's strategic direction is informed and aligned to relevant legislation and policy mandates. The PSETA in the next five years will be guided by various policies and strategies, including but not limited by the following:

- NDP: The NDP offers a long-term vision of the country. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.
- MTSF: MTSF is a high-level strategic document to guide the five-year implementation and monitoring of the NDP 2030. In line with 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.
- NSDP: with the vision of "an educated, skilled and capable workforce for South Africa", the PSETA strategic focus areas and skills priority areas are aligned with the NSDP outcomes.
- ERRP: actively change the economy towards positive growth, and this requires an active and immediate adaptation by parts of the post school education and training (PSET) system – the Skills Strategy
- White Paper on PSET: the NSDP will be implemented within the context of an integrated and dif ferentiated PSET.
- Public Service Human Resource Development Strategic Framework: Its intent is to create an integrated strategic approach to human resource planning to achieve departmental strategic objectives and the government program of action.
- Public Finance Financial Management Act (PFMA): The Act is part of a broader strategy on improving financial management in the public sector to ensure that all revenue, expenditure, assets and liabilities of that government are managed efficiently and effectively.

ALIGNMENT TO THE STRATEGIC OUTCOMES OF DHET

DHET STRATEGIC OUTCOMES	PSETA SP AND APP ALIGNMENT
Expanded access to PSET opportunities To provide diverse students population with access to a comprehensive and multifaceted range of PSET opportunities	Increased pool of skills into and within the-public service sector - learning programmes and special projects
Improved efficientcy and success of the PSET system To improve efficiency and success of the PSET system	Increased pool of skills into and within the public service sector

Improved quality of PSET provision	Quality learning interventions in the public service sector - capacity
To build the capacity of PSET institutions to provide quality education and training	
A responsive PSET system	Quality learning interventions in the public service sector
To provide qualifications programmes and curricula that are responsive to the needs of the world of work, society and students	
Excellent business operations within DHET	Enhanced PSETA capabilities to deliver its strategy
To ensure sound service delivery management and effective resource management within the department	

PSETA RESPONSE TO NSDP OUTCOMES

The NSDP outcomes (in the table below) linked to the skills priority actions identified in the SSP, guided the formulation of the performance matrices for the PSETA programmes.

NSDP Outcomes	NSDP Outcome Description	PSETA Outcomes	PSETA Impact Statement
Outcome 1	Identify and increase production of occupations in high demand	Increased pool of skills into and within the public service sector	To contribute towards sufficient technical and professional skills in the public service sector
Outcome 2:	Linking education and the workplace	Increased pool of skills into and within the public service sector	
Outcome 3:	Improving the level of skills in the South African workforce	Provided learning interventions in the public service sector	
Outcome 4:	Increase access to occupationally directed programmes	Increased pool of skills into and within the public service sector	
Outcome 5:	Support the growth of the public colleges and institutional type as a key provider of skills required for socio economic development	Provided learning interventions in the public service sector.	
Outcome 6:	Skills development support for entrepreneurship and cooperative development	Increased pool of skills into and within the public service sector	

NSDP Outcomes	NSDP Outcome Description	PSETA Outcomes	PSETA Impact Statement
Outcome 7:	Encourage and support worker-initiated training	Improved credible research for skills planning	
Outcome 8:	Support career development	Increased pool of skills into and within the public service sector	
Internal Outcome	N/A	Enhanced PSETA capabilities to deliver its strategy	

PSETA'S SKILLS DEVELOPMENT LEVY

PSETA's operations are mainly funded through a budget 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 in a position to meet the needs and expectations of its stakeholders. This is due to government departments being exempted from contributing the 1% of the Skills Development Levy to the PSETA.

The overall budget is expected to decrease at an average of 1% during the Medium-Term Expenditure Framework (MTEF) period to an amount of R133 million in 2023/24 financial year.

4.   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 2023/2024 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

5. VISION

To be the heart of developing skilled, capable and innovative public sector workforce.

6. MISSION

To facilitate the delivery of a capable, ethical and developmental public service sector workforce through:

- researching skills demand and supply in the sector;
- effective delivery of skills development interventions based on occumationally directed qualifications;
- monitoring, evaluation and reporting of the implementation of education, training and skills development in the sector; and
- a capable institution

7. VALUES

- Honesty and Integrity
- Accountability
- Service excellence
- Fairness and transparency

8.   SITUATIONAL ANALYSIS

8.1. 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 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.

The PSETA sector encompasses approximately 831 538 employees (PSETA Sector Skills Plan, 2022), comprised of employees employed under the Public Service Act and 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). Of this total, provincial departments employ approximately 64%, followed by national departments with approximately 21%, the Legislative sub-sector comprise a significantly smaller proportion of 5%, while PSETA registered public entities account for 10% of employees in the sector. Currently there are 38 national departments and 109 provincial departments registered with PSETA; of these departments a total of 33 national and 103 provincial departments have submitted their Workplace Skills Plan (WSP) and Annual Training Reports (ATR) to the PSETA in 2022. Based on the PSETA 2022 WSP data, in terms of occupational categories, most employees (38.60%) are within the Professional workers major group followed by Technicians and Associate Professionals at 17.83% of employees and Clerical Support workers constituting 14.75% of the sector. Managers make up 10.20% of the employees at Senior Management Service (SMS) level within the Public Service sector. Demographic data on gender distribution in the Public Service Sector has remained constant over the past few years, with more women (approximately 60%) employed than men across the sector. The proportion of disabled people employed in the sector remains low at approximately 1.04%. Employment in the sector has remained constant despite the impact of the Covid-19 pandemic. The likely impact of budget reductions at national and provincial government departments may be seen within recruitment; with a reduction or constancy in head counts in the Public Service. It is expected that job prospects in the Public Service sector will likely be negatively affected.

An analysis of the external environment was conducted using the PESTEL tool to analyse and monitor the macro-environmental factors that have a profound impact on PSETA. South Africa is still experiencing the lingering aftereffects of the Covid-19 pandemic which exacerbated the already weak economic growth and further strained the national budget. Government has responded by declaring a national state of disaster, a national lockdown supported by a risk-based strategy and a R500-billion relief package. More is being done to stabilise the environment and to plan for recovery. This will also require building the capability of the State to improve delivery. Improved coordination, integrated planning and efficiency of delivery is required to ensure medium- to long-term recovery and inclusive development.

	POLITICAL		ECONOMIC
POLITICAL	• Leveraging government commitment to achieve NDP goals • High government expenditure • The risk of loss of skills and institutional memory in the public service sector pending the implementation of early retirement packages. • The 10-year SETA landscape horizon - NSDP 2030 creates stability in policy implementation. • National Macro Organisation of Government	**ECONOMIC**	• Slow economic growth and looming recession. • Stretched fiscus leading to reduction in training budget in the public service sector • SMME's and Co-operatives as engines for economic growth • Disparities of economic opportunities between rural and urban areas
SOCIAL	• High levels of poverty • High crime levels • High structural unemployment and youth unemployment • Significant disparities between rural and urban areas • Improved transformation interventions in the public sector • Service delivery protests • Rural urban migration leading to skills imbalances	**TECHNOLOGY**	• Shift towards E- learning, multimedia and technology-based learning and teaching platforms • Poor access to technology by rural areas • Leveraging on opportunities offered by 4IR • Up-skilling and re-skilling arising from 4IR requirements • Lack of infrastructure to support 4IR and ICT
ENVIRONMENT	• Focus on clean environment and green economy opportunities for research and awareness programmes • Climate change and the new set of skills requirements, including raising awareness.	**LEGAL**	• POPI and Cyber Crime Bill • BBB-EE • SETA Grant Regulations • NQF Amendment Act. • Application of regulations in the sector e.g., Public Service Regulations and Directives

The performance and well-being of the Public Service sector is intrinsically linked to the performance of the country's economy. The country's fiscal position remains weak, the economic outlook for the Public Service sector looks bleak with the risk of higher-than-budgeted public-service wages, demands for additional funding from financially distressed state-owned companies, and calls for permanent increases in spending that exceed available resources. Rating downgrades and currency weakness prior to the Covid-19 pandemic began have further increased the cost of government borrowing.

In efforts to address low confidence and constrained investment in the country, government has introduced the Economic Reconstruction and Recovery Plan (ERRP) which includes 10 interventions to restore the economy while controlling the Covid 19 related health risks; with the main goal of building a

sustainable, resilient and inclusive economy. The mass public employment intervention directly talks to the PSETA space with creation of public employment programmes having a potential of not only creating jobs for people where they live, but also to help in meeting community needs in areas such as infrastructure maintenance and the care economy. Strengthening the capacity of the State to ensure successful implementation of the ERRP requires a capable, ethical, professional, and developmental state with the capacity to plan and to implement in a coherent and integrated manner across the three spheres of government. Accordingly, strengthening the capacity of the state is among the priority areas of focus across PSETA programmes. As part of strengthening the capacity of the state, government will, overtime, expand dedicated capacity in project preparation, project implementation and execution of infrastructure and high impact capital projects. This will include strengthening partnerships with the private sector.

A comparison of the sector growth rate trends in terms of industry value shows that performance of the General Government Services sector against other sectors of the economy performed poorly and contracted by 1.1% due to governments attempts in containing the pandemic and measures to curb the spread of the virus that damaged the economy during the full lockdown. Government has undertaken to manage the growth in Public Service compensation over the medium term. Initiatives to manage government spending include consideration of early retirement, changes to performance bonus payments, salary progression payments, and active management of overtime. The likely impact of the budget reductions for National and Provincial Government departments may be seen within recruitment as a reduced or consistent headcount in the Public Service. It is expected that job prospects in the Public Service Sector will likely be negatively affected by this move. Other negative consequences may be seen with budget cuts to the 1% training budget allocated for training by National and Provincial Departments. The budget cuts reflect the vulnerability of the Public Service sector to South Africa's economic performance and shocks. It is likely that a trickledown effect will lead to the low absorption of new personnel to the Public Service sector and cuts in departmental budgets allocated for training of employees. However, with targeted measures such as early retirement, replacement demand, i.e. the jobs resulting from the departure of employees that have to be filled by existing or new employees will need to be seriously considered for their relative impact on skills and competency requirements to effectively deliver public services.

Some of the key factors in the public service sector that impact PSETA's strategic focus include:

a)   The National Macro Organisation of Government has resulted in several departments being merged or reconfigured. The restructured departments are aligned with the strategic priorities, and some core functions will be moved to departments that are more appropriately aligned to their delivery mechanisms. The reconfiguration has provincial impacts as well, given the alignment of powers and functions. This will require re-skilling and up-skilling of the affected public servants.

b)   Notably, the evolution of the Fourth Industrial Revolution (4IR) has a profound effect on the public service sector and has thus been identified as a key change driver which is impacting skills demand and supply in the sector. Information and communications technology (ICT) advances impact the nature of work profoundly by shaping the types of skills required, and the modes of service delivery

in the public service sector. The digitisation of the public service sector marks a shift from physical technologies towards adaptive social technologies to create a favourable environment as a critical success factor in this era. To this end, the ongoing research priority areas for the PSETA are understanding the impact of 4IR on the public service sector as well as the role of the PSET Sector in 4IR. PSETA has established a research partnership with the Tshwane University of Technology focused on ICT skills and Future of Work in this regard.

c)   Based on the increased use and accessibility to ICT systems and platforms in the public service sector, the opportunity for the utilisation of technology enabled learning platforms to build greater efficiencies in the delivery of training is crucial. Over the short-term, PSETA has developed a policy framework to quality assure e-learning to provide a platform for the sector to use this mode of delivery and assessment. This ties in with the use of technologies to enhance the learning environment and promote access to learning opportunities.

d)   The emergence of a global pandemic has impacted the supply-side of the PSETA and skills development providers (SDPs) are forced to revert to online and e-learning platforms. In order to remain relevant and respond appropriately to the sector skills challenges, SDPs will need to embrace technology and blended learning approaches. Emerging technologies including 4IR has been identified as a key change driver which impacts skills demand and supply in the sector. Information and Communications Technology (ICT) advances impact the nature of work profoundly by shaping the types of skills required, and the modes of service delivery in the Public Service. 4IR has enhanced digitalisation, big data, artificial intelligence, online platforms and the Internet of Things which are some of the major drivers of skills change in the Public Service. 4IR provides the opportunity for greater government efficiency and effectiveness in providing services to its citizens. The digitisation of the Public Service sector through e-government forms part of the move towards improved ICT systems within the sector. Remote working and learning during a time of lockdown has shown that access to technology is more than a choice, it is a necessity. Training plans and priorities will need to be directed to addressing the impact of Covid-19 in the workplace for the immediate future. Furthermore, key findings from the study PSETA conducted on Emerging Technologies in the Public service showed that the Covid-19 pandemic has exposed weaknesses within business continuity models with wide-ranging disparities across provinces, especially for those that had previous socio-economic issues (rural provinces).

e)   PSETA's delegated functions from the QCTO will continue for the foreseeable future, and PSETA will work closely with QCTO in the areas of qualification development, assessment, accreditation, certification, and monitoring of skills development providers (SDPs). Processes within PSETA are reviewed and aligned to QCTO requirements. Over the short term, increased focus and resources will be invested in realigning historically registered qualifications, developing learning material and facilitating accreditation of SDPs on occupational qualifications. The PSETA and QCTO has signed a service level agreement (SLA), effective from 01 April 2020, which will detail the PSETA's commitments to specific areas in terms of the delegated functions.

PSETA will continue its focus on pursuing collaborative projects aimed at benefitting women, youth and persons with disabilities in the 2023/24 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 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. 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.

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 DPSA 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. This partnership has delivered key training interventions on Covid-19 awareness in the workplace and a Skills Programme on Conflict Management and Ethics for public service officials. PSETA has further formalised partnerships with NEHAWU and PSA and has funded identified learning programmes. PSETA's strategy to delivery against the NSDP outcome of worker-initiated training is 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" (DPSA/HRDC, 2013).
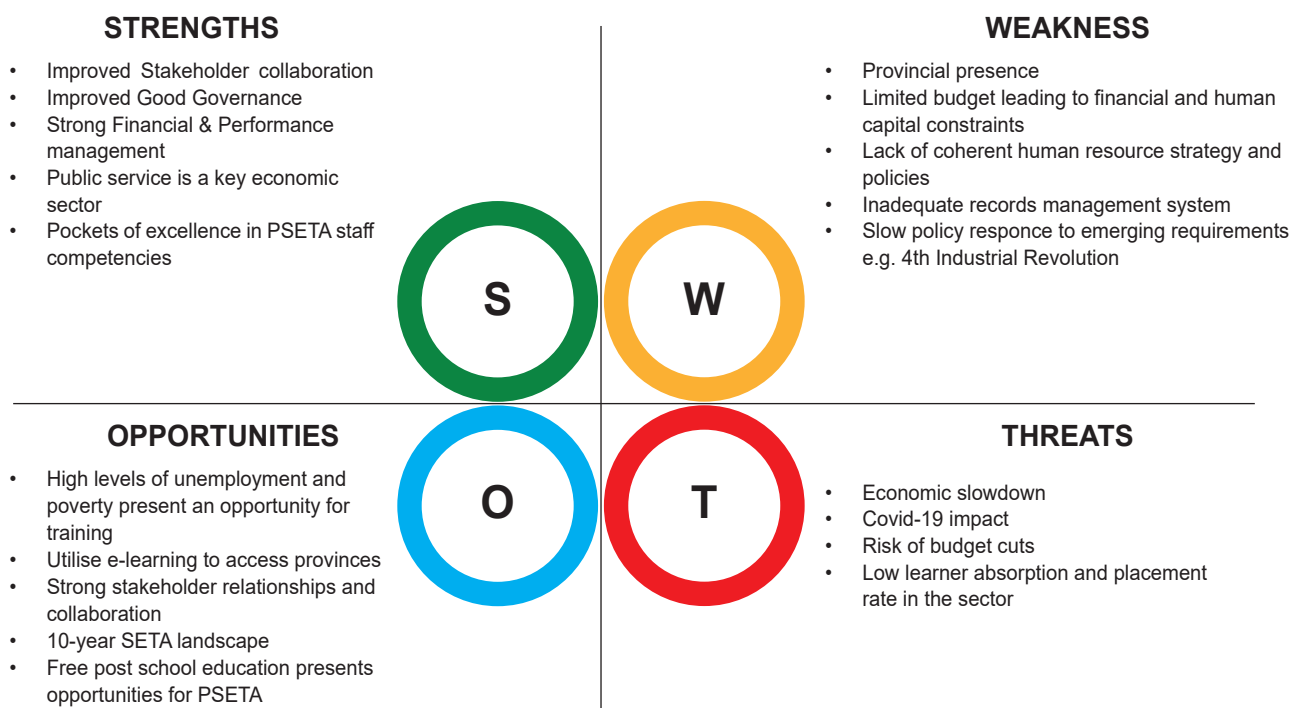
Accordingly, the analysis of key drivers of change, as well as the direction of national strategies and plans impacting on skills demand and supply, form the basis for the identification of sectoral priority occupations and skills. Current labour market shortages and skills gaps across organisations 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.

PSETA will further integrate new legislative requirements into the design of its control mechanisms and align its programmes accordingly. PSETA's information systems will be reviewed, and a compliance process will be initiated to embrace good governance and compliance in areas such as POPI, NQF Act, BBB-EE, ICT governance framework. The entity will strive to enable online access to its stakeholders in the areas of application submission, learner registration and reporting.

8.2. INTERNAL ENVIRONMENT ANALYSIS

PSETA will review and align its structure, processes, systems and policies to the ever-changing business environment by responding to policy directives and interventions arising from its SWOT analysis depicted below.

STRENGTHS

- Improved Stakeholder collaboration
- Improved Good Governance
- Strong Financial & Performance management
- Public service is a key economic sector
- Pockets of excellence in PSETA staff competencies

S

WEAKNESS

- Provincial presence
- Limited budget leading to financial and human capital constraints
- Lack of coherent human resource strategy and policies
- Inadequate records management system
- Slow policy responce to emerging requirements e.g. 4th Industrial Revolution

W

OPPORTUNITIES

- High levels of unemployment and poverty present an opportunity for training
- Utilise e-learning to access provinces
- Strong stakeholder relationships and collaboration
- 10-year SETA landscape
- Free post school education presents opportunities for PSETA

O

THREATS

- Economic slowdown
- Covid-19 impact
- Risk of budget cuts
- Low learner absorption and placement rate in the sector

T

One of the main challenges that continues to impact PSETA is its funding model. PSETA shares responsibility for skills development in the public service with the sector as the sector is expected to spend one percent (1%) of their wage bill towards skills development and has thus been exempted from paying the skills development levy to the PSETA.

PSETA's operations are mainly funded through a budget vote from the National Treasury through DHET. PSETA has limited budget. As a result, it is not able to meet the needs and expectations of all its stakeholders. PSETA's budgetary constraints has been identified as one of the key risks that has an impact on PSETA achieving its mandate. The overall budget is expected to increase at an average of 3% during the MTEF period to an amount of R136 million in the 2024/25 financial year. PSETA noted the requirement for zero-based budgeting as presented by the Minister of Finance and has implemented this approach as far as possible.

The HR structure has been revisited to be capacitated and aligned to deliver on the mandate of the organisation. A knowledgeable and skilled HR team is essential to bring the notion of "Performance with Purpose" in the organisation and to reposition PSETA to be an employer of choice.

PSETA has a recognition agreement with the Union (NEHAWU). Furthermore, it is imperative to prioritise the capacity building of line managers in terms of labour relations processes and how to handle discipline management, performance and grievance matters.

The PSETA business model has been developed to specifically leverage PSETA strengths to fulfil its vision and mission. This business model has been implemented from the 2021/22 period and will enhance the ongoing streamlining of operations, improve PSETA's service to the public service sector and enhance the performance of the organisation. The business model has necessitated ongoing reorganisation of functions within the organisation and stimulate innovation in ways the entity does its business.

The PSETA thrives to be compliant to the B-BBEE Act and has been assessed as a Grade B, Level 7 Contributor. The PSETA is committed to improving its assessment rating by ensuring that:
1. the employment equity plan is drafted to ensure transformation imperatives are prioritised and the plan is adhered to;
2. procurement processes are refined to ensure that service providers of the highest level of BBBEE compliance are appointed as far as possible and
3. access to skills development opportunities including training for the previously disadvantaged are increased.

The lack of an integrated ICT system and coherent business processes has been identified as a weakness and these is currently has been addressed through the reengineering of the business processes. The project of mapping and streamlining of business processes was completed in May 2020. PSETA is currently busy with the development of an integrated ICT system to drive significant efficiencies; facilitate insight-driven decision making; increase openness and transparency between PSETA and the public; and will provide a much higher user experience and quality of service for citizens, service providers and the sector.

The PSETA further needs to build capacity on records management where ICT plays a huge role in terms of electronic recordkeeping.

Realigning human resources to operational requirements is an ongoing strategic activity. Going forward, more impetus will be placed on this function to deliver on the outcome of enhanced PSETA capabilities to deliver its strategy.

The PSETA's strategic intent and the organisational requirements will be translated into an HR strategy that will ensure a workforce that is relevant, reliable and responsive to change. A strategic workforce plan will address the composition, capabilities and competence of the PSETA workforce of the future, ensuring the achievement of the PSETA vision, 'to be the heart of developing a skilled, capable and innovative public sector workforce'.

The intention of the HR value chain is to support the employee work–life cycle within the context of PSETA.

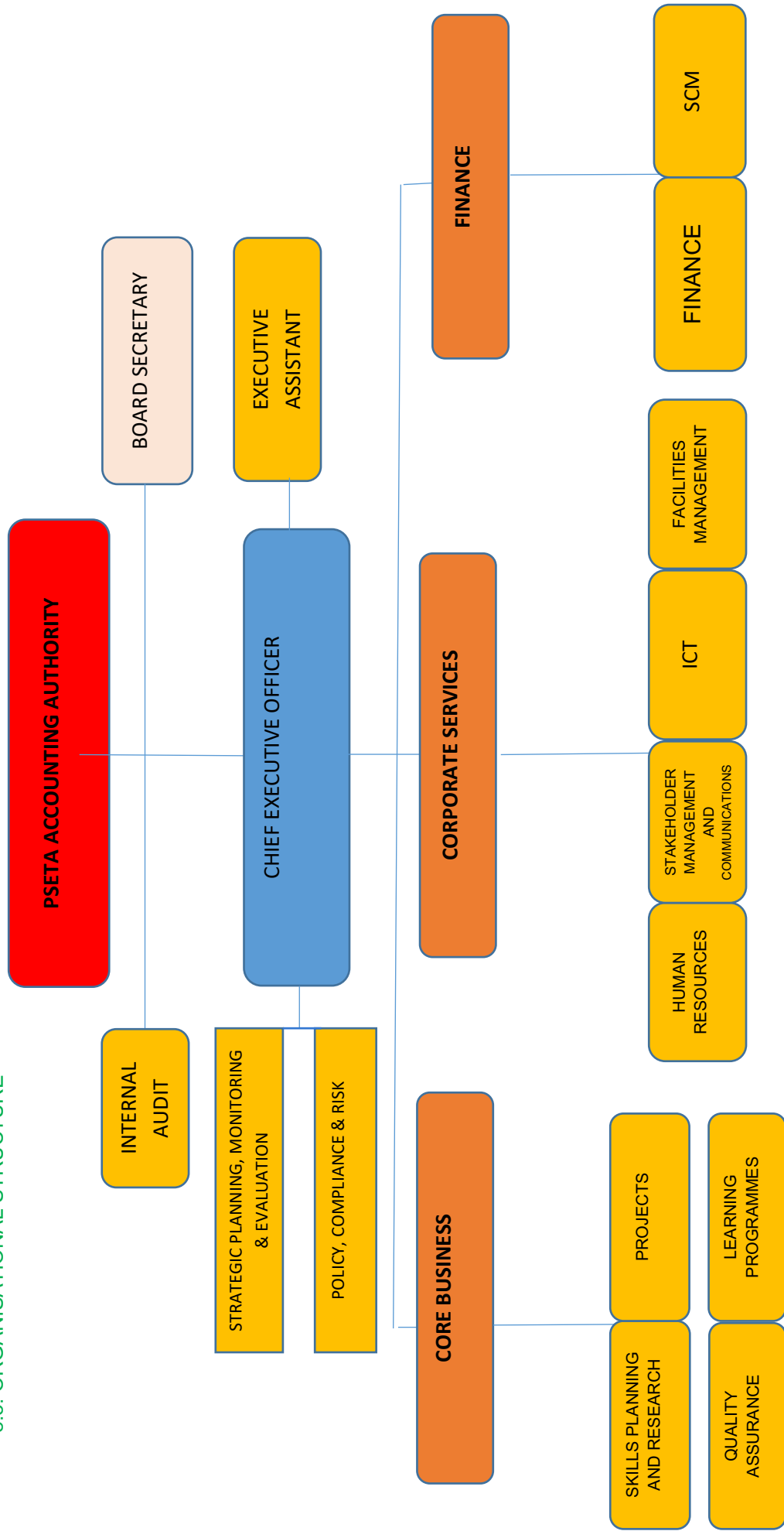| Attraction | Appointment | Development and Wellness | Performance and career progression | Reward and Recognition |

The HR offering will ensure that the organisation's capability and skills are developed in line with best practice and the requirements of the PSETA strategy and the future workplace – especially with particular reference to the envisaged future expansion in relation to the business operating model.

Regional and provincial presence remain a challenge. For PSETA to build a capable delivery machinery, it is important that it assesses its geographical footprint and seeks ways to build such capacity as required. In this regard, PSETA's business operating model shall be updated to reflect the ways in which PSETA will build this capacity in the medium-term planning process. This should consider the future world of work of supporting provinces without setting up physical offices.

The above realignment will enable PSETA to articulate clear accountability and responsibilities and will ultimately assist the SETA in delivering on its mandate

8.3. ORGANISATIONAL STRUCTURE

PSETA ACCOUNTING AUTHORITY

BOARD SECRETARY

CHIEF EXECUTIVE OFFICER

EXECUTIVE ASSISTANT

INTERNAL AUDIT

STRATEGIC PLANNING, MONITORING & EVALUATION

POLICY, COMPLIANCE & RISK

CORPORATE SERVICES

HUMAN RESOURCES

STAKEHOLDER MANAGEMENT AND COMMUNICATIONS

ICT

FACILITIES MANAGEMENT

FINANCE

FINANCE

SCM

CORE BUSINESS

SKILLS PLANNING AND RESEARCH

PROJECTS

QUALITY ASSURANCE

LEARNING PROGRAMMES

PART C: MEASURING OUR PERFORMANCE

9. INSTITUTIONAL PERFORMANCE INFORMATION

9.1. PSETA THEORY OF CHANGE (TOC)

NSDP 2030 vision: *"An educated, skilled and capable workforce for South Africa"*

The PSETA Strategic Plan is the product of interactions with its Accounting Authority, input from management and staff, research results in the Sector Skills Plan and a robust debate throughout the entity that culminated in the revised vision and mission statement.

Having reviewed the entity's mandate and progress made over the past five-year strategic period 2015-2019, the TOC begins with a problem statement:

"There is a definite lack of and shortage of technical and professional skills to address service delivery in the public service sector."

There is consensus that the problem statement is indeed within PSETA's influence and subsequently, a theory of change process starts with the identification of the desired impact. This is important to be specific to assist with the future planning of the entity.

The statement was coined to describe the horizon of the organisation. This is the direction in which PSETA will be working towards in the next 5 to 10 years and will define its success. It is crucial to articulate what change is required and what the PSETA expects from its investment in the institutional strategies, given the current situation.

PSETA's long term impact statement, which describes PSETA's desired future and horizon is indicated as follows:

"An educated, skilled and capable workforce for South Africa"

How will PSETA know whether it has achieved its desired result? The answer to this question becomes the medium-term Impact Indicator. This is specified as:

"To contribute towards sufficient technical and professional skills in the public service sector" and the indicator will be to contribute to public service sector that delivers on its mandate

PSETA will strive to achieve an outcome that contribute towards enhancing technical and professional skills in the public service sector in the short to midterm to sufficient technical and professional skills.

Having identified the long-term impact, we worked backwards to identify outcomes, outputs, and inputs through an interactive process of brainstorming. The long-term impact statement is designed from the vision of the NSDP 2030 which is to ensure that by 2030, South Africa has an educated, skilled, and capable workforce. By pursuing the above three goals, the vision of the NSDP 2030 will be achieved, namely: "An educated, skilled and capable workforce for South Africa"

Theory of Change Assumptions (TOC)

In addition to the vision of the NSDP 2030, the following is a list of cross-cutting issues that need to be considered in addition to, or in conjunction with, the above TOC:
1. The strategy will achieve fundamental transformation and address historical inequities linked to race, gender, age, and disabilities in our society and will enable previously disadvantaged people, through skills development, to gain access to opportunities.
2. The assumption that the importance of training to enable workers to avoid retrenchment and adapt to change will be implemented across the public service; will address rural skills needs and not focus all training within towns and urban areas.
3. The assumption underpinning these commitments is that there will be improved coordination across and between governments departments to ensure that skills development and other interventions support each other to achieve wider goals.
4. The PSETA has in place an effective policy on managing organisational performance.

The above assumptions will need to be tested and measured as part of the evaluation.

9.2. PROGRAMME 1: ADMINISTRATION

Programme purpose: To provide the support services and governance needed by PSETA to fulfil its core mandate.

This programme is comprised of three sub-programmes:
1. Governance
2. Finance and Supply Chain Management
3. Corporate Services

The purpose 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 and reporting in compliance with relevant acts and regulations.
Furthermore, the programme works at providing efficient and effective corporate services functions to internal departments, within the PSETA and external stakeholders by providing the following services: human resources, ICT, improved communication, marketing and stakeholder engagements, legal services, and auxiliary services.

Outcome: Enhanced PSETA capabilities to deliver its strategy

PSETA acknowledges that in order to deliver successfully on its mandate, it is required to review the current institutional arrangement. This will include ICT infrastructure and systems to support the organisation to deliver on its mandate. PSETA has undergone an organisational assessment which identified a need to re-organise PSETA to contribute towards building a better skilled and capable workforce.

In view of this assessment, PSETA has adopted an approach of building an organisation premised on the principles of employer of choice. Being an employer of choice means that we:
1.	ensure acquisition, development and retention of human capital to deliver on the mandate;
2.	attract high-level talent and skills for identifying, delivering, monitoring and evaluating the provisioning of quality skills in the public service;
3.	work smart, employing technology as a basis for our work;
4.	have well-designed systems and processes that are integrated for the benefit of our sector patrons and;
5.	have enabling policies that assist in harnessing relations with our employees.

Output: Developed and implemented corporate support strategies and systems that contribute towards the achievement of the organisational mandate

Measuring the impact

Impact Statement	To contribute towards enhanced technical and professional skills in the public service sector
Indicator	To contribute to public service sector that delivers on its mandate

Measuring the outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Enhanced PSETA capabilities to deliver its strategy	Improved operational performance and an unqualified audit opinion annually.	80% achievement of the APP targets and clean audit	100% achievement of the APP targets and clean audit outcome annually.

Programme 1: Administration

PROBLEM STATEMENT: Lack of and shortage of technical and professional skills to address service delivery in the public service sector
Impact Statement: To contribute towards sufficient technical and professional skills in the public service sector
Impact Indicator: To contribute to a public service sector that delivers on its mandate

PROGRAMME 1: ADMINISTRATION: This programme is comprised of three sub-programmes:

- Governance;
- Finance and Supply Chain Management; and
- Corporate Services

The purpose 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 and reporting in compliance with relevant acts and regulations.

Furthermore, the programme ensures efficient and effective corporate services functions by providing the following services: human resources, ICT, communication, marketing and stakeholder engagements, legal services, and auxiliary services.

Outcomes	Enhanced PSETA capabilities to deliver its strategy
Outcome Indicator	PSETA receives a clean audit outcome annually
Outputs	• Report on the implementation of planned training initiatives • Report on the implementation of the stakeholder management and communication plan • Career guidance advocacy sessions • Percentage of the availability of ITC Systems • Valid Invoices paid within 30 days of receipt
Output Indicators	• Percentage of planned training interventions implemented • Percentage of the stakeholder management and communication plan implemented • Number of career guidance advocacy sessions • Percentage of the availability of ICT Systems • Valid invoices paid within 30 days of receipt

Planned performance over the five-year planning period

The planned performance over the next five years is as follows:

1. In order to implement agile, effective and efficient processes and operations to ensure stakeholder objectives are achieved, the PSETA requires effective, efficient and transparent financial management and internal controls. This requires improvement on the financial and non-financial reporting to equip those that are entrusted with decision-making to ensure that public funds are utilised effectively for the betterment of public sector skills. Further, this will build public confidence as the public resources are used in a transparent and effective manner. The entity will allocate funds where there is a need to redress the imbalances of the past.

2. As discussed in the internal environment analysis, one of the key challenges of the PSETA is its funding model. To ensure that the goal of a skilled and capable public service sector is realised, the funding model of the PSETA will be reviewed and, if needed, be revised to enable the entity to

make a substantial impact in the sector. The DHET, DPSA and National Treasury will be consulted as soon as the draft document has been developed.

3. As per the government call to promote BBB-EE compliant service providers, the entity will give preference in bidding and awarding of tenders to the previously disadvantaged group. This will empower them, create employment, alleviate poverty and enhance the economy. The entity will comply by ensuring that service providers are paid within 30 days as per National Treasury regulations in terms of the PFMA on payment of invoices.

4. PSETA will strive to improve and meet its obligations by complying with the Corporate Governance of Information Communication Technology Policy Framework (CGICT) as developed by DPSA. To ensure alignment with the DPSA Policy Framework, PSETA ICT Strategy has been developed and will focus on the identification of the complete ICT requirements of the organisation, these being:

a. Coordination of ICT use
b. Support and Maintenance of the ICT infrastructure
c. Consideration of future ICT developments
d. Ensuring that the PSETA keeps abreast with technology and utilises it efficiently and effectively
e. ICT Communication requirements

5. In summary, the ICT strategy pillars are aligned to the Cobit Framework and at the centre are business requirements, IT resources, and enterprise information. This will strengthen internal processes such as supply chain management, management and use of information technology. This will impact on effective and efficient governance, quality and value for money, as well as trust between government and its citizens which impacts positively on service delivery.

6. PSETA commissioned an organisational development and design in 2018, with the objective of aligning the structure to the implementation of the strategy. PSETA is planning to consolidate recommendations of the process and align to the proposed business operating model that have been developed to support the new strategy.

7. The objective of the exercise was to develop a structure that is aligned with the new strategy and fit-for-purpose structure that will support the implementation of the mandate. A key objective of human resources management is to ensure talent management, development, and retention of human capital to deliver on the mandate. PSETA aims to do this by attracting and retaining a capable workforce. It aims to recruit the right people for the right jobs. To realise this, an HR strategy, retention strategy and succession plan will be developed. With the implementation of business processes and agile ERP, modernisation of the HR function will be realised. Further, there is a need to strengthen performance management systems to support the PSETA mandate. A recognition programme linked to performance management will be introduced and this should be commensurate to the PSETA remuneration approach. This is to position PSETA as the employer of choice, and to leverage on the expertise of PSETA employees and work collaboratively to achieve the best possible outcomes for the organisation.

8. In addition, PSETA has 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 building the required human capital and critical skills required in the future for the realisation of PSETA's strategy.

Furthermore, PSETA will improve on its gender representation on employees and management positions and employment of persons with disabilities. Women, youth, people with disabilities and people living in rural areas are the most vulnerable groups within society. This transformation agenda will have a positive impact on addressing high unemployment rate, improve skills, alleviate poverty and address gender representation according to the vision of the National Development Plan which is aligned to the targets of the United Nations Sustainable Developmental Goals.

PSETA views employment equity as a strategic function, an employment equity committee (EC) in terms of section 16 of the Employment Equity Act will be established. The PSETA Employment Equity Plan was developed, and it is intended to guide employment equity matters in the organisation. As of 30 June 2021, PSETA had a staff complement of 64 employees and ten vacancies. The current gender split on filled posts is as follows; 34 are females and 20 are males. It should, however, be noted that PSETA is not doing well with the disability target. PSETA will employ interventions and strategies that are aimed at attracting and applicants from this designated group.

Records management is critical to the work of any organisation and with the core function of a SETA specifically, this is a central focus especially for reporting purposes. To ensure an effective and efficient records management system and to secure preservation of an appropriate official records, there will be continuous capacity building in this area.

In as far as records management is concerned, the plan is to design a sustainable records management for the organisation as outlined below:

1. Year 1 (2021/22) – Training of all administrators
2. Year 2 (2022/23) – Development of a records management policy
3. Year 2 (2022/23) – Design of a file plan
4. Year 3 (2022/2024) – Automation of the systems

As part of building institutional capacity, the focus will be on elevating facilities management to a higher level. This will be achieved by ensuring that the organisation provides quality environment and professional services to support and facilitate a conducive work environment. The safety of employees will be taken into consideration and relevant provisions of Occupational Health and Safety Act will be implemented.

Part of building organisational capacity and capability is the increased visibility of PSETA in all provinces and mostly in rural areas. The partnership with TVET colleges and offices of the premiers in all the provinces will be strengthened to ensure visibility in rural areas. The robust roll-out of the PSETA

Integrated Marketing and Communication Strategy will ensure we respond to NSDP Goal 8, 'Support career development services'.

The success Programme 1 over the next five years will be measured in terms of the entity's ability to build organisational capacity that will promote a high-performance organisation and a value-based culture to enable delivery of the PSETA's mandate.

Programme 1: Administration key risks

Outcome	Key Risk	Risk Mitigation
Enhanced PSETA capabilities to deliver its strategy	Failure to achieve SLA targets (quarterly and annually as per APP)	1. Engagement with the strategic partners to formalize partnerships 2. Monitor the MOUs and MOAs with established partnerships 3. Procurement of the Skills Development Providers 4. Engagement with the stakeholders for completion of learning programmes 5. Monitor the legislative requirements for new or amended requirements through Risk and Compliance
	Inability to remain a continuous business in the event of a disaster	1. Finalize plans for an ICT Business recovery site not yet implemented; 2. Perform daily, weekly and monthly backups. 3. Ensure that data is restorable
	Employee exposure to Covid 19 virus	1. Compliance with relevant regulations, employee education and wellness sessions 2. Develop and monitor the implementation of "COVID 19 Return to Work Guideline"
	Cyber Security	1. Firewalls; Intrusion Prevention System; Anti-Virus; email scanner; content filtering 2. Conduct cybersecurity awareness 3. Conduct phishing awareness
	Limited budgetary resources to implement learning interventions	1.PSETA to apply for additional funding to augment the shortfall from NSF through submission of NSF Proposal/application; 2.PSETA to lobby public agencies/entities and departments to voluntarily contribute to PSETA; 3.Prepare business case to National Treasury to motivate for additional

			funding and demonstrate PSETA's capacity to spend such funds; 4. Partnerships and collaborations with key stakeholders within the sector

9.3. PROGRAMME 2: SKILLS PLANNING AND RESEARCH

Programme 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.

Outcome: Improved credible research for skills planning: PSETA's strategic trajectory is premised on the quality and credible information about its 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. Longitudinal studies on the implications of training being provided in the sector will be conducted.

Outputs: To collaborate and conduct labour market research and develop a Sector Skills Plan
To strengthen workplace capabilities in relation to skills planning in the sector

Measuring the Impact

Impact Statement`	To contribute towards enhanced technical and professional skills in the Public Service Sector
Indicator	"To contribute to Public Service Sector that delivers on its mandate"

Measuring the Outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Improved credible research for skills planning	Number of skills planning, and research initiatives implemented annually	• 52 skills planning and research outputs • 100% achievement of capacity building sessions	• 30 skills planning and research initiatives • 100% achievement of capacity building sessions

PROBLEM STATEMENT: Lack of and shortage of technical and professional skills to address service delivery in the Public Service sector
Impact Statement: To contribute towards sufficient technical and professional skills in the Public Service Sector
Impact Indicator: To contribute to a Public Service Sector that delivers on its mandate
PROGRAMME 2: 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. 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.

Outcome	Improved credible research for skills planning
Outcome Indicator	Number of skills planning, and research initiatives implemented annually
Outputs	Labour market research reports Workplace skills planning initiatives for the sector
Output Indicators	• Number of labour market related research studies conducted • Number of organisations' Workplace Skills Plans approved by PSETA • Number of workplace engagements related to labour market trends and skills planning interventions

Planned performance over the five-year planning period:

Research is a key component in providing evidence to inform decision making, policy review and strategy formulation and to improve upon systems and services within the SETA. An improved institutional mechanism ensures that interventions implemented by the PSETA firstly identify the occupations in high demand and priority skills relevant to the Public Service sector and, secondly inform resource allocation for interventions to address these needs. In line with the NDP and NSDP, PSETA will continue to pursue various skills planning and research initiatives in order to ensure that credible labour market information is available to inform sector skills planning. The starting point of the NSDP is the understanding and determination of the demands of the labour market, as well as national priorities, which are translated into interventions from education and training institutions.

The PSETA's Research Agenda is informed by a number of national priorities which respond to the skills needs of the Public Service sector. The White Paper for Post School Education and Training (DHET, 2013) asserts that "if the provision of education and training is to be better coordinated with the needs of society and the economy, central information about skills needs is required". In line

with this assertion, the recently promulgated NSDP 2030 identified research and innovation as a key component of the NSDP. Therefore, identifying current and future skills demand as accurately as possible is extremely important if the goals of the NDP are to be achieved within the Public Service and South Africa as a whole. The PSETA Research Agenda has identified five broad focus areas derived from, inter alia, the White Paper on Post School Education and Training, the DHET Research Agenda, the Public Service Human Resource Development Strategic Framework, the NSDP 2030 and other key skills development and human resource development policy imperatives. These focus areas are:

1. Education and the Workplace;
2. Analysis of Skills Demand and Supply;
3. Cross-Cutting and Sector Specific Issues;
4. Curriculum, Programmes and Qualifications; and
5. The National Qualifications Framework, Quality Councils and Articulation.

An ongoing research priority area for the PSETA over the next five years is understanding the impact of 4IR in the Public Service sector as well as the role of the Post-School Education and Training Sector in 4IR. Given the increasing role of ICT in the Public Service sector and the disruptions that will be brought about by 4IR, PSETA needs to be responsive and plan for the future world of work. The outcomes of the research conducted will be shared with the DPSA and other key stakeholders to ensure that employees are capacitated. Up-skilling and re-skilling are two important concepts that form part of preparing an employee to adapt to the changing working environment. A key part of the PSETA's work involves sector skills planning research to ensure that public investments in skills development resonates with the needs of the respective constituencies and our government's key economic and social priorities.

In accordance with Section (10) of the SDA, PSETA will continue to develop, annually update and implement an SSP to inform supply-side planning, to determine funding priorities for PSETA, to inform the allocation of resources to develop qualifications and learning programmes, to establish occupation-specific skills priorities for the sector and to monitor skills development provision in the sector.

In order to achieve the five year target set above, PSETA will engage in research partnerships with Higher Education and Research Institutions or Organisations, and also continue working closely with the DPSA to conduct and coordinate research to inform the strategic skills development priorities for the sector.

Programme 2: Skills Planning and Research Key Risks

Outcome	Key Risk	Risk Mitigation
Improved credible research for skills planning	Lack of streamlined and coordinated skills planning mechanism for the sector	a) Research Agenda updated annually in consultation with core business and

Outcome	Key Risk	Risk Mitigation
		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 utilize the system to enhance the SPR processes.
	Challenging environment within which to conduct research	a) Stakeholder support and capacity building sessions on the WSP. b) WSP online submission system opened early c) WSP Policy and SOP d) WSP Policy posted on the PSETA website e) System User Manual
	Inadequate use of research recommendations to inform future or strategic decisions	a) Impact assessment studies on PSETA and sector funded programmes. b) Participation in provincial forums and quarterly workshops. c) PSETA research colloquium d) Research dissemination (Wits Research partnership)

9.4. PROGRAMME 3: LEARNING PROGRAMMES AND PROJECTS

Programme purpose: The purpose of this programme is to facilitate and manage the implementation of learning programmes for and within the public service sector, as per the NSDP goals. This programme includes special projects (including partnerships) and the monitoring, evaluation and reporting of learning interventions.

Outcome: Increased pool of skills into and within the Public Service Sector: This outcome is to focus training interventions for existing and future employees on priority skills required to deliver the NDP; and to bridge unemployed graduates and learners into internship and placement opportunities in the Public Service. The overarching goal aims to open up the Public Service as a training space and to encourage workplace learning and work integrated learning. It will increase access to occupationally directed programmes; encourage better use of workplace-based skills development and build career and vocational guidance.

Outputs: To implement programmes that address skills identified in the SSP and occupationally directed programmes

Measuring the Impact

Impact Statement	To contribute towards enhanced technical and professional skills in the Public Service Sector
Indicator	"to contribute to Public Service Sector that delivers on its mandate"

Measuring the Outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Increased pool of skills into and within the Public Service Sector	Percentage of sectoral priority occupations identified in the SSP addressed through implementing relevant programmes	50%	70%

Impact Statement: To contribute towards sufficient technical and professional skills in the Public Service Sector	
Impact Indicator: To contribute to a Public Service Sector that delivers on its mandate	
PROGRAMME 3: The purpose of this programme is to facilitate and manage the implementation of learning programmes for and within the Public Service sector, as per the NSDP goals. This programme includes special projects (including partnerships) and the monitoring, evaluation and reporting of learning interventions.	
Outcome	Increased pool of skills into and within the Public Service Sector
Outcome Indicator	Percentage of sectoral priority occupations identified in the SSP addressed annually through implementing relevant programmes
Outputs	Programmes that address priority skills identified in the SSP
Output Indicators	• Number of public service employees entering learning programmes • Number of public service employees completing learning programmes • Number of unemployed learners entering learning programmes • Number of unemployed learners completing learning programmes • Number of worker-initiated training (federation/trade unions) interventions supported through capacity building • Number of rural development projects initiated

	• Number of TVET partnerships established
	• Number of HET partnerships established
	• Number of SETA employer partnerships established
	• Number of small businesses supported with training interventions

Planned performance over the five-year planning period:

This outcome will ensure that the goal of a skilled and capable Public Service sector is realised. PSETA will over the next five years continue to focus on addressing the skills needed to improve the state capabilities listed as priorities in Chapter 13 of the NDP. The aim is to significantly improve economy and efficiency in skills efforts and direct skills efforts towards building state capabilities to deliver the NDP. PSETA will pursue PIVOTAL learning interventions in the form of Learnerships, Internships, Bursaries, Work-Integrated Learning, Skills Programmes and Artisan Development programmes.

The outcome indicator has been selected to ensure that interventions implemented are informed by the PSETA SSP and accordingly responsive to the needs identified for the sector and the country more broadly. In order to ensure that the PSETA is able to achieve the five year target of 70% of sectoral priority occupations being addressed through implementing relevant programmes, key enablers include the identification of qualifications and programmes that are best placed to deliver and targeting institutions and workplaces, including Centres of Specialisation, to deliver these programmes.

PSETA in the forthcoming five-year period will continue collaborative projects aimed at benefitting women, youth and people with disabilities. This will be through the strategic partnerships with the Department of Women, Youth and Persons with Disabilities, as well as the National Youth Development Agency, that PSETA has established. These partnerships will be leveraged over the five-year period to deliver skills development programmes aimed at empowering these targeted groupings.

PSETA will also work with strategic partners such as the Small Enterprise Development Agency to customise its learning interventions to include business management and entrepreneurial skills, thus enabling unemployed individuals on a PSETA programme to transition into pursuing their own enterprises.

Furthermore, PSETA plans to incrementally ensure funding for RPL interventions on the PSETA Public Administration qualification is prioritised 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, however do not have formal qualification. PSETA will prioritise RPL interventions on the PSETA Public Administration qualifications.

Programme 3: Learning Programmes and Projects Key Risks

Outcome	Key Risks	Risk Mitigation
Increased pool of skills into and within the public service sector	Failure to deliver on SLA targets	1. Engagement with the strategic partners to formalize partnerships 2. Monitor the MOUs and MOAs with established partnerships 3. Procurement of the Skills Development Providers 4. Engagement with the stakeholders for completion of learning programmes 5. Monitor the legislative requirements for new or amended requirements through Risk and Compliance
	Non-availability of required workplaces with suitable mentors and relevant infrastructure,	1. Conduct pre-implementation sessions (including awareness of learner placements) 2. Monitoring and evaluation of the learning programme
	Frequent LP module malfunction/failure (CRM and Portal)	1. Planned training, 2. UAT session and sign off 3. Training manual 4. Session for testing SETMIS files 5. Session to close gaps identified on the CRM
	Poor documents/records control	1. Workshop LP staff on records management 2. Supervisors to audit the filing system (both electronic filing and physical filing) 3. Compliance to bring the issue of records to COO and subsequently to MANCO (NARSA)
	Project Management Targets not being met	1.Executing the approved DG Plan with little deviation. 2. Involve stakeholder in advance and become part of the DG planning 3.CEO to be Allocated special fund for industry requests and learner individual applications.

9.5. PROGRAMME 4: QUALITY ASSURANCE

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

Outcome: Quality learning interventions in the Public Service Sector.
The 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 capacity building for RPL delivery.

The Public Service sector requires competent and employable workers in order 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. PSETA continues to develop new occupational qualifications that are required by the sector. 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. The 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 is planning for its implementation of the external integrated summative assessment (EISA) for the registered occupational qualifications which requires the development of guidelines for implementation, registration of candidates, procurement of all required logistics, communication with QCTO on successful assessment implementation, management of learner data for certification, and management of request for and distribution of certificates. In preparation for EISA, PSETA has recommended to QCTO two Assessment Centres in Gauteng and Western Cape and is in the process accrediting more centres.

Outputs: To implement a quality assurance system that allows for effective monitoring, analysis, support and continuous improvement of provisioning within the public service sector.

Measuring the Impact

Impact Statement	To contribute towards enhanced technical and professional skills in the Public Service Sector
Indicator	"to contribute to Public Service Sector that delivers on its mandate"

Measuring the Outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Quality learning interventions in the Public Service Sector.	Number of learning interventions available annually to address skills priorities identified in the SSP	7	20
	Percentage of SDPs accredited annually	100%	100%

Planned performance over the five-year planning period:

On the supply side, the PSETA will facilitate easy access and different entry points, with a specific focus on Recognition of Prior Learning. Further, in line with the NSDP, PSETA will collaborate with the QCTO to ensure quality and provision of learning programmes.

In response to preparing Public Service employees to the "Future World of Work" over the short-term, PSETA will develop a policy framework to quality assure e-learning in order to provide a platform for the sector to use this mode of delivery and assessment. This ties in with the use of technologies to enhance the learning environment and promote access to learning opportunities. Furthermore, in en-suring that learning interventions are responsive to the increased use of ICT and the emergence of 4IR, PSETA's learning interventions will delve into aspects of digital skills, change management and data analytics. These will be in the form of full and part qualifications in order to address the varying skills needs of the sector. Provider capacity, a key enabler to deliver on such programmes, will also be addressed through concerted provider capacity building efforts.

PROBLEM STATEMENT: Lack of and shortage of technical and professional skills to address service delivery in the Public Service sector	
Impact Statement: To contribute towards sufficient technical and professional skills in the Public Service Sector	
Impact Indicator: To contribute to a Public Service Sector that delivers on its mandate	
PROGRAMMME 4: The purpose of this programme is to build the provider capacity required to deliver the priority skills for the sector, developing standards, accrediting providers and quality assuring learning. The QA department undertakes the review of legacy qualifications and development of new occupational qualifications; and capacitation of providers through advocacy workshops.	
Outcome	Quality learning interventions in the Public Service Sector.
Outcome Indicator	• Number of learning interventions available annually to address skills priorities identified in the SSP • Percentage of SDPs accredited annually

Outputs	A quality assurance system that allows for effective monitoring, analysis, support and continuous improvement of provisioning within the Public Service sector.
Output Indicators	• Percentage of accredited skills development providers implementing PSETA funded programmes monitored • Number of TVET Colleges and State and Sector Academies supported • Number of qualifications developed and/or re-aligned and submitted to QCTO • Number of accredited skills development providers monitored • Number of capacity building workshops conducted

Programme 4: Quality Assurance Key Risks

Outcome	Key Risks	Mitigations
Quality learning interventions in the public service Sector	Inadequate number of occupational qualifications and learnerships available to address sector skills needs	1) Project plan for the re-alignment of Historically Registered Qualification and development of occupational qualifications; 2) QDFs to be appointed; 3) Application for the qualifications to be submitted to QCTO 4) Appointment of CEPs 5) QCTO DQP official to be allocated to work with CEPs 6) Monitor the sector needs and update the policies and procedures
	Failure to meet accreditation and certification requests.	a) Staff positions advertised, follow up to be made with HR on the progress
	Inability to accredit Skills Development Providers within specified timeframes	a) Review Accreditation, programme approval and extension of scope pre evaluation templates to improve effectiveness and accuracy of information; b) Accreditations Applications Register put in place to monitor all applications received; c) Submit weekly status report on all applications received; d) Specialist conduct desktop evaluation and virtual site visits for (backlog) and submit for approval by Accreditation Committee SDPs that complied; e) Review the accreditation policy and SOP

Outcome	Key Risks	Mitigations
	Failure to produce records when required	a) Review accreditation files to identify Gaps b) Specialist to review all records on a quarterly basis and report to the manager c. Awaiting implementation of NARSA

The above four outcomes are underpinned and delivered by establishing strategic partnerships with key departments

The NSDP has positioned SETAs as the intermediaries that link the demand to the supply. PSETA has to ensure that partnerships are based on the needs and capabilities of the different stakeholders within the Public Service Sector. PSETA partners and collaborates with other SETAs, National and Provincial Departments; Offices the Premier, TVET colleges; Higher Education Institutions (HEI), Public Training Academies and Quality Councils. PSETA needs to maintain multiple linkages at different levels with its partners.

PSETA engages in a diversity of formal institutionalised partnerships and less formalized arrangements. Moreover PSETA provides an opportunity for other organizations, individuals, government departments and academia to be involved in the quest for continuous supply of skilled and competent employees as well as contribute to the general up-skilling of the unemployed for sustained economic growth in the country, thereby helping individuals to gain access to work experience and decent and sustainable jobs.

PSETA has explored in details key role players and have been specifically demarcated in accordance with each sub-sectors' latitude. The key role players are well defined and regulated and mandated to deliver specific skills development related to the sub-sector for a capable and skilled workforce.

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

10. PSETA IMPACT INDICATOR

Indicator title	To contribute to a public service sector that delivers on its mandate
Definition	A public service sector which is a career of choice, has sufficient technical and specialist professional skills, with efficient and effective management and operations systems, a procurement system that delivers value for money and reduced corruption i.e. a public service sector that can be deemed capable, ethical and developmental state
Sources of data	Statistics SA
Method of calculation / assessment	• Reduced service delivery protests in the public service sector • Improved corruption index in the public service sector, year-on-year to 2030 • All DPSA vacancies filled within X number of days • Public Service Productive Index • SA Human Development Index • Global Competitiveness Index
Assumptions	(a) The strategy will achieve fundamental transformation and address historical inequities linked to race, gender, age and disabilities in our society and will enable previously disadvantaged people, through skills development, to gain access to opportunities (b) The assumption that the importance of training to enable workers to avoid retrenchment and adapt to change will be implemented across the public service; will address rural skills needs and not focus all training within towns and urban areas (c) The assumption underpinning these commitments is that there will be improved coordination across and between governments departments to ensure that skills development and other interventions support each other to achieve wider goals. (d) The PSETA has in place an effective monitoring and evaluation (M&E) framework and system.
Disaggregation of beneficiaries	None
Spatial transformation	None
Reporting cycle	Mid-Term Progress Report 30 November 2022 and End Term Progress Report 31 July 2025, as well as at the end of the NDP & NSDP 2030 i.e., 31 July 2030.
Desired performance	A public service sector that delivers on its mandate i.e., has improved levels of skills and increased worker participation in various learning programmes to a minimum of 80% by 2030. Having addressed critical skills required by the sector, a transformed public service workplace that boasts improved productivity and growth prospects.
Indicator responsibility	Chief Executive Officer

10.1. ADMINISTRATION

Programme Outcome Indicator title	Improved operational performance and an unqualified audit opinion
Definition	100% achievement of APP targets and unqualified audit opinion, with no findings
Sources of data	PSETA Strategic Plan & Annual Performance Plan, Risk Management Plan, Auditor General SA Management Report and Annual Report
Method of calculation / assessment	Number of APP achieved targets / Total number of APP targets x 100 i.e., % APP targets Achieved and AG Audit Opinion
Assumptions	Effective internal controls and compliance monitoring systems and a sound financial management and clean administration
Disaggregation of beneficiaries	None
Spatial transformation	None
Reporting cycle	Annually
Desired Performance	100% APP achievement and Clean audit outcome annually
Indicator Responsibility	Chief Executive Officer

10.2. SKILLS PLANNING AND RESEARCH

Indicator title	Number of skills planning, and research initiatives implemented annually
Definition	Skills planning and research initiatives refers to research reports, skills planning frameworks, guidelines and tools developed for the public service sector.
Source of data	Research reports, skills planning frameworks, guidelines and tools
Method of calculation / assessment	Simple count
Assumptions	Sufficient funding available for planned initiatives
Disaggregation of beneficiaries (Where applicable)	- Target for Women: N/A - Target for Youth: N/A - Target for People with Disabilities: N/A
Spatial transformation (Where applicable)	- Reflect on contribution to spatial transformation priorities: N/A - Reflect on the spatial impact area: N/A
Reporting cycle	Annual
Desired performance	Number of skills planning, and research initiatives implemented is equal to the target
Indicator Responsibility	Skills Planning and Research Manager

10.3. LEARNING PROGRAMMES AND PROJECTS

Programme Outcome Indicator title	Percentage of sectoral priority occupations identified in the SSP addressed through implementing relevant programmes
Definition	This refers to learning interventions implemented by PSETA to address the priority occupations identified in the SSP. Learning interventions refer to learnerships, skills programmes, internships, work-integrated learning and bursaries. Each learning intervention will be considered based on their individual field of study.
Sources of data	PSETA SSP, PSETA SETMIS report
Method of calculation / assessment	(Total number of learning interventions addressing sectoral priority occupations implemented / Total number of learning interventions implemented) x 100
Assumptions	Functional MIS system
Disaggregation of beneficiaries (Where applicable)	• Target for Women: 54% • Target for Youth: 70% • Target for People with Disabilities: 1%
Spatial transformation (Where applicable)	• Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Reporting cycle	Annual
Desired Performance	100%
Indicator Responsibility	Learning Programmes Manager

10.4. QUALITY ASSURANCE

Programme Outcome Indicator title	Number of learning interventions available to address skills priorities identified in the SSP
Definition	Learning interventions refer to the occupational qualifications, learnerships and skills programmes that have been developed to respond to the sector's skills needs identified in the PSETA SSP.
Sources of data	Submitted occupational qualifications, learnerships and/or skills programmes developed
Method of calculation / assessment	Sum of occupational qualifications and skills programmes developed per year
Assumptions	Availability of qualification development facilitator, community of expert practitioners and delegated function from QCTO
Disaggregation of beneficiaries (Where applicable)	• Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial transformation (Where applicable)	• Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Reporting cycle	Annual
Desired performance	At least 4 learning interventions developed per year
Indicator responsibility	Quality Assurance Manager

Programme Outcome Indicator title	Percentage of SDPs accredited
Definition	Skills development providers issued with accreditation to operate as both primary and secondary providers. Primary providers refer to SDPs that have never been accredited with other SETAs before. Secondary providers refer to SDPs that were accredited by other SETAs, prior to the PSETA accreditation. The total number of applications that will be received for SDPs to be issued with accreditation for both primary and secondary providers.
Sources of data	Accreditation documentation
Method of calculation / assessment	Number of new applications received which meet the set criteria and issued with primary and secondary providers/ Total number of applications received for skills development providers for accreditation
Assumptions	SDPs apply to PSETA for accreditation
Disaggregation of beneficiaries (Where applicable)	• Target for Women: N/A • Target for Youth: N/A • Target for People with Disabilities: N/A
Spatial transformation (Where applicable)	• Reflect on contribution to spatial transformation priorities: N/A • Reflect on the spatial impact area: N/A
Reporting cycle	Annual
Desired performance	100%
Indicator responsibility	Quality Assurance Manager

ANNEXURES

11. MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

11.1 REVENUE & EXPENDITURE ESTIMATES

12 PROGRAMMES – RESOURCES CONSIDERATION

TOTAL REVENUE	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Revenue Estimates							
Skills Development Levy Public Entities: (DHET)							
Admin	1 046	336	531	562	596	632	670
Mandatory	1 999	641	1 010	1 071	1 135	1 203	1 275
Discretionary	4 925	1 582	2 502	2 651	2 811	2 979	3 158
	-	-	-	-	-	-	-
Levies: Other Departments							
Penalties	51	39	51	85	89	93	98
Interest	11	20	12	37	39	41	43
Transfers from DHET	112 304	118 516	120 082	123 972	121 961	127 449	133 149
Other Income	114	63	40	17	18	19	20
	-	-	-	-	-	-	-
Donor Funding Realised Income	3						
Interest	9 237	4 920	4 162	5 616	5 863	6 156	6 464
Total Revenue	**129 690**	**126 117**	**128 390**	**134 013**	**132 512**	**138 573**	**144 877**
Surplus Fund Retention	-	-	-	-	15 007	-	-
Total Revenue Inclusive of Surplus Fund	**129 690**	**126 117**	**128 390**	**134 013**	**147 519**	**138 573**	**144 877**

TOTAL OPERATIONAL EXPENDITURE	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cost of employment	**38 711**	**39 276**	**40 632**	**49 069**	**51 543**	**54 150**	**56 891**
Goods and Services:	**23 985**	**33 705**	**39 266**	**40 793**	**34 504**	**35 634**	**36 758**
Advertising, marketing and promotions, communications	710	839	685	1 816	732	769	807
AGM and Annual Report and related costs	310	-	156	410	428	449	471
Audit fees	1 685	2 073	2 514	2226	2 232	2 359	2 492
General Expenses	1 599	1 895	1 833	2 383	1 444	1 517	1 592
Consultancy and service provider fees	3 644	3 717	5 317	4 814	6 325	6 031	5 660
Finance costs							
Governance Fees	3 646	1 878	1 901	2 992	3 541	3 718	3 904
Legal fees	832	1 223	1 506	670	1 320	1 386	1 456
Loss on disposal of assets	25	-2					
Operating Lease Buildings	3 483	5 513	6 674	10 005	8 587	9 016	9 467
Printing and stationery	311	19	592	850	888	932	979
Equipment rental	133	-	167	270	281	296	310
Staff Recruitment	216	339	92	191	200	210	220
Staff Welfare	224	404	41	784	818	859	902
Licences	95	-	603	4 466	487	511	537
Telephones	87	329	577	510	532	559	587
Training and Staff Development	1 089	252	1 595	1 977	1 020	1 071	1 125
Travel and subsistence	1 843	21	299	2 810	2 932	3 079	3 233
Repairs and maintenance	674	911	1 829	1 296	1 353	1 421	1 492

Depreciation and amortisation	981	4 577	6 189	-	-	-	-
QCTO Expenditure	45	55	37	50	53	55	58
CAPEX	2 352	9 663	6 658	2 274	1 330	1 397	1 467
TOTAL OPERATIONS EXPENDITURE	**62 696**	**72 982**	**79 898**	**89 862**	**86 046**	**89 784**	**93 649**
MANDATORY GRANTS	**314**	**233**	**416**	**242**	**254**	**266**	**280**
DONOR FUNDING EXPENDITURE	**-**	**-**	**-**	**-**	**-**	**-**	**-**
DISCRETIONARY GRANTS	**71 021**	**74 890**	**45 837**	**143 768**	**61 219**	**48 523**	**50 949**
- Learning programmes	71 021	72 130	44 058	138 046	57 202	44 304	46 520
- Learning programmes (funded by surplus)	-	-	-	-	-	-	-
- Skills Planning and Research	-	1 772	1 130	2 592	1 707	1 792	1 881
COVID-19 Priority Programmes and Additional Learner Stipends	-	-	-	-	-	-	-
- ETQA	-	987	648	3 129	2 311	2 426	2 548
TOTAL EXPENDITURE	**134 032**	**148 104**	**126 151**	**233 872**	**147 519**	**138 573**	**144 877**
NET SURPLUS / DEFICIT	**-4 342**	**-21 987**	**2 239**	**-99 859**	**-**	**-**	**-**
SURPLUS REQUESTED FOR APPROVAL	-	-	-	99 859	-	-	-
NET SURPLUS / DEFICIT	-	-	-	-	-	-	-

12.1. PROGRAMME 1: ADMINISTRATION

	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cost of employment	**21 875**	**27 557**	**23 809**	**29 196**	**30 728**	**32 295**	**33 943**
QCTO Expenditure	45	46	37	50	53	55	58
Depreciation and amortisation	766	-	6 193	-	-	-	-
General Expenses	845	1 120	1 825	2 086	1 135	1 192	1 251
Audit fees	3 171	2 119	2 514	2 226	2 232	2 359	2 492
Governance Fees	3 646	2 990	1 913	2 992	3 541	3 718	3 904
Staff welfare	224	691	41	784	818	859	902
Consultancy and service provider fees	3 815	7 612	5 317	4 814	6 325	6 031	5 660
Staff Recruitment	216	469	92	191	200	210	220
Printing and stationery	149	750	592	850	888	932	979
Travel and subsistence	189	691	152	785	819	860	903
AGM and Annual Report and related costs	166	361	156	410	428	449	471
Repairs and maintenance	250	1 143	1 829	1 296	1 353	1 421	1 492
Licences	508	411	603	4 466	487	511	537
Legal fees	723	1 322	1 506	670	1 320	1 386	1 456
Telephones	87	449	577	510	532	559	587
Advertising, marketing and promotions, communications	658	1 057	685	1 816	732	769	807
Training and Staff Development	1 089	406	1 595	1 977	1 020	1 071	1 125
Equipment Rental	133	233	167	270	281	296	310
Operating Lease Buildings	3 483	7 024	6 787	10 005	8 587	9 016	9 467
Goods and Services	**20 165**	**28 895**	**32 583**	**36 198**	**30 750**	**31 693**	**32 620**
TOTAL OPERATIONS EXPENDITURE	**42 040**	**56 452**	**56 391**	**65 393**	**61 479**	**63 988**	**66 563**
CAPEX	**1 540**	**3 124**	**5 593**	**2 274**	**1 330**	**1 397**	**1 467**
TOTAL	**43 581**	**59 575**	**61 984**	**67 668**	**62 809**	**65 385**	**68 030**

12.2. PROGRAMME 2: SKILLS PLANNING AND RESEARCH

	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cost of employment	4 419	5 039	3 053	4 829	5 058	5 311	5 576
Goods and Services	213	418	18	474	495	520	546
TOTAL OPERATIONS EXPENDITURE	4 633	5 456	3 071	5 303	5 553	5 830	6 122
MANDATORY GRANTS EXPENDITURE	268	213	416	242	254	266	280
DISCRETIONARY GRANTS EXPENDITURE (conducting research costs)	4 923	1 927	1 130	2 592	1 707	1 792	1 881
	-	-	-	-	-	-	-
TOTAL EXPENDITURE	9 824	7 597	4 618	8 137	7 513	7 888	8 283

12.3. PROGRAMME 3: LEARNING PROGRAMME AND PROJECTS

	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cost of employment	7 774	9 747	9 238	9 324	9 765	10 254	10 766
Goods and Services	815	1 136	116	1 288	1 345	1 412	1 483
TOTAL OPERATIONS EXPENDITURE	8 589	10 883	9 354	10 612	11 110	11 666	12 249
DISCRETIONARY GRANTS EXPENDITURE	65 726	47 616	44 058	138 046	57 202	44 304	46 520
TOTAL EXPENDITURE	74 316	58 499	53 412	148 658	68 312	55 970	58 769

12.4. PROGRAMME 4: QUALITY ASSURANCE

	Audited Amounts			2022/23 Budget	Medium-Term Expenditure		
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cost of employment	4 642	5 969	4 489	5 721	5 991	6 291	6 605
Goods and Services	391	493	13	559	583	613	643
TOTAL OPERATIONS EXPENDITURE	5 033	6 461	4 502	6 279	6 575	6 903	7 249
DISCRETIONARY GRANTS EXPENDITURE (development of new qualifications)	375	3 640	648	3 129	2 311	2 426	2 548
DISCRETIONARY GRANTS EXPENDITURE (RPL development)	-	-	-	-	-	-	-
TOTAL EXPENDITURE	5 408	10 102	5 150	9 408	8 885	9 330	9 796

13. STAKEHOLDER VALUE ANALYSIS

Stakeholder	Characteristic / Potential	Interest and Expectations	Roles & Responsibilities
National departments	Critical source of information re. Dynamics of sector and complementary sectoral initiatives Good knowledge base re. needs of sector Enabling agent for linkage between projects and overarching growth strategy for the sector	Collaborative relationships Knowledge sharing and capacity development Policy Discourse Joint use of Resources Advocacy and communication	Delivery on policy objectives in respect of work creation and economic growth within the sector Enhanced productivity and competitiveness of sector Ensure integration of skills development with complementary initiatives being undertaken Take advantage of links to international expertise Vehicle through which sector training can be effectively addressed and resourced
Provincial departments - Premiers Offices	Critical resource in terms of accessing and recruiting learners and ensuring that interventions are aligned to provincial strategies Programme will complement and reinforce existing work creation initiatives and plans aimed at achieving NSDP targets and success indicators Servce as provincial implementation wing, important partner in terms of practical support to programme at a regional level	Collaborative relationships Knowledge sharing and capacity development Policy Discourse Joint use of Resources Advocacy and communication	Members of provincial committees Key recruitment agencies Critical link to local communities and regional stakeholderds Vehicle through which sector training can be effectively addressed and resourced

Stakeholder	Characteristic / Potential	Interest and Expectations	Roles & Responsibilities
National Legislature (Parliament) and provincial legislatures	Serve as governmental implementation wing, important partner in terms of practical support to programmes at a legislative level	Collaborative relationships Knowledge sharing and capacity development Policy Discourse Joint use of Resources Advocacy and communication	Ensure integration of skills development with complementary initiatives being undertaken Vehicle through which sector training can be effectively addressed and resourced
PSETA registered Public Entities	Critical resource in terms of accessing and recruiting learners and ensuring that interventions are aligned to national strategies Programme will complement and reinforce existing work creation initiatives and plans aimed at achieving NSDS targets and success indicators Servce as corporate implementation wing, important partner in terms of practical support to programme at a corporate level	Collaborative relationships Knowledge sharing and capacity development Policy Discourse Joint use of Resources Advocacy and communication	Delivery on policy objectives in respect of work creation and economic growth within the sector Enhanced productivity and competitiveness of sector Ensure integration of skills development with complimentary initiatives being undertaken Vehicle through which sector training can be effectively addressed and resourced

Stakeholder	Characteristic / Potential	Interest and Expectations	Roles & Responsibilities
Universities & TVET and CET colleges	Provision of traditional training to address critical skills development needs within the PSETA sectors Building supply-side capacity Strong institutional infrastructure/ resource base Strong knowledge and research base Centres for innovation and vision Emerging recognition of need to align training with skills development framework and imperatives	Efficient disbursement of tuition fees to institutions and students Improved Communication Strong knowledge and research base Centres for innovation and vision	Provision of training Emerging recognition of need to align training with skills development framework and imperatives Participation in project management structures
Parliament and PCHET	Provision of Political & Economical Oversight	Performance in terms of mandate Timely submission of required documents	Achieving of NSDP targets Realization of the broader skills development goals
Employees and staff trade union	Critical source of information re. Dynamics of sector and complementary sectoral initiatives Good knowledge base re. needs of sector Enabling agent for linkage between mandate and overarching growth strategy for the sector	Consultation Continuous improvement in working conditions	Achieving of NSDS targets Realization of the PSETA strategic objectives and meeting of performance targets

Stakeholder	Characteristic / Potential	Interest and Expectations	Roles & Responsibilities
Governance structures	Provision of Governance Oversight	Compliance	Achievement of APP targets
		Organisation Performance	Realization of the PSETA strategic objectives and meeting of performance targets
Research Partners/ HSRC/PARI	Critical source of information re. the impact of government's personnel budget used for skills development	Research partner for the development the SSP	Assist with broad skills development related research aspects

STAKEHOLDER MAPPING

ENGAGE CLOSELY AND INFLUENCE ACTIVELY (HIGH INTEREST - HIGH POWER)	KEEP INFORMED (LOW POWER - HIGH INTEREST)
• DHET (Executive Authority • PSETA Accounting Authority and structures • DPSA • National Treasury • QCTO/SAQA • Provincial Offices of the Premier • Auditor General • PSETA employees • Organised labour (internal)	• Research institution • National School of Governance • HEIs • SDFs • SDPs • DHET Collaborative research task group • DIRCO • State Academies and Provincial Academies • DHA
KEEP SATISFIED (HIGH INFLUENCE-LOW INTEREST)	**MONITOR (MINIMUM EFFORT) (LOW INTEREST - LOW POWER)**
• Parliament and provincial legislatures • National Treasury • DPME (monitoring and reporting) • NationalDepartments • Provincial Governments • Trade Unions and Bargaining council stakeholder • PSETA registered public entities • Outsourced function service providers	• Other SETAs • Inter-SETA forums • Provincial Forums PHRDF/PSDF/HOD Forums • Suppliers

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