

ANNUAL PERFORMANCE PLAN

2024/25



FOREWORD BY THE MINISTER



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

The mandate of the SETAs must be understood within our vision of the post-school education and training system of having an integrated, coordinated, and articulated PSET system for improved economic participation and the social development of youth and adults. Critical to this vision is our challenge of addressing the plight of the youth that are Not in Education, Employment, or Training (NEET), which is standing at over 3.3 million in the third quarter of 2023.

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

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

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

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

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

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

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

For the 2024/25 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

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

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

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



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

ACCOUNTING AUTHORITY STATEMENT

The Annual Performance Plan (APP) 2024/25 outlines the strategic priorities of the Wholesale and Retail SETA (W&RSETA) in accordance with National imperatives, including the Medium-Term Strategic Framework (MTSF). The APP demonstrates the integration of the W&RSETA's primary responsibilities as sustained by sound management of levy funds, human resources, and operational systems; the specific strategic outcomes based on the Sector Skills Plan (SSP); the National Skills Development Plan (NSDP) outcomes, and the Economic Reconstruction and Recovery Plan Skills Strategy, as well as performance information thereof. The W&RSETA is committed to increasing interventions targeted at sector transformation and creating opportunities for the historically disadvantaged.

The W&RSETA has considered the following strategies, policies and plans in developing the APP 2024/25:

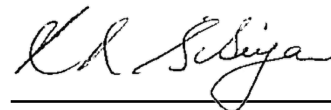
- National Skills Accord (NSA)
- National Development Plan (NDP)
- Human Resource Development Strategy for South Africa (HRD-SA) 2010 - 2030
- National Skills Development Plan (NSDP)
- National Growth Path (NGP)
- White Paper on Post-School Education and Training (WP-PSET)
- Economic Reconstruction and Recovery Plan Skills Strategy
- Green Skills for Job Creation, including bio-waste and manufacturing opportunities

The WP-PSET 2013 profoundly impacts on the SETA landscape as it aims to provide a clear strategic direction in terms of what post-school education and training aim to achieve.

Collectively, the aforementioned documents, the Wholesale and Retail Sector Skills Plan, the Service Level Agreement (SLA) signed with the Department of Higher Education and Training (DHET), and the SETA Grant Regulations (2012) directed and shaped the W&RSETA APP.

Extensive consultations and engagements have been conducted with key stakeholders in the wholesale and retail sector to ensure that the implementation of skills development initiatives is responsive to the sector's current and future skills needs for greater impact on the economy.

The APP fully complies with the Department of Monitoring and Evaluation Framework for Strategic Plans and Annual Performance Plans, which ensures the alignment and articulation of our mandate into strategic outcomes, performance indicators, operational plans, and employee annual performance agreements. The APP is therefore a presentation of the Accounting Authority's decisive and evidence-based performance information that fully addresses skills supply and demand as determined by the wholesale and retail industry. Furthermore, there is sound commitment across the SETA to implement this APP. I, therefore, endorse this plan and commit to its implementation.



REGGIE SIBIYA

CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

30 November 2023

DATE

CHIEF EXECUTIVE OFFICER STATEMENT

South Africa has seen significant economic and social challenges over the last few years. The first in recent history (post “State “Capture” economic losses) were the economic lockdowns as a result of the Government’s COVID-19 response. Our businesses obviously suffered from these lockdowns, with businesses in the wholesale and retail trade impacted significantly. The next was mass looting, and again our businesses in the wholesale and retail trade endured the most of this violence. The third challenge was that of floods, in KwaZulu-Natal, and to a lesser extent Gauteng and other provinces. The final challenge has been that of the Russia/ Ukraine war which has directly led to increased fuel, cooking oil and wheat prices.

These crises have impacted all sectors of the economy. Consumers are simply worse off now than they have been for many years. Inflation is increasing, interest rates are increasing, spending is decreasing. The wholesale and retail trade needs other sectors to be strong, it needs consumers to be in strong positions, it is reliant on a robust economy that supports consumer spending. Our sector is going to be constrained for some time still, employment growth in our sector is still on a downward trajectory. It is incumbent on the W&RSETA to support our employers in any way we can. We recommit ourselves to adopting the flexible and agile approach that our sector needs.

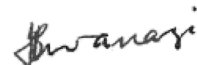
As we ushered in the NSDP in full swing since April 2020, we have taken along and assisted all our stakeholders as we journeyed into the new “normal”. Certificates continue to be issued for successful programmes implemented, and training is also carrying on for those stakeholders and partner training providers that are ready to implement within the new normal.

COVID-19 ushered in a new era of blended learning, online learning and virtual learning, the W&RSETA remains committed to making these models work. The new system promises to be more efficient, and effective, and responsive towards the changing needs within the skills development, legislative requirements and fiduciary duties that have to be considered in our efforts to be more efficient as a SETA.

The pandemic has highlighted the existing need to assist and empower the most vulnerable in our society. With renewed focus and vigour, the W&RSETA has now included as a strategic focus, the National Priorities of women, youth, development of persons with disabilities, entrepreneurs, and SMMEs in all the targets that we are rolling out. The W&RSETA furthermore remains committed in the implementation of the ERRP and its Skills Strategy.

Rural development, community and TVET colleges are also not left out in the planning. In addition to this, a renewed focus has been placed on the development of artisans to assist individuals find employment and to assist businesses access the skills they need to grow sustainably.

The W&RSETA commits to implementing the APP for the period 2024/25. Once again, we remain responsive to your needs, and are ready to serve.




TOM MKHWANAZI
CHIEF EXECUTIVE OFFICER

29/11/2023


DATE

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the W&RSETA under the guidance of the W&RSETA Accounting Authority.
- Considers all the relevant policies, legislation, and other mandates for which the W&RSETA is responsible.
- Accurately reflects the Outputs which the W&RSETA will endeavour to achieve over the period 2024/25.



SUNSHINE NGCOBO
CHIEF CORPORATE SERVICES EXECUTIVE (PROGRAMME 1)



BARNABAS MASEKWAMENG
INFORMATION AND COMMUNICATIONS TECHNOLOGY EXECUTIVE
(PROGRAMME 1)



DEBORAH MACHARD
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CHIEF OPERATIONS OFFICER (PROGRAMME 3 & 4)



LINDIWE NHLAPO
CHIEF FINANCIAL OFFICER



TOM MKHWANAZI
CHIEF EXECUTIVE OFFICER



REGGIE SIBIYA
CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

Approved by



Dr BLADE NZIMANDE
MINISTER OF HIGHER EDUCATION, SCIENCE AND TECHNOLOGY
DATE:

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ACRONYM	DESCRIPTION	ACRONYM	DESCRIPTION
4IR	4 th Industrial Revolution	NQF	National Qualifications Framework
AET	Adult Education and Training	NSDP	National Skills Development Plan
ALC	Adult Learning Centre	NPO	Non-Profit Organisation
AI	Artificial Intelligence	OECD	Organisation of Economic Cooperation and Development
APP	Annual Performance Plan	OFO	Organising Framework for Occupations
ATR	Annual Training Report	PWD	Public Works Department
BUSA	Business Unit South Africa	QCTO	Quality Council for Trades and Occupations
B-BBEE	Broad-Based Black Economic Empowerment	RA	Retailers Association
CET	Community Education and Training	RPL	Recognition of Prior Learning
CBO	Community-Based Organisation	SAQA	South African Qualifications Authority
CPI	Consumer Price Index	SARB	South African Reserve Bank
DBE	Department of Basic Education	SETA	Sector Education and Training Authority
DHET	Department of Higher Education and Training	SLA	Service Level Agreement
GDP	Gross Domestic Product	SIC	Standard Industrial Classification
HDI	Historically Disadvantaged Individual	SMME	Small, Medium and Micro Enterprises
IPAP	Industrial Policy Action Plan	SP	Strategic Plan
MTEF	Medium Term Expenditure Framework	SSP	Sector Skills Plan
NEC	National Executive Format	STATSSA	Statistics South Africa
NDP	National Development Plan	TVET	Technical and Vocational Education and Training
NGP	New Growth Path	W&RSETA	Wholesale and Retail Sector Education and Training Authority
		WP-PSET	White Paper for Post-School Education

PART A: OUR MANDATE

1. Updates to the Relevant Legislative and Policy Mandates

1.1. Legislative and Policy Mandates

The Wholesale and Retail SETA (W&RSETA) is a schedule 3A public entity and derives its mandate from the Skills Development Act No. 97 of 1998 (as amended). The SETA is responsible for supporting skills development in the wholesale and retail sector in South Africa, through the disbursement of grants to facilitate the implementation of learning Programmes and monitoring of education and training (as outlined in the Act, in accompanying regulations and the National Skills Development Plan.

1.1.1. Legislative Mandate

Table 1 below summarises the legislative framework under which the W&RSETA operates.

Table 1: Legislative mandate

REGULATION	
Skills Development Act, No. 97 of 1998 (as amended)	<p>The purpose of the Skills Development Act is to:</p> <ul style="list-style-type: none"> • Ensure credible labour market analysis to provide a supply and demand analysis that inform sector skills priorities. • Develop the skills of the South African workforce. • Increase the levels of investment in education and training in the labour market. • Encourage employers to use the workplace as an active learning environment. • Encourage workers to participate in learning programmes.

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
	<ul style="list-style-type: none"> • Improve the employment prospects of previously disadvantaged persons. • Ensure the quality of learning in and for the workplace
Skills Development Levies Act, No. 9 of 1999	<p>Imposes the payment of skills levies by employer organisations to motivate investment in skills development.</p> <ul style="list-style-type: none"> • Employers pay 1% of the total payroll, which is used as follows • 20% to the National Skills Fund • 10% for operating costs • 80% to the SETAs • 0.5% to the QCTO • 20% for mandatory grants • 49.5% for discretionary grants
National Qualifications Framework Act, No. 67 of 2008	<ul style="list-style-type: none"> • Creates a single integrated national framework for learning • Enhances the quality of education and training • Facilitates access to education, training, and career path • Accelerates the redress of past unfair discrimination • Allows for SAQA and the quality councils to oversee the NQF
Workplace-Based Learning Programmes Regulations	<ul style="list-style-type: none"> • Provide guidelines for the management of workplace-based learning programme agreements
SETA Grant Regulations, 3 December 2012, Vol. 570, 35940	<ul style="list-style-type: none"> • Assist the SETAs to develop internal policies and procedures in response to the Grant Regulations

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
	<ul style="list-style-type: none"> Requires 80% of discretionary funds to be spent on the delivery of PIVOTAL programmes
Public Finance Management Act, No. 29 of 1999	<ul style="list-style-type: none"> Regulates financial management in the national government and provincial governments to ensure that all their revenue, expenditure, assets, and liabilities are managed efficiently and effectively; and Provides for the responsibilities of persons entrusted with the financial management of those governments
B-BBEE Act, No. 53 of 2003.	<ul style="list-style-type: none"> In terms of Section 13G (3), read with regulation 12 (6 - 8) of the B-BBEE Regulations: <ul style="list-style-type: none"> a) All Sectoral Education and Training Authorities contemplated in the Skills Development Act, 1998 (Act No. 97 of 1998), must report on skills development spending and programmes to the B-BBEE Commission within 30 days' post approval of their annual reports and financial statements or 90 days after the end of the financial year of the Sectoral Educating Training Authorities in a prescribed B-BBEE 2 Form
Disaster Management Act, No. 57 of 2002.	<ul style="list-style-type: none"> Provides for an integrated and coordinated disaster management policy that focuses on reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery

1.1.2. Policy Mandate

Table 2 summarises the W&RSETA policy mandates and the strategies that form the basis of the W&RSETA operations. The Table also outlines the alignment of the W&RSETA APP with national government policies and strategies.

Table 2: National strategies or policies and implications for W&RSETA

NATIONAL POLICIES	STRATEGIES OR	IMPLICATIONS FOR W&RSETA
National Skills Accord		The implications are
<p>Eight commitments as outlined:</p> <ul style="list-style-type: none"> Expand training using existing facilities Set ratios for trainees and artisans, as well as across the technical vocations, to improve training Improve training funding and incentives for companies to train Create internship and placement opportunities Set annual targets for training in state-owned enterprises Improve SETA governance, fiscal management, and stakeholder involvement Align training to the New Growth Path and improve SSPs Improve the role and performance of TVET colleges 		<ul style="list-style-type: none"> Increase learnership, apprenticeship, internship, and bursaries opportunities Increase the number of accredited training providers Expand partnerships with the college sector Strengthen relations with other strategic partners and role players. Response to the 4IR.
New Growth Path (NGP).		
<p>The New Growth Path identifies five (5) job drivers:</p> <ul style="list-style-type: none"> Infrastructure for employment and development. 		<ul style="list-style-type: none"> Create projects to increase college-to-work transitions. Increase learnerships, apprenticeships, internships and bursaries in

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
<ul style="list-style-type: none"> Seizing the potential of new economies. Improving job creation in employment. Investing in social capital. Spatial development. 	<ul style="list-style-type: none"> clothing, textiles, footwear, leather goods and automotive. Develop projects for promoting green industries. Capacity building of SMMEs and informal traders
<p>National Development Plan 2030 (NDP). The National Development Plan 2030 has identified the following 9 key areas to achieve a developmental approach that is sustainable and inclusive:</p> <ul style="list-style-type: none"> Creating jobs and livelihoods. Expanding infrastructure Improving education and training Transforming urban and rural spaces. Transitioning to low-carbon economy Fighting corruption and enhancing accountability. Facilitate rural and urban development projects that foster social cohesion 	<ul style="list-style-type: none"> Support initiatives addressing unemployment, poverty, and inequality. Subscribe to the ethos of clean administration and good corporate governance Increase capacity in the sector to respond to the economic dynamics. Support initiatives addressing unemployment, poverty, and inequality Respond to the needs of the sector with regards to artificial intelligence Capacity building of SMMEs and informal traders
<p>National Skills Development Plan, 2030</p>	<ul style="list-style-type: none"> NSDP seeks to ensure that South Africa has adequate, appropriate, and high-quality skills that contribute towards economic growth, employment creation and social development The NSDP outcomes, sub-outcomes and indicators set

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
	the basis for the W&RSETA Annual Performance Plan
<p>White Paper on Post-School Education and Training (WPPSET)</p> <ul style="list-style-type: none"> It is a vision for an integrated system of post-school education and training with all institutions playing their roles. Set out strategies to improve the capacity of the post-school education and training system to meet SA's needs. The WPPSET also seeks to improve access to the PSET system for people with disabilities 	<ul style="list-style-type: none"> Review of curriculum to respond to sector needs Increase the number of accredited training providers. Expand partnerships with the college sector. SMME development and support Redressing through skills development initiatives Support skills development centres in a rural and urban setting through infrastructure development projects
<p>Economic Reconstruction and Recovery Plan Skills Strategy The ERRP Skills Strategy aims to support the Economic Reconstruction and Recovery Plan (ERRP) to ensure that it is not compromised by skills shortages. It is borne out of the urgency for a well-coordinated strategy of skills development to support both the management of Covid-19 as well as economic and social recovery</p>	<ul style="list-style-type: none"> The following have been identified as specific interventions with the PSET ecosystem to support the implementation of the ERRP: Expand the provisioning of short skills programmes (both accredited and non-accredited) to respond to skills gaps identified in this strategy. Enable the provisioning of short

NATIONAL POLICIES	STRATEGIES OR IMPLICATIONS FOR W&RSETA
	<p>skills programmes (both accredited and non-accredited) that respond to skills gaps identified in this strategy.</p> <ul style="list-style-type: none"> • Expand the provisioning of workplace-based learning (WBL) opportunities to respond to occupational shortages and skills gaps identified in this strategy. • Increase enrolments in occupational qualification-based programmes that respond to occupational shortages identified in this strategy. • Review and revise education and training qualifications, programmes and curricula to respond to occupational shortages and skills gaps identified in this strategy. • Update the draft Critical Skills List and associated regulatory mechanisms. • Strengthen entrepreneurship development programmes. • Embed skills planning into economic planning processes and vice versa

2. Updates to Institutional Policies and Strategies

The following institutional policies will guide the implementation of the W&RSETA Annual Performance Plan:

POLICY/STRATEGY	LINKAGE TO NATIONAL PRIORITIES
1. Infrastructure Funding and Development Policy	Outcome 5: Support the growth of the public college system
2. W&RSETA Rural Development Strategy	Sub-Outcome 5.1: Support the TVET Colleges Sub-Outcome 5.2: Support the CET Colleges Outcome 8: Support career development services
3. Disability Development Strategy	NSDP Principle 5.2: Advancing an equitable and integrated system
4. SMMEs and Entrepreneurship Strategy	Outcome 6: Skills development support for entrepreneurship and cooperative Development
5. Bursaries and Placements Strategy	Sub-Outcome 4.2: Increase access for Intermediate and high-level skills
6. Integrated Career Guidance Strategy	Outcome 8: Support career development services
7. Skills development grants policy	NSDP Principle 5.2: Advancing an equitable and integrated system Outcome 6: Skills development support for entrepreneurship and cooperative Development
8. e-Learning Strategy	NSDP Principle 5.2: Advancing an equitable and integrated system Sub-Outcome 4.2: Increase access for Intermediate and high-level skills

3. Updates to Relevant Court Rulings

There are no relevant court rulings which impacts on the mandate of the W&RSETA and the implementation of the 2024/25 Annual Performance Plan.

PART B: OUR STRATEGIC FOCUS

4. Updated Situation Analysis

4.1. External Environment Analysis¹

The W&RSETA continues to recognise the influence that the external environment has on the W&RSETA's overall performance as well as total levies received per financial year. The performance of the South African economy and the W&R sector also significantly affected the overall performance of the W&RSETA, hence influencing priority areas in the allocation of levy resources. This update of the 2024/25 W&RSETA Annual Performance Plan took place during a period when the South African economy is simply floundering. The sector continues to recover from the severe economic shocks caused by COVID-19 and its associated economic lockdowns. The economy is under severe pressure due to the energy crisis (which has acutely impacted the ability of retailers and wholesalers to keep their businesses open), inflationary pressure due, in part, to the Russia/Ukraine conflict, and knock-on impact on the supply of oil, gas and basic food staples, and a period of tightening monetary policy, thus reducing consumer spending. For example, the price of 500ppm diesel has increased from R12.40/ litre in January 2021 to R20.21/ litre in August 2023, spiking at R24.49/ litre in December 2022 (an increase of over 100% in 2 years). Further increases are expected with a weaker rand as at August 2023.

The Wholesale and Retail sector employs approximately 20,1% of the South African labour force and contributes approximately 15% to the country's gross domestic product (GDP), making it the third largest contributor to the national GDP. Despite South Africa being a developing country, the sector is said to be advanced. On the socio- political front, we have seen expanded socio- economic inequalities, with vulnerable sectors and vulnerable communities being hit the hardest. The W&RSETA has, therefore, had

to adopt a more inclusive approach in its planning, which will ensure the prioritisation of women, rural communities, youth, and people with disabilities. Greater focus is placed on empowering SMMEs, co- operatives and the informal sector with appropriate skills and enabling technologies.

The sector consists of a few super-large retailers that have a large influence over the sector. The technological advancements and the changing expectations of Wholesale and Retail stakeholders and customers will alter the kinds of support and skills interventions provided by W&RSETA. Digital transformation within the wholesale and retail sector which has led to the exponential growth in the adoption of e-commerce. The W&RSETA has therefore had to align its planning to include skills development within the ICT/digital space. The COVID-19 pandemic has shone the light on the need for the adoption of strict health and hygiene practices within the sector and has placed greater health and safety compliance requirements on employers in the sector. The W&RSETA is therefore required to support its stakeholders, and to develop further skills in areas of health and safety as well as quality management. Economic challenges effecting skills planning have included the slowing down of business activity, decline in revenue, increased demand for e-commerce, prioritising reskilling and retraining to minimise job losses, and higher health and safety risk for customers, employers, employees, and partners

¹ External Environment Analysis section 4.1 is aligned and reflected in the WRSETA SSP 2023/24, Chapter 1.

The W&R sector is a major employer of the unskilled and semi-skilled labour force. The majority of the unskilled and semi-skilled are mostly African. White employees form a large proportion and high percentage in top management, senior management, and professional categories in the sector. Although the sector has made some slight progress in terms of transformation, the under-representation of African, Coloured, and Indian workers at professional levels, senior and top-level positions, however, remain an issue that needs to be addressed.

The supply of wholesale and retail skills does not meet the demand for the skills in the W&R sector. There are key factors identified as change drivers influencing skills supply and demand. These include the energy crisis; data privacy and the Protection of Personal Information Act; and technology advancements and access to information; SMME Development and the changing expectations of W&R stakeholders. This has led to the SETA considering skills gaps identified and emerging skills that are required by the sector. The implication is that employers within the sector have to rethink and adapt to the future of work, which is technologically driven, and thus requires technical skills, re-capacitation and reskilling of workers. The shortage of skills is to a certain extent linked to transformational imperatives within the sector and those which have been identified as priority areas in the sector.

An extensive situational analysis for the W&RSETA was conducted using SWOT analysis, PESTEL analysis and the SSP research and impact of COVID-19, as well as research on the Impact of Economic Disruption in the Wholesale and Retail sector. This informed the 2022/23 – 2024/25 strategy which is articulated through the impact statement, the resultant outcomes and outcome indicators. During the upcoming MTSF period, the SETA will aim to concentrate service in priority areas as outlined by the NSDP 2030 (such as the increase in artisanship and occupationally directed programmes) while simultaneously addressing

skills needs identified through internal and external environmental analysis. This section summarises the performance environment, internal environment analysis and external environment analysis.

Driving the economic recovery from a policy perspective (necessitated originally by COVID-19 lockdowns, and subsequently worsened by loadshedding) is the Economic Reconstruction and Recovery Plan (ERRP), together with its associated Skills Strategy. W&RSETA remains committed to the implementation and realisation of the of the ERRP.

4.1.1. Wholesale and Retail Sector Environment

The W&R sector is divided into two main subsectors: Wholesale and Retail. Wholesale trade deals with the bulk buying of goods from various manufacturers and the breaking down of these bulk purchases into smaller quantities, which are then sold to retailers. Retail trade deals with the buying of goods from the wholesaler and the selling thereof to the consumer. The actual activities that fall within the scope of the wholesale and retail sector are demarcated according to Standard Industrial Classification (SIC) code, as shown in the table below.

Table 3: Standard Industrial Classification (SIC) code for the W&R Sector

SIC Code	Trade Category
Major Division 6: Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods; Hotels and Restaurants	
61000	<i>Wholesale and commission trade, except for motor vehicles and motorcycles</i>
61100	Wholesale trade on a fee or contract basis
61200	Wholesale trade in agricultural raw materials, livestock, food, beverages, and tobacco
61220	Wholesale trade in food, beverages, and tobacco
61300	Wholesale trade in household goods
61310	Wholesale trade in textiles, clothing, and footwear
61391	Wholesale trade in household furniture requisites and appliances
61392	Wholesale trade in books and stationery
61393	Wholesale trade in precious stones, jewellery, and silverware
61394	Wholesale trade in pharmaceuticals, toiletries, and medical equipment
61400	Wholesale trade in non-agricultural intermediate products, waste, and scrap
61420	Wholesale trade in metal and metal ores
61430	Wholesale trade in construction materials, hardware, plumbing and heating equipment
61500	Wholesale trade in machinery, equipment, and supplies
61501	Office machinery and equipment, including computers
61501	Other Machinery
61900	Other wholesale trade
61901	General wholesale trade
61909	Other wholesale trade not elsewhere classified (nec)
Retail	
62000	<i>Retail trade, except for motor vehicles and motorcycles; repair of personal and household goods</i>
62100	Retail trade in non-specialised stores with food, beverages, and tobacco dominating
62110	Other retail trade non-specialised stores
62190	Other retail sale in non-specialized stores

SIC Code	Trade Category
62200	Retail trade in food, beverages, and tobacco in specialised stores
62211	Retail trade in fresh fruit and vegetables
62212	Retail trade in meat and meat products
62213	Retail trade in bakery products
62220	Retail trade of beverages (bottle stores)
62230	Other retail trade in food, beverages, and tobacco (nec)
62300	Other retail trade in new goods in specialised stores
62310	Retail trade in men's and boy's clothing
62320	Retail trade in ladies' and girls' clothing
62400	Retail trade in second-hand goods in stores
62500	Retail trade not in stores
62510	Retail trade via mail-order houses
62511	Retail trade-in books via mail-order houses
62519	Other retail trade via mail-order houses
62520	Retail trade via stalls and markets
62590	Other retail trade not in stores

NEC - Not elsewhere classified

4.1.2. Key Stakeholders

The key stakeholders which contribute to the SETA's achievement of its outcomes in the sector are categorised into groups of organised employers, the W&RSETA board, training providers, organised labour, government, community, and others as shown on Table 4 below.

Table 4: W&RSETA Stakeholders

ORGANISED EMPLOYERS	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
<ul style="list-style-type: none"> Retailers Association (RA) Consumer Goods Council of South Africa (CGCSA) National Clothing Retail Federation (NCRF) Black Business Council (BBC) Enterprise Mentorship of South Africa (EMOSA) Business Unity South Africa (BUSA) Fuel Retailers Association (FRA) South African Petroleum Retailers Association Retail Motor Industry Organisation Wholesale and retail enterprises (small, medium, and large) 	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA • Represent and articulate employer (small, medium, and large) interests. • Contribute to education and training, negotiations, marketing, finance, human resources and legal 	<ul style="list-style-type: none"> • Engaging workplaces to enable them to provide increasingly relevant data on the skills of their existing workforce as well as projected skills needs, through relevant templates. • Engaging stakeholders (including but not limited to employers, labour, and government) to ascertain their perceptions of future trends in their sectors and the implications of these for the demand and supply interventions signals to steer the supply of skills • Continuously exploring the implications of the findings from the workplace data and stakeholder engagement concerning sector trends and national policy priorities; and effective and meaningful stakeholder engagement to support ownership and participation among stakeholders which include social partners, individuals, employers, labour, providers, prospective learners, and the public

W&RSETA BOARD	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
<p>W&RSETA Board</p>	<ul style="list-style-type: none"> • To govern and control the W&RSETA by providing strategic direction and leadership. • To provide corporate governance guidance • To approve the W&RSETA SSP • To approve the Strategic plan and budget 	<ul style="list-style-type: none"> • Improve the governance oversight, monitoring and evaluation mechanisms and capacity, with strong social partners' involvement. • Institute mechanisms to ensure that actions are taken based on findings from these monitoring and evaluation systems. This, to understanding the strengths, challenges, and impact of the system. • Review the system where evidence suggests that there are obstacles that are preventing the realisation of the agreed-upon outcomes. This will ensure that the Minister [of the Department of Higher Education and Training (DHET)] can act where there is non-performance or maladministration. • Introduce mechanisms for instructions to the SETAs by the Minister, where there are challenges; and Review the SETA Standard Constitution to strengthen governance and accountability mechanisms. The decision about numbers on the Accounting Authority will take into consideration the nature of the sector (for example, the number of sub-sectors) and the need to support effective decision-making and good governance. The accounting authority will continue to have governing powers and steer the sector in terms of the scope (mandate and functions) of the SETA whilst, the management of the SETA will focus on operational and administrative roles; The roles and responsibilities of the accounting authority will further be defined. This will include a

W&RSETA BOARD	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
		<p>clear statement regarding conflict of interest and guidelines regarding the number of meetings per annum and the rates at which members of the Accounting Authority are remunerated.</p>
TRAINING PROVIDERS	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
<p>Further Education and Training Committee; Higher Education and Training Committee. Association of Private Providers of Education Training and Development. Southern African Society for Cooperative Education; Universities; TVET Colleges; Private Training Providers; and Community Colleges.</p>	<ul style="list-style-type: none"> • Represent interests of training providers – public and private • Contribute to education and training, quality assurance, curriculum development 	<ul style="list-style-type: none"> • The delivery of programmes against qualifications (on all the sub-frameworks) that support economic growth, encourage employment creation and enable social development for workers, unemployed and pre-employed (students), and • Facilitating workplace-based experience as part of a qualification or a postgraduate qualification with a specific focus on occupations that support growth, encourage employment creation, and enable social development. • Support for, and prioritisation of, Centres of Specialisation, where possible • Support for TVET colleges in implementing occupationally directed programmes; and • Partnerships and collaboration with the higher education and research institutions, amongst others will be central for evidence-based understanding of skills demand and supply

ORGANISED LABOUR	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
<p>Congress of South African Trade Unions (COSATU); Southern African Clothing and Textiles Workers Union (SACTWU). South African Commercial, Catering and Allied Workers Union (SACCAWU). Federal Council of Retail Allied Workers (FEDCRAW); Development Institute for Training, Support and Education for Labour (DITSEL); Entertainment Catering Commercial and Allied Workers Union (ECCAWUSA). National Union of Metal Workers of South Africa (NUMSA)</p>	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA • Represent and articulate worker interests. • Contribute to education and training, negotiations, public management, and dispute resolution 	<ul style="list-style-type: none"> • Skills levy institutions will work with the federations/trade unions in their sectors in identifying the required skills needs, especially in better understanding the sectors and implementing the relevant interventions. • Engaging stakeholders (including but not limited to employers, labour, and government) to ascertain their perceptions of future trends in their sectors and the implications of these for the demand and supply interventions signals to steer the supply of skills; and • Trade unions and worker education and training initiatives are able to use the critical networks of their organisations (e.g., shop stewards and union officials) to educate their members and other workers to suit their needs in a manner that is also beneficial to the economy as a whole.
COMMUNITY	ROLES AND RESPONSIBILITIES	NSDP OUTCOME ALIGNMENT
<p>South African Community at large.</p>	<ul style="list-style-type: none"> • Represent interests of communities and co-operatives • Contribute to education and training, small enterprise and co-operative development, and advancement of women 	<ul style="list-style-type: none"> • Social partners will continue to play an active role, amongst others, in SETA Accounting Authorities and the National Skills Authority (NSA), these roles will be further elaborated in the Act and relevant skills development Regulations with key responsibility for the implementation of the NSDP. • Career development services (including material) must be accessible to all, especially in rural areas and targeted beneficiaries; and • Ensure that prospective learners and the public are aware of when and how to apply for programmes and have access to a simplified process;

4.1.3. Wholesale and Retail Sector Performance and State of the Economy

This section assesses the current economic performance of the W&R Sector.

In the first quarter (Q1) of 2023 the Gross Domestic Product (GDP) increased by 0.4%, with eight of the ten industries recording positive growth. Positive results were seen in the manufacturing and finance industries as those were the largest contributors towards the GDP at 0.2% each. The industries that had the least positive contributions towards the GDP were from the General Government services, Finance, real estate & business services, and Trade, catering accommodation; thus underlying the pressure that the wholesale and retail sector is under.

The agriculture, forestry and fishing sector were the largest negative contributor to the GDP at -12.3% as well as the electricity, gas & water industry which could potentially be a result of load shedding and water supply outages that decrease water and electricity consumption.

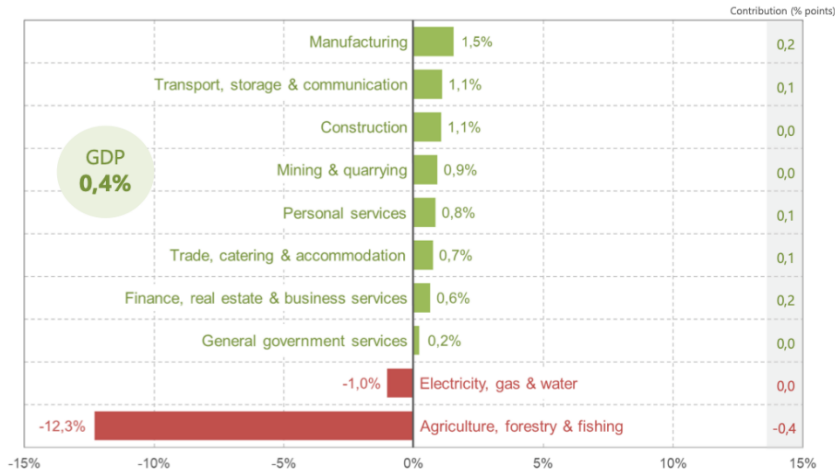


Figure 1: Performance of South African Industries (2023)
Source: (Statistics South Africa, (2023))

4.1.4. South Africa's Unemployment

The unemployment rate has increased from 32.7% in the fourth quarter of 2022, which was the lowest unemployment rate observed since the first quarter of 2021, to 32.9% in the first quarter of 2023. The number of unemployed persons increased by 179 000, while the overall number of unemployed people increased to 7.9 million, increasing the total number of people in the labour force from 23.7 million to 24.1 million in the first quarter of 2023. The expanded unemployment rate, which includes discouraged job seekers, decreased by 0,2%, from 42,6% to 42,4% from the fourth quarter of 2022. The following graph shows the unemployment statistics in South Africa dated January 2020 to January 2023.

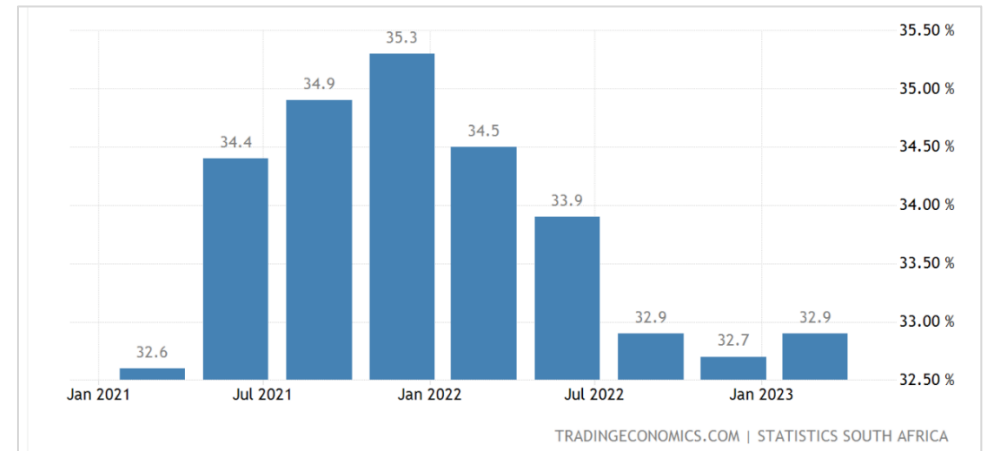


Figure 2: South Africa Unemployment Rate (2023)
Source: (Trading Economics, (2023))

4.1.5. Share of employment per industry relative to its GDP share (%)

In the fourth quarter of 2022, the trade, construction and agriculture industries showed the highest employment shares relative to their GDP contributions (excluding private households). Despite the significant role in job creation of the agricultural sector, it does not proportionately contribute to the country's overall economic output. The figure below depicts the share of employment per industry in the fourth quarter of 2022, relative to its percentage GDP share.

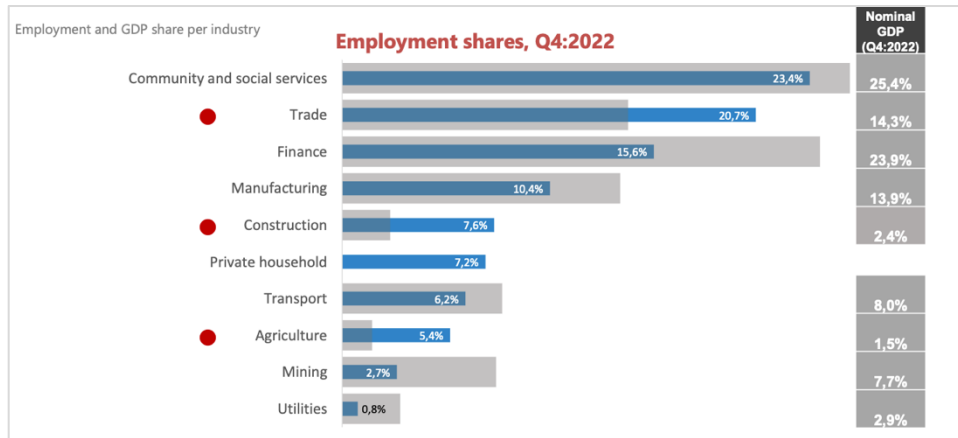


Figure 3: Employment Shares per Industry (2022)

Source : (Statistics SA QLFS Q4 :2022 Presentation (2023))

4.1.6. Employment Losses and Gains

The finance (184 000), community and social services (175 000) and agriculture (27 000) industries were the leading positive contributors to employment changes in the first quarter of 2023. Private households experienced the largest decline (-7.5%) in employment. The following diagram shows the employment losses and gains across various sectors.

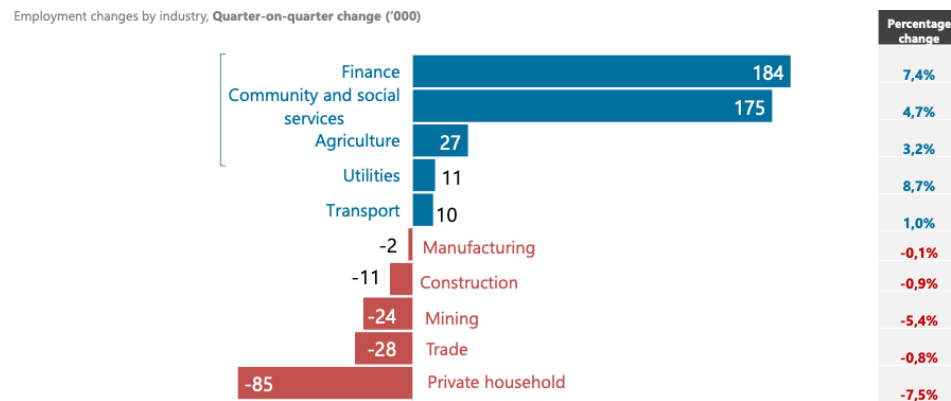


Figure 4: Employment changes by Industry (2023)

Source : (Statistics SA QLFS Q1 :2023 Presentation (2023))

4.1.7. Economic Performance of the W&R Sector

This section assesses the economic performance of the W&R sector between April 2022 to May 2023. South Africa's retail trade fell by 1.4% in May 2023, following an upwardly revised 1.6 % drop in the prior month. This is the sixth consecutive month of declines in retail activity. Power supply in South Africa continues to be a crisis and continues to frustrate the recovery from COVID-19, sales are declining with some departments more affected than others such. General dealers (-3.7% vs -2.8% in April), hardware, paint, and glass (-8.7%), household furniture, appliances & equipment (-5.8%), food, beverages & tobacco in specialised stores (-4%) and pharmaceuticals & medical goods, cosmetics & toiletries (-4%) all experienced significant decline in sales over the last year. In contrast, retail sales were higher at textiles, clothing, footwear & leather goods (10.3%).

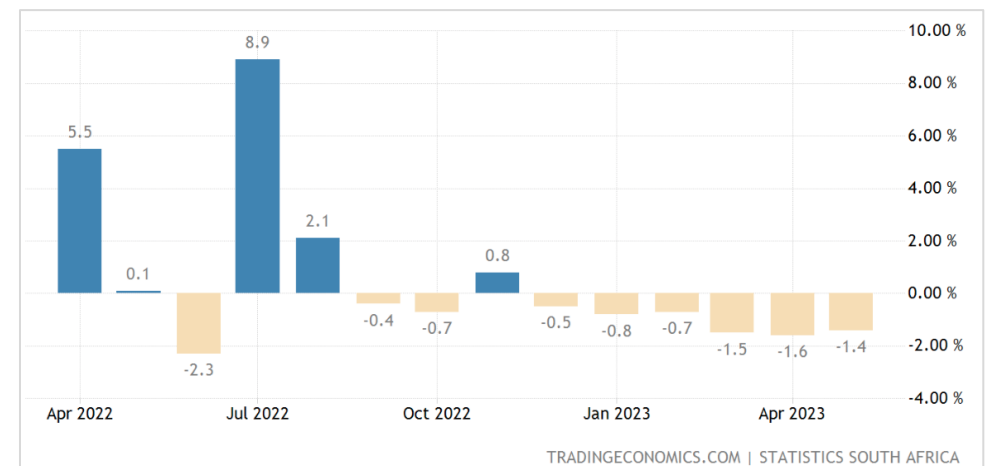


Figure 5: Key growth rates in retail trades South Africa

Source: Trading economics (2023)

4.1.8. Growth by Industry Type

This section covers the percentage growth by various types of industries.

4.1.8.1. Growth by Type of Retailer

Retail trade sales decreased by 0,2% in the fourth quarter of 2022. The largest negative contributors to this decrease were retailers in hardware, paint and glass (-5,2% and contributing -0,4 of a percentage point) and pharmaceuticals and medical goods, cosmetics; toiletries (-4,7% and contributing -0,3 of a percentage point) and food, beverages and tobacco products in specialised stores (-2,4% and contributing -0,2 of a percentage point).

The largest positive contributor was retailers in textiles, clothing, footwear and leather goods (4,3% and contributing 0,8 of a percentage point).

The food, beverages and tobacco and metal and metal ores subsectors may grow due to the Economic Reconstruction and Recovery Plan's (ERRP) focus on food security and exports in metals as part of boosting employment and supporting economic recovery.

4.1.8.2. Growth by Type of Wholesaler

In January 2023, South Africa's annual wholesale trade sales saw a total percentage increase of 3.6 % compared to January 2022, following month-on-month changes of -3,6% in December 2022 and 0,9% in November 2022. In the quarter ending January 2023, seasonally adjusted wholesale trade sales decreased by 1,7% compared with the previous three months.

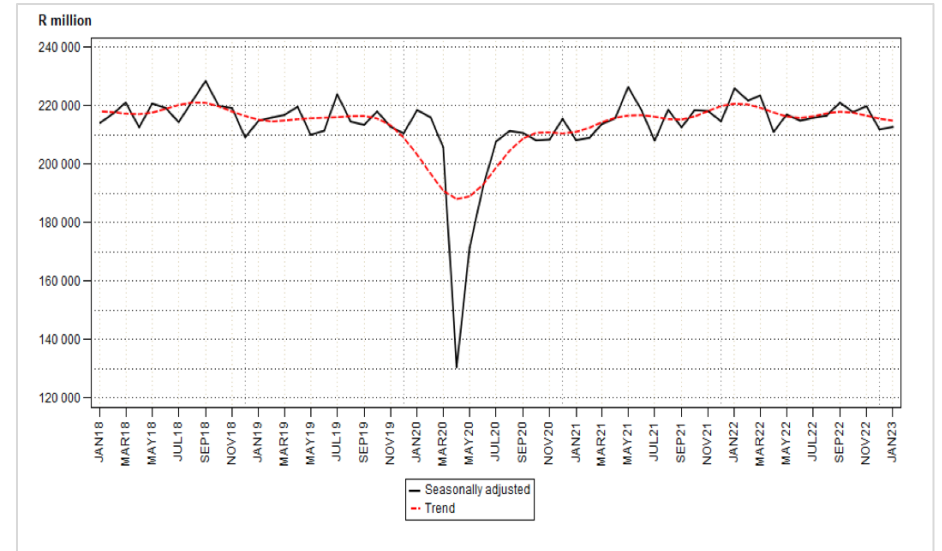


Figure 6: Wholesale Trade Sales by Dealer Type in Percentage

Source: (SA Retail Trade Sales (Preliminary) (2022))

Disposable Personal Income in South Africa increased to R441 250 million in the fourth quarter of 2022 from R435 666 million in the third quarter of 2022. The disposable personal income in South Africa between July 2022 and January 2023 is displayed in the graph below.

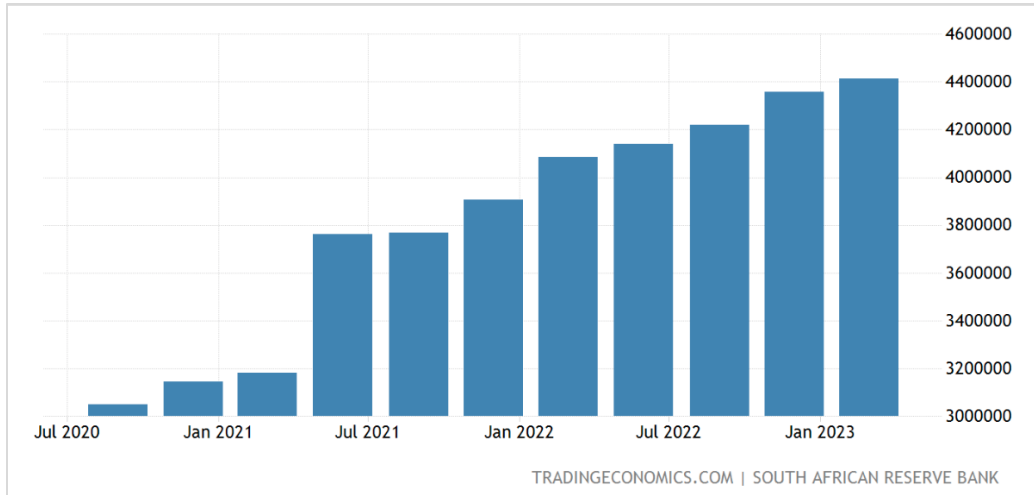


Figure 7: Disposable Income (2020-2023)

Source: (Trading Economics Disposable Personal Income (2023))

The Consumer Confidence Index in South Africa declined to -25 in the second quarter of 2023, which is the lowest it has been since June 2022. The FNB chief economist Mamello Matikinca-Ngwenya commented on the subject; "Further interest rate hikes, rand depreciation and concerns about South Africa's diplomatic relations with the rest of the world in all likelihood compounded the negative impact of the electricity crisis on high-income confidence".

The graph below shows consumer confidence from July 2019 to January 2022.

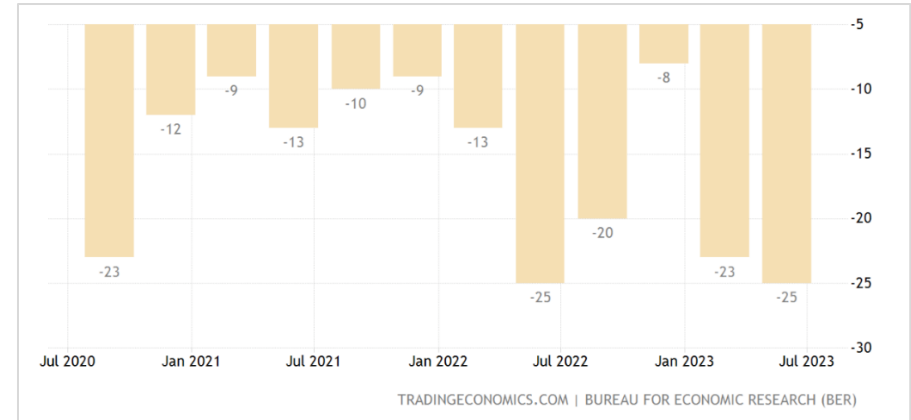


Figure 8: Consumer Confidence (2020-2023)

Source: (Trading Economics Consumer Confidence (2023))

The graph below shows South Africa's Consumer Price Inflation between January 2009 and January 2023.

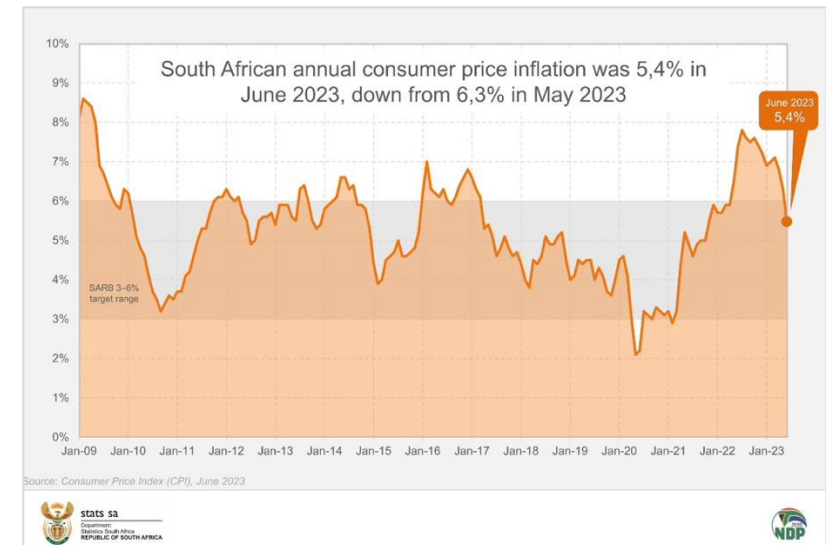


Figure 9: Consumer Price Inflation

Source: (Statistics South Africa, (2022))

The following chart shows the biggest role players in South Africa's retail sector. As indicated by the figure, general dealers have the biggest weight in the retail sector with 42,1%; followed by textiles, clothing, footwear and leather goods and all other retailers with 18,7% and 11,1%, respectively.

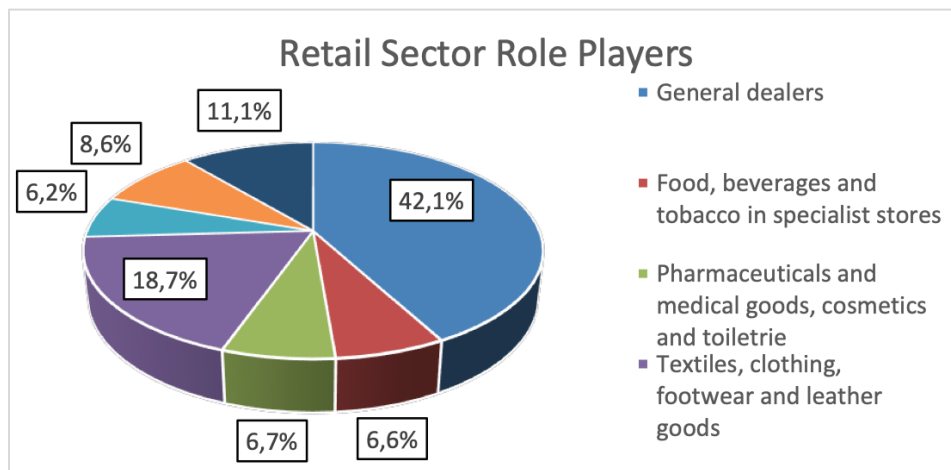


Figure 10: Biggest Role Players in the Retail Sector
Source: (Statistics South Africa, (2022))

4.1.8.3. Employer Profile

The W&R Sector's employer profile is presented in this section for the years 2021/22 and 2022/23. In the W&R Sector, there were 24 459 registered levy-paying employers during the 2021/22 period. This number increased to 24 962 registered levy-paying employers for the 2022/23 period.

The largest number of registered levy-paying employers were in Gauteng, which had 9 728 for the period of 2022/23 compared to 10 512 in 2021/22. Western Cape and KwaZulu-Natal were next, with 5 101 (2022/23) and 5 240 (2021/22) in Western Cape followed by KwaZulu-Natal 3 454 for the 2022/23 period in comparison to 3 585 in 2021/22. The significant concentration of businesses in

these three (3) regions is because of the higher levels of economic activity in these provinces as compared to the rest of the country.

The graph below shows the levy-paying companies per province for the 2022/23 period compared to 2021/22.

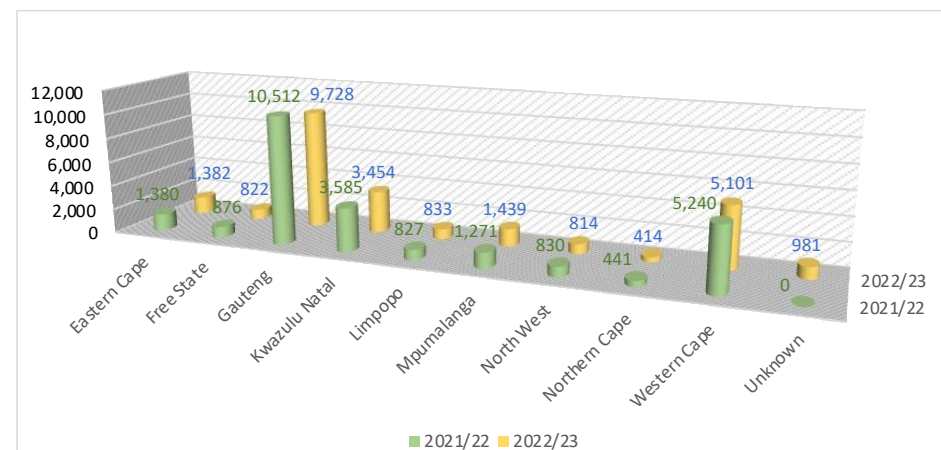


Figure 11: Levy-Paying Employers per Province
Source: (SARS, 2022/23)

4.1.8.3.1. Levy Income Trends

The financial analysis of levy paying companies across key South African provinces for the specified period reveals noteworthy insights. Gauteng, as the country's economic hub, recorded the highest collection of levies with a substantial cumulative amount of R612,459,077, highlighting its significant financial activity. The Western Cape followed closely with a combined value of R456,901,733, reinforcing its economic importance. KwaZulu-Natal also exhibited considerable collections totalling R184,070,826. In contrast, Limpopo and the Northern Cape reported lower numbers but still contributed to financial transactions of R24,433,936 and R10,397,528, respectively. These analyses highlight the economic ability of Gauteng, the Western Cape, and KwaZulu Natal, while Limpopo and the Northern

Cape demonstrate more modest financial activities during the assessed period.

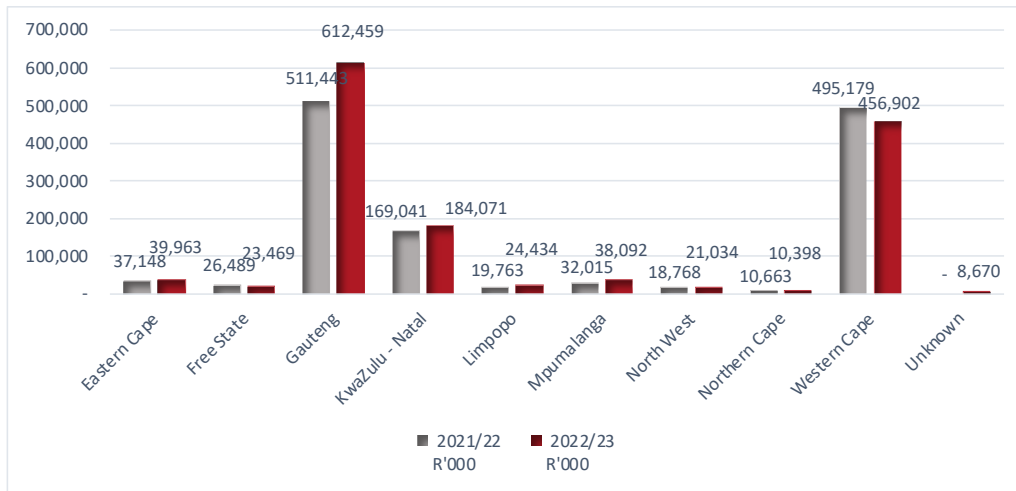


Figure 12: Levies Received per Province
Source: (W&RSETA, 2021/22 & 2022/23)

Labour Market Profile

The figure below reveals that the trade sector - which according to Statistics SA refers to wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods, hotels, and restaurants - employed 2.896 million people in the fourth quarter of 2021. In the fourth quarter of 2018, there were 3.320 million employees compared to 2.896 million employees in the industry in the fourth quarter of 2021. This represents a decrease of 424 000 employees (12,8%) in this period. It is important to note that COVID-19 had a major influence on employment in the sector, especially from early 2020 onwards.

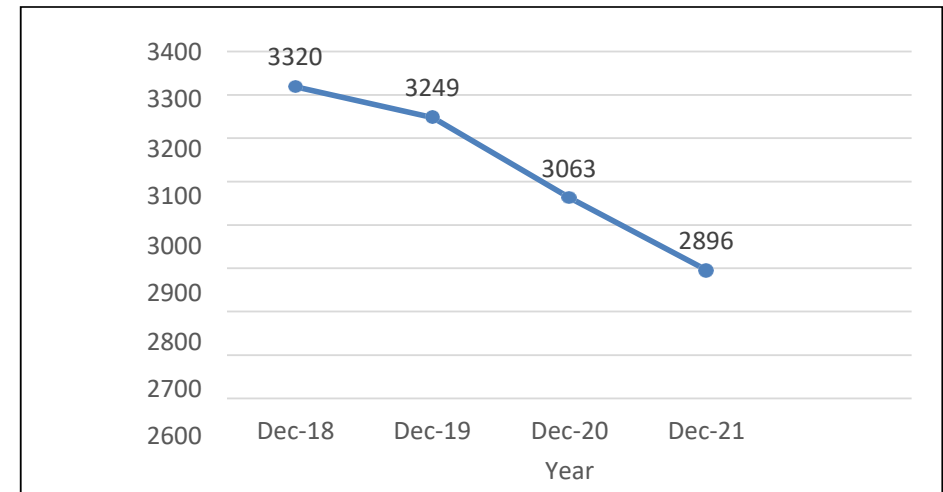


Figure 13: Number of Employees in the Trade Sector 2018 – 2021('000)
Source: Statistics South Africa (2022), (2020)

The graph that follows, shows the number of employees in the formal and informal sector. The graph reveals the following:

- A little over two thirds (69.1%) of South Africa's total employment is in the formal sector which has increased by 1 million to 11.2 million between 2013 and 2023. Less than a third, 18,9% (3.1 million people) of the working population in South Africa is currently employed in the informal sector.
- While there has been an increase in the South African employment rate in both the formal and informal sectors during the 10-year period, there was a rapid decline in 2020 as a direct result of the COVID-19 pandemic amongst other reasons.

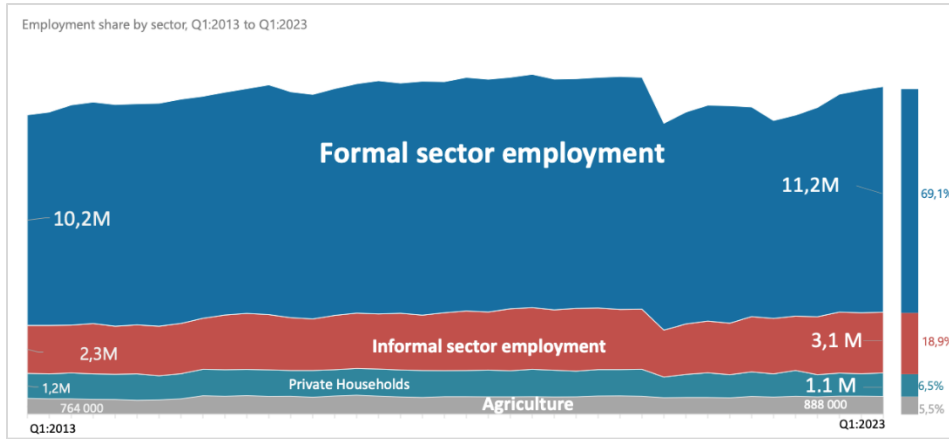


Figure 14: Employees in the Formal and Informal sectors
Source : (Statistics SA QLFS Q1 :2023 (2023))

The figure below shows the number of people employed in the 9 provinces. The total number of employed people is 14,5m in Q4 of 2021, which is 362 000 people less than the total recorded for Q3 of the same year.

This percentage decrease is spread across the 2 provinces that saw decreases, with the largest contributions recorded in Mpumalanga which decreased by 52 000. It was followed by Northern Cape, which decreased by 11 000. The largest increases in employment were recorded in KwaZulu-Natal and Gauteng, which saw increases of 126 000 and 76 000, respectively.

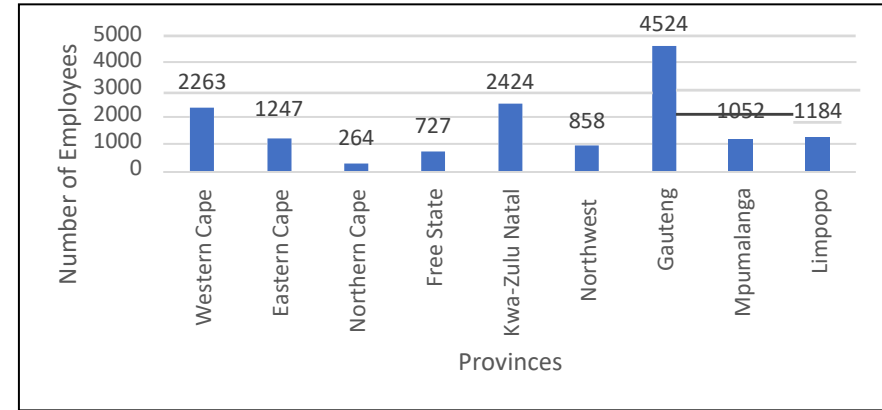


Figure 15: Employment by Province ('000)
Source : Statistics SA QLFS Q4 : 2022

The Table below indicates that even though democratic transformation in South Africa began over 25 years ago, change is still not prominent in this sector. The figures indicate women across all races represent 23.1% of the positions in top management, which is less than half of the positions held up by white males (54,4%) in top management. White males are also the largest group of any occupational level. Coloured males and females have the lowest representation at both top and senior management levels. African employees make up the largest representation of skilled, semi-skilled and unskilled workers by a large margin, with 27,8%, 31,9% and 41,2 % for males and 27,3%, 47,3% and 43,7% for females, respectively. There is also an overall larger representation of males than females across all occupational levels. The employment profile table below shows that the demographics for formal employment in the W&R sector are a challenge. According to the Commission for Employment Equity the racial and gender profile of the sector is as follows:

Table 5: Employee Demographics

WORKFORCE PROFILE FOR ALL EMPLOYEES	Male				Female				Foreign National		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	5,0%	2,7%	12,6%	54,4%	2,8%	1,8%	4,0%	14,5%	1,7%	0,6%	100,0%
Senior Management	12,7%	5,8%	10,7%	33,4%	7,2%	4,3%	5,1%	18,9%	1,7%	0,4%	100,0%
Professionally qualified	19,6%	6,8%	7,2%	21,2%	15,8%	7,0%	4,9%	15,8%	1,2%	0,5%	100,0%
Skilled	27,8%	6,7%	4,6%	10,1%	27,3%	8,8%	3,7%	9,3%	1,2%	0,5%	100,0%
Semi-skilled	31,9%	5,0%	1,2%	1,6%	47,3%	8,5%	1,3%	2,0%	0,9%	0,4%	100,0%
Unskilled	41,2%	4,5%	0,7%	0,7%	43,7%	6,3%	0,5%	0,4%	1,4%	0,6%	100,0%

Source: (CEE 2023)

Table 6: Employee Profile by Major OFO Group

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Managers	21,3	5,9	5,8	20,2	23,7	7,3	3,4	10,8	1,0	0,6	100
Professionals	15,2	7,6	5,9	19,9	16,3	8,2	5,4	20,2	0,9	0,5	100
Technicians and Associate Professionals	29,4	6,1	3,0	8,1	30,3	9,0	3,1	9,6	0,9	0,4	100
Clerical Support Workers	28,4	4,4	1,8	2,0	42,5	11,6	2,9	5,6	0,6	0,3	100
Service and Sales Workers	28,7	4,2	1,2	1,7	51,4	8,3	1,3	1,5	1,0	0,7	100
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	49,0	8,2	1,6	6,5	23,9	5,9	0,7	0,6	3,2	0,4	100
Plant and Machine Operators and Assemblers	69,5	11,5	2,2	2,9	7,8	2,6	0,3	0,6	2,4	0,2	100
Elementary Occupations	42,6	6,9	0,9	1,2	36,8	6,4	0,5	0,4	3,1	1,2	100

The following table provides the racial profile of the W&R Sector by gender according to gender on WSP data.

Table 7: Racial Profile

	African	Coloured	Indian	White
Male	33%	5%	2%	5%
Female	41%	8%	2%	4%

Source: (WSP Data 2022)

The following graph demonstrates employees' distribution by gender, and, there are more females than males in the W&R Sector.

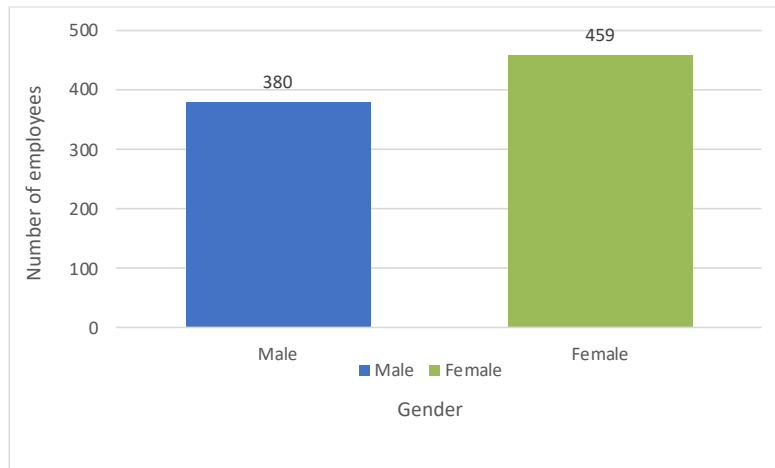


Figure 16: Employees by Gender ('000)
Source: (WSP Data 2022)

The graph below illustrates the number of employed people per age group in thousands. The figure shows that people between the ages of 15 and 24 have the lowest number of employed people in 2020 in comparison to 2021 and across all the age groups. All other age groups decreased in employee numbers between 2020 and 2021 with the exception of the 15-24 age group.

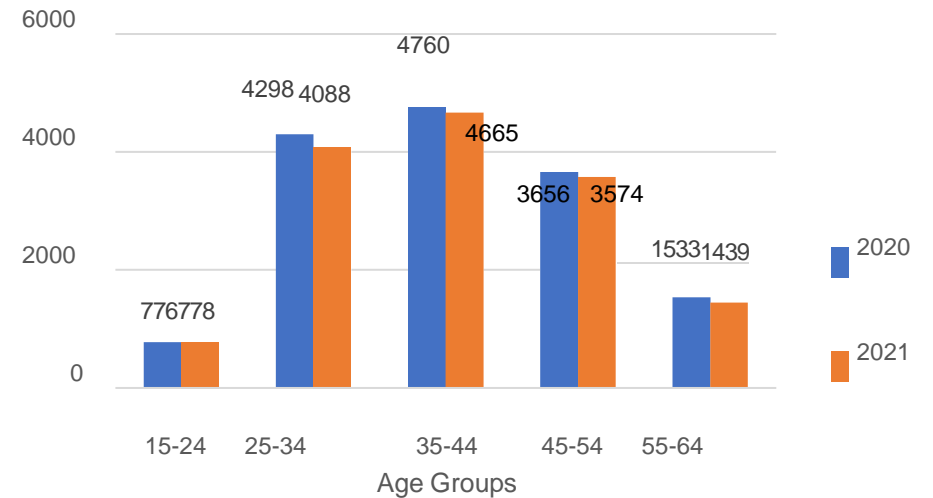
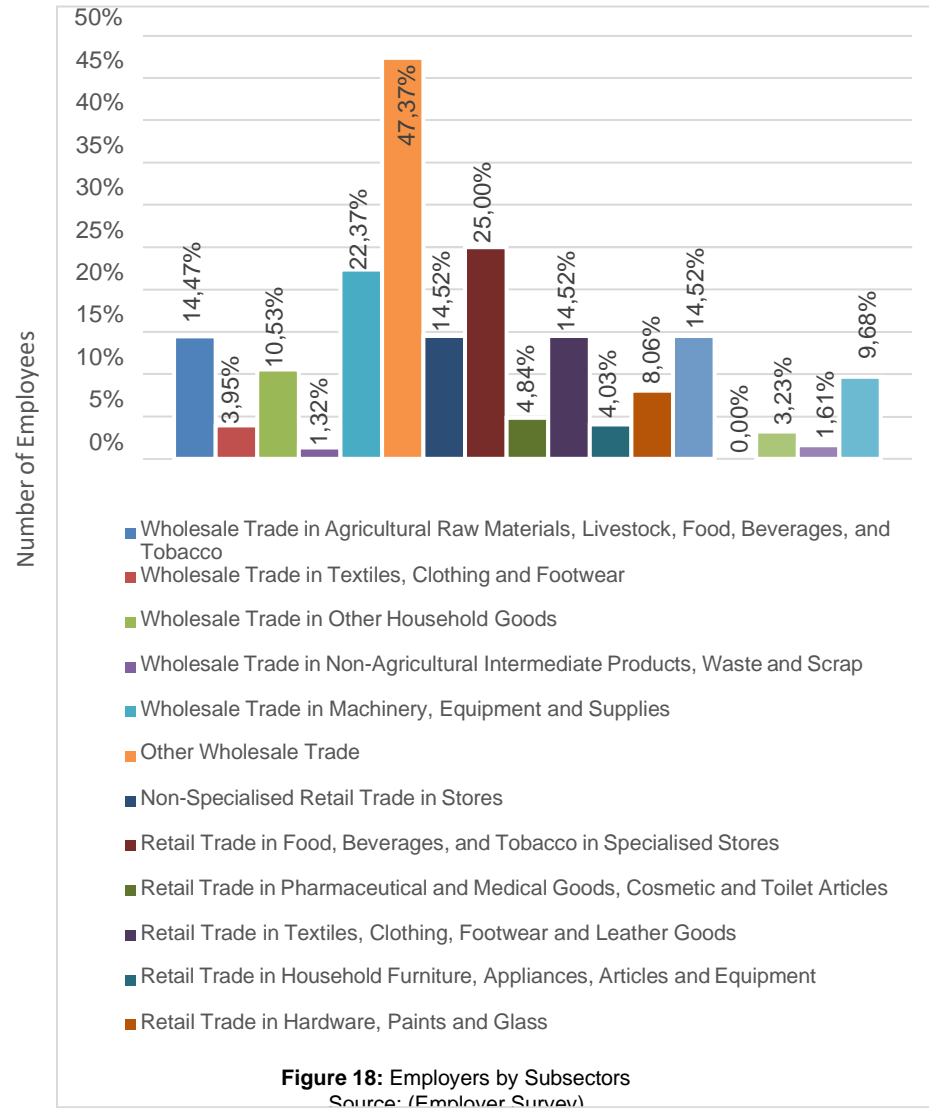


Figure 17: Number of

Employed People per Age Group
Source: (Statistics South Africa, 2022)

The graph below shows the distribution of employers by subsector.



The following figure shows the percentage of the workforce made up of people with disabilities over the five years from 2015 to 2020. The graph shows an average of 1,0% from 2015 until 2019. Before 2020, the representation of people with disabilities in the workforce had decreased since 2015, especially in 2016 where it decreased by 0,8%. The percentage representation has since increased to 1.3% in 2020.

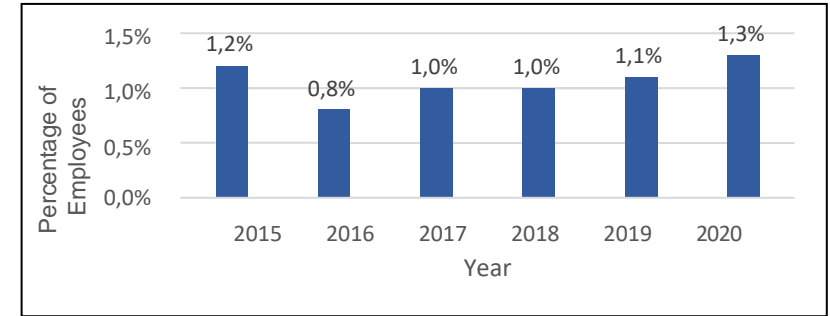


Figure 19: Percentage Representation of Workforce with Disabilities 2015-2019
Source: (CEE, 2020/21)

The following graph provides the percentage of employees with disabilities, as per the 2022 WSP data. The figure shows that 5% of employees had a disability.

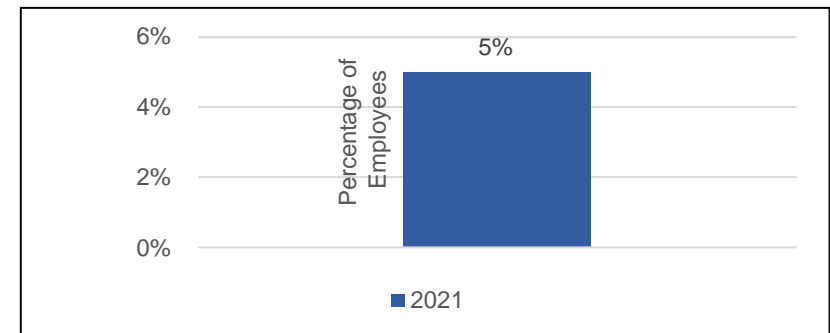


Figure 20: Percentage of Employees with Disabilities in 2021
Source: (WSP/ATR Data 2022)

Representation of People with Disabilities (PWD) within the Sector:

People with Disabilities are the least represented across the South African workforce, despite the commitment by companies to comply with the Employment Equity Act 55 of 1998 (EEA). The EEA serves 2 key purposes, one of which is 'implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupation categories and levels in the workforce' (Department of Labour, 2004).

The figures in the 21st Commission for Employment Equity Annual Report for 2020/21 show that the representation of People with Disabilities is extremely low, with an average representation percentage of 1,47% across the workforce since 2018 (CEE, 2020/21). This illustrates that the action taken towards transformation and equity in the workplace is taking place at a much slower pace than it should.

The figures for the W&R sector were not much different either, as the sector only had slightly less than 1,3% of the employees that represent People with Disabilities. This is concerning considering that People with Disabilities are one of the annual SSP priority areas. However, the SETA's strategy highlights the challenges faced by People with Disabilities and is geared towards highlighting this to the W&R sector, to assist in accelerating developmental programmes to alleviate the statistics alluded to. A challenge with the transformation interventions set for People with Disabilities and other individuals in marginalised groups, is that although the interventions are targeted the impact imparted does not always translate as well in employment as it does in academics and training. There is still a highly visible margin in the representation of Persons with Disabilities and able-bodied people.

4.1.9. PESTEL Analysis

Table 8: Political, Economic, Social, Technological, Environmental and Legal (PESTEL) Analysis

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
POLITICAL FACTORS	<ol style="list-style-type: none"> 1. Macro-reorganisation of the state e.g., the merging of departments 2. Instability in the Informal Sector 3. SOE governance Framework 4. Political pressure for a more inclusive economy 5. The country's massive inequality exposed in terms of access to good quality education and training resources and economic impact on vulnerable groups 	<ul style="list-style-type: none"> • Support rural and township economy through skills development initiatives • Drive social cohesion in the Informal Sector • Adopt a more collaborative approach to the planning and execution of the training programme • Greater intersectoral and community involvement. • Programmes aimed at uplifting vulnerable sectors of society.
ECONOMIC FACTORS	<ol style="list-style-type: none"> 1. State of economy, including severe floods in KwaZulu-Natal 2. Lower economic growth levels 3. Retrenchments by various Sectors 4. Rising unemployment especially among youth 5. High poverty and rising inequality 6. Budget Adjustments – reallocation of funds 7. Retrenchments and worsening unemployment 8. Deepening Recession 9. Reduced SDL Income 10. Reconstruction and Recovery Plan 11. Severe floods and the impact they had on businesses, especially SMMEs 	<ul style="list-style-type: none"> • Accelerate implementation of strategies that support employment and placement • Entrepreneurship support initiatives • Prioritise programs that can support failing industries and SMMEs • Training layoff scheme with Department of Labour • Upskills and reskilling of the unemployed and those that have been laid off • Partnerships with Department of Labour regarding Training Layoff Scheme programmes • Budget cuts – thus focus priority areas emphasis on making an impact • Budget adjustments to include PPE clothing and Online platforms for learning • The following are guidelines to assist in the implementation of the ERRP: <ul style="list-style-type: none"> ○ To understand education and training intervention needs at an occupational level.

EMERGING ISSUES	IMPLICATIONS FOR THE W&RSETA
	<ul style="list-style-type: none"> ○ To identify training and education interventions critical to ensure occupational shortages do not hamper the effectiveness of the ERRP. ○ To understand education and training intervention needs to alleviate/plug skills gaps. ○ To Identify training and education interventions critical to ensure skills gaps do not hamper the effectiveness of the ERRP. ● To assist businesses impacted by floods <ul style="list-style-type: none"> ○ Assist affected SMMEs through appropriate measures such as infrastructure improvements to damaged properties. ○ Partner with funding agencies to provide comprehensive solutions for SMMEs because the floods. ○ Continuously communicate with SMME associations to understand what the needs of their members brought on by the economic disruptions are to prepare interventions that address those needs. ○ Ensure credible labour market analysis to provide a supply and demand analysis that informs sector skills priorities, keeping in consideration the shift in the sector brought on by the economic disruptions. ○ Infrastructure supporting (Shelving, painting, and branding). ○ Provide training layoff scheme to the affected employees and learners

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
		<ul style="list-style-type: none"> ○ Continuous engagement with sub-sectors affected by retrenchments due to economic disruption for the implementation of upskilling programmes.
SOCIAL FACTORS	<ol style="list-style-type: none"> 1. Unemployment especially among youths 2. Instability in the townships 	<ul style="list-style-type: none"> • Grow participation in bursary, learnerships and artisans • Produce skills development initiatives for small businesses • Partnerships with the Department of Labour to use the Training Layoff Scheme • Reskilling and Upskilling • Partnerships with cooperatives, providing them with appropriate training programmes
TECHNOLOGICAL FACTORS	<ol style="list-style-type: none"> 1. The fourth industrial revolution is driven by artificial intelligence (AI) and cyber-physical systems (CPS) 2. Accelerated adoption of e-commerce with subsequent disruption of supply chain 3. Limited export opportunities occasioned restriction of movement of people and Goods and services 4. A rise in the adoption of digital education and training platforms 5. Lack of or limited access to technology from rural areas and vulnerable groups 	<ul style="list-style-type: none"> • Invest in the use of artificial intelligence particularly in curriculum development • Support initiatives to build infrastructure that supports 4IR technology • Support dialogue and research to understand and benchmark for the 4IR • Invest in research on 4IR • Ensure regional, national, and international partnerships • Facilitate the development of appropriate digital retail skills e.g., Digital Supply Chain Skills, Digital Marketing as well as relevant robotics and coding courses • Empower retailers and SMME's and the informal sector with digital supply chain networks • Partnerships and collaboration with Organisations within the ICT space • Increase the number of bursaries for students with online academic centres • Investing in future skills responding to the 4IR as identified in the SSP. These include: <ul style="list-style-type: none"> ○ Data analyst;

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
		<ul style="list-style-type: none"> ○ System analyst; ○ IT specialist; ○ Product manager; ○ E-learning Designer. ● Investing in new and emerging top-up skills as identified in the SSP. These include: <ul style="list-style-type: none"> ○ Digital marketing skills; ○ Digital customer communication skills; ○ Problem-solving skills; ○ Financial literacy skills; ○ Data analytics skills; ○ Ethics & discipline; ○ Information Communication Technology (ICT) skills.
ENVIRONMENTAL FACTORS	<ol style="list-style-type: none"> 1. Consumer awareness for example the green economy 2. The movement towards organic foods 3. Plastic pollution awareness, recycling, and alternatives to plastic 4. Reduced Carbon Footprint 5. Net positive carbon emissions 6. Food loss and waste 	<ul style="list-style-type: none"> ● Facilitate skills development programmes that support the green economy ● Support community-based initiatives that address environmental challenges and unemployment ● Cooperatives formation ● Facilitate programmes that support the reduction of carbon emissions ● Partnership with universities to consider offering entirely new study fields focusing on Green Economy and Environment ● Funds allocation for green trades and occupations through bursaries and placement of the unemployed ● Support eco-innovation programmes for the unemployed. ● Upskilling programmes focusing on green technologies by strengthening initial education and vocational training partnerships

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
		<ul style="list-style-type: none"> • Setting up green training and expertise centres to educate employers and employees in the wholesale and retail sector
LEGAL FACTORS	<p>Legislation affecting the sector in the business includes:</p> <ul style="list-style-type: none"> • SETA Grant Regulations (December 2012) • National Qualifications Framework Act, No. 67 of 2008 • Workplace Based Learning Programme Agreement Regulations, 2018 • Occupational Health and Safety Act, No. 85 of 1993 • Disaster Management Act, No. 57 of 2002 • POPI Act • Skills Development Act • Skills Development Levies Act • Employment Equity Act • Labour Relations Act • Basic Conditions of Employment Act 	<ul style="list-style-type: none"> • Ensuring Regulatory Compliance • Capacity to adhere to relevant pieces of legislation • Enable initiatives that ensure health and safety policies put in place

4.1.10. Opportunities and Threats

The following opportunities and threats might affect the W&RSETA strategy:

Table 9: Opportunities and Threats

OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> 1. National legislation mandates that all corporate organisations participate and pay levies 2. The new SETA landscape which has renewed SETA operations up to 2030 provides growth opportunities 3. High youth unemployment is an opportunity to expand training programmes. Accordingly, the SETA will pursue priorities for youth skills development for employment creation as well as career advancement, in line with NSDP 2030 principles and SSP priority action 1. 4. Opportunity to capitalise on the 4th Industrial Revolution (4IR). This gives a chance to change the way things are done e.g., class delivery. To make an impact in the sector, the SETA will pursue the development and revision of a curriculum which is relevant to the sector. Research interventions into industry trends will inform the development and revision of the curriculum, which will seek to respond to sector dynamics. 5. Opportunities for partnerships with international organisations, higher education institutions and other SETAs. In line with NSDP 2030 outcome 5, the SETA will pursue partnerships aimed at the capacitation of TVET and CET colleges through infrastructure development, equipment, and lecturer capacitation. Meanwhile, partnerships with other SETAs and international institutions will be made in the fields of research, exchange learning and curriculum development. 6. Continuous improvement in the MIS system resulting in more efficient operations 7. New bursary strategy to support the funding of bursaries more effectively to employed learners 8. Job opportunities within the sector relating to the Green Economy. Opportunities could be leveraged through: <ul style="list-style-type: none"> • Green skills project aligned to the sector focussing on awareness, supply chain efficiencies, critical and occupational shortages. • The development and implementation of the green policy framework for the sector. • Bursaries may be awarded to students within the sector to venture into the green economy. • Collaboration with the Department of Environmental Affairs and other institutions within the green economy. 	<ol style="list-style-type: none"> 1. Movement of W&RSETA stakeholders to other SETAs – This is a recurring occurrence and is likely to reduce the number of levies collected by the W&RSETA by a significant percentage if the trend persists. The SETA will focus on improving stakeholder relations during the strategic plan implementation period to enhance the retention of levy-paying firms. 2. The general perception of rife corruption in the SETA system – This leads to a lack of trust in the SETA to deliver on its promises and might also lead to the reluctance of W&R firms to pay their levies. The W&RSETA will accordingly aim to interact with all stakeholders with dignity by delivering on all obligations. Building, maintaining and enhancing trust with stakeholders will be among the key overall priorities for the W&RSETA’s implementation processes. 3. Overall poor performance of the economy which decreases levies obtained by the W&RSETA – unemployment remains unsustainably high with virtually no economic growth. A continuation of the trend will result in the decline in levies received; thereby affecting the SETA’s ability to meet targets set in the APPs. Accordingly, the SETA will focus on improving efficiency in the utilisation of limited resources; through investment in extensive research into W&R sector dynamics. 4. Reconstruction of SETAs and their mandate 5. Bureaucratic systems that do not adapt to changing needs. 6. Low learner absorption and placement rate, compounded by a lack of available jobs 7. High retrenchment rate due to poor economic conditions 8. Identification of inappropriate stakeholders in the skills planning process may result in mis-informed skills plans. 9. A disproportionately high level of delivery in Q4 runs the risk of the SETA not achieving its annual targets. 10. The current energy crisis placing businesses under the threat of closure

4.1.11. Factors Affecting Skills Demand and Supply

This section describes the key factors identified as change drivers influencing skills supply and demand either positively or negatively. The section also presents the implications of these factors for the skills development of the sector.

i. Inadequate electricity supply (Load shedding)

1. **Reduced productivity:** Inadequate electricity supply can cause interruptions in operations, leading to reduced productivity and output levels for businesses in the sector.
2. **Increased costs:** Businesses may have to incur additional costs to run on generators or other alternative sources of power, which can impact their profitability.
3. **Skills gaps:** With businesses having to adopt alternative power sources, there may be a need for employees to learn how to operate and maintain these systems, creating a skills gap within the sector.

Proposed interventions:

1. **Training programmes:** The W&RSETA can develop training programs that equip employees with the skills and knowledge to operate and maintain alternative power sources. This can help bridge any skills gaps and improve the overall efficiency of operations.
2. **Promotion of renewable energy:** The W&RSETA can promote the adoption of renewable energy sources within the sector. This can involve providing information and resources to businesses on how to transition to renewable energy, as well as continuing to offer incentives for businesses that make the switch by promoting renewable energy, the sector can reduce its reliance on the national power grid, which is often the cause of inadequate electricity supply.

ii. Data Privacy and Protection of Personal Information Act

All businesses in South Africa are now required to adhere to the requirements of the Protection of Personal Information Act. These requirements can be onerous for businesses, especially for SMMEs (for example, the requirement of all businesses to appoint an Information Officer who can be held liable for data breaches in multiple ways). POPI will require

a fundamental shift in how businesses process data and how they market themselves. Furthermore, cybersecurity and IT literacy skills will become essential as most data is stored on servers or in the cloud.

iii. Technological Advancements and Access to Information

The wholesale and retail industries are rapidly changing due to technological advancements. These advancements offer wholesalers and retailers an opportunity to increase their efficiency and revise their business models. However, these advancements have also given consumers more power concerning retailers. This power is often through constant connectivity, communication, and access to information.

Implications of technology for Skills Planning in the sector include the following:

- **Mobile Applications:** Smartphones, tablets, and wearable devices present retailers with new opportunities for engagement with customers. Retailers can build personal relationships with customers based on their preferences, shopping styles, and mobile interaction (data.ai, 2020).
- **Online Shopping:** Online shopping is growing rapidly in popularity. Companies are increasingly marketing online in order not to be outdone by rivals.
- **Big Data:** Large, complex datasets from multiple sources. Provides information on consumer behaviour and is a strong predictive sales indicator.
- **Social Media:** A platform for retailers to expand marketing to a wider range of consumers. Major platforms are Facebook, Twitter, LinkedIn, and others. Conversely, social media offers consumers an opportunity to gather information about retailers. This includes negative publicity (e.g., retailers being accused of unethical conduct, poorly thought-out marketing campaigns, etc.).
- **Cyber Crime:** Retailers are a target for cybercriminals. Retailers experience three times as many cyber-attacks as those in the finance sector. With 77% of organisations being affected (PWC, 2018).

Other uncategorised implications include the following:

- The future of work is changing as technology is rapidly advancing towards the latest trends such as automation and artificial intelligence, which will change the traditional roles leading to some jobs becoming obsolete (NEDLAC, 2019).
- Employers and employees will require skills in the ICT and data analytics space.
- Re-capacitation and reskilling of workers are critical to ensure their readiness to embrace the new technological changes.

- Retailers may have an increased need for environmental managers, social corporate managers, public relations managers, and HR Managers. Furthermore, it is increasingly important that companies have the skills to make the correct decision quickly (both in terms of business sustainability and ethics).
- Should the business make an unpopular decision (as was the recent case when a major retailer was accused of appropriating someone's product) they must have the required public relations skills to mitigate the negative impact this incident may pose.
- There are still areas that struggle with access to the networks, the internet, and technological resources. This will create a gap within the sector's development and transformation.

The Skills Gap Needs that were identified include ICT, analytics, graphic design, photography, programming, cloud computing, web development, data mining, statistics, research, forecasting, marketing, and sales, management, networking, mobile device management, cyber security, and ICT law. Re-capacitation and reskilling of workers are critical to ensure their readiness to embrace the new technological changes

The occupational needs include Software Developer/ Web Designer/ Web Administrator/ ICT Security Specialist/ Graphic Designer/ Analyst/ Researcher/ Marketing and Sales Manager Digital skills/Cognitive based work/ Programming/ machine device management/ Customer Service optimization.

iv. SMME Development

The W&R sector in South Africa is made up of many SMMEs in need of support and development. The implications for Skills Planning in the sector are listed as follows:

- **Small enterprise development:** SMMEs should build a sustainable business model given that the gestation period for success in the retail sector is long. Sustainable product pricing, offering products that imply longevity, expanding operations in a calibrated but determined manner.
- **Hawkers:** Hawkercs are a vulnerable group, since many are women with

little family support. A major characteristic of hawkers is their mobility since they traverse on foot.

- **Casualisation:** The entire retail sector is characterized by high casualization – the “permanent temporary worker.” Most workers employed by unorganized businesses do not receive healthcare, education and minimum wages.
- **New Training Model:** A new training model is required to upgrade the skills of SMMEs, since they cannot leave the business for skills training. Training for SMMEs should include e-training; toolkits; on-the-job training; digitization of training; industry clusters; mentoring and coaching. An SMME Strategy for skills development is needed. The SETA can also ensure partnerships between SMMEs and Training Providers.
- **Township Based Businesses and Smaller Retailers:** National supermarkets are saturating townships and peri-urban areas causing a strain on small retailers. There is therefore a need for smaller businesses to partner with larger retailers and form part of these supply chains. This will raise the need for skills relating to business management, compliance training and quality assurance. There are many requirements that larger retailers have for their suppliers and business owners will need training in this space. There have been calls for informal businesses to become formal so they can better compete with the big chains but there are a series of barriers facing them (Charman, et al., 2019).

The occupational needs in the sector include tellers, packagers, cleaners, securities, sales managers, buyers, merchandisers, sales assistants, bakers, butchers, etc. The skills gap needs include financial management, product knowledge, marketing and sales, communication, merchandising negotiation, technical, conflict management, buying, pricing, time management, customer relations, ICT, life skills and coaching.

The occupational needs include Coach/ Mentor, SMME specialist, and Finance/ Business Management.

v. Changing Expectations of W&R Stakeholders

The expectations of customers, employees, suppliers, and investors are constantly evolving and changing over time. For example, employers are encouraged to be more aware and responsive to differences in employee cultures and religions.

Customers expect a much faster reaction time from their favoured stores. Competition is also being faced from a global perspective. Furthermore, consumers are more inclined to support businesses that operate ethically with a sustainable ecological footprint. With the rise in access to information consumers can easily seek out retailers who demonstrate these characteristics. There is also an increased demand for Customer Service and Emotional Intelligence to help with dealing with the pressures and trauma faced by employees and customers due to COVID-19. These elements require employees to be skilled and knowledgeable in HR practices, environmentally friendly practices, and be aware of the local and global economic and political context.

4.1.12. Challenges in the External Environment and Interventions for Addressing Challenges

The SETA's performance in terms of meeting its priorities set in the 2020/21 – 2024/25 strategic plan was affected by several challenges which emanated from the internal and external environments.

Table 10: Challenges experienced by the W&RSETA in the performance environment

Challenges experienced by the SETA	Mitigations over the period 2020/21 – 2024/25
1) Failure to meet targets due to the mismatches between employers and learning institutions' financial years	<ul style="list-style-type: none"> • Activities and reporting will be streamlined to ensure maximum registrations are conducted and reported on during the SETA's financial period. • Registrations for skills development programmes will proceed throughout all periods when employers and educational institutions are open
2) Failure of some companies to submit compliant Annexure II documents, thus leading to rejection of applications	<ul style="list-style-type: none"> • Companies will be educated and informed on the process of submitting compliant documents, to reduce the number that fails to submit compliant documents • Introduction of new IT systems
3) Challenges with handling inter-departmental interdependencies within the SETA operating environment	<ul style="list-style-type: none"> • The implementation of the decentralised model has assisted to mitigate this challenge
4) Fragmented IT systems	<ul style="list-style-type: none"> • Implementation of an integrated IT system
5) Manual processing of transactions with stakeholders	<ul style="list-style-type: none"> • Implementation of automated processes where all transactions with stakeholders will be automated on the IT system. This will also reduce the amount of paperwork that the regional offices receive, capture and the store. All the input from stakeholders will be electronic with a good audit trail for supporting documents

Challenges experienced by the SETA	Mitigations over the period 2020/21 – 2024/25
6) COVID-19 and requirements for business to continue as normal	<ul style="list-style-type: none"> Enabling W&RSETA staff to be able to work from home through the implementation of IT collaboration services through Microsoft Teams, digital signatures and approval, online service desk
7) Planning is not always flexible enough, do not account for provincial differences	<ul style="list-style-type: none"> The decentralised delivery model, together with the development of the Provincial Skills Plan will better inform how interventions are planned for and how resources are distributed to better match the challenges of the individual provinces.
8) Lack of assessment/ analysis of previously planned interventions with targets that were both met and unmet	<ul style="list-style-type: none"> The SETA needs to take ample time for creating new targets by evaluating previous tasks, looking at the challenges and enablers for previous tasks set and looking at the risks related to the achievement of each target
9) Not meeting targets for employed learners	<ul style="list-style-type: none"> Introduce targets for employed learners that are in line with clear career paths and occupations available for employed learners to accept so that the skills are retained within the sector

4.2. Internal Environment Analysis

4.2.1. W&RSETA's Capacity to Deliver: Human resources

The W&RSETA has a total of ten Provincial Offices spread in the nine Provinces, and the province of Gauteng has two regional offices because of the size and number of stakeholders. From the operations and management point of view, these Offices are grouped into four Operational Clusters.

The total current staff complement of the W&RSETA is 247(permanent) against 310 positions inclusive of employees at both Head Office and the Provincial Offices. The number of staff members on the fixed term has been drastically reduced after the new structure was unveiled in 2019.

The national footprint of the W&RSETA offices facilitates access to W&RSETA services and projects; and is adequately resourced with skilled and competent W&RSETA officials whose duties include management and monitoring of skills interventions through learner verifications, monitoring, evaluation, and reporting. Provincial offices are also responsible for ensuring quality standards in the implementation of learning programmes through assessments, moderation, and learner certification.

W&RSETA embarked on the journey to implement the Turnaround Strategy in 2019/20, which proposed several business interventions, and one such intervention was the organisational redesign. The new/revised Organisational Structure was developed in alignment with the decentralised business model as adopted in the Turnaround Strategy. The development of the new/revised Organisational Structure is meant to yield the following results/outputs:

- Greater effectiveness and efficiency
- Meeting the desired results/outputs
- Use of resources economically
- Ensuring a mechanism for clean administration is in place
- Ensuring the W&RSETA becomes an employer of choice

- Bringing services closer to the major role players
- Supporting, developing, and growing the informal sector

Implications of the New Structure:

- Clustering of regions for greater efficiencies
- Revisions of the naming conventions
- Clear job profiles and descriptions
- Migration to the new structure and remuneration framework
- Devolution of powers/ responsibilities
- Decentralisation of identified services
- Sharing of enablers/ support services

Human Resources Management and Development (HRM&D) Strategy

W&RSETA developed and adopted an HRM&D Strategy during the 2020/21 financial year. In developing strategy, the SETA took a long-term view to human resources planning and management through interventions which are aimed at:

- Ensuring that the W&RSETA has the requisite number of skills and competencies to improve organisational performance,
- Ensuring that the W&RSETA is configured strategically and correctly in terms of the organisational structure
- Ensuring that the W&RSETA attracts and retains the right capacity to deliver on the mandate to address the organisational needs
- Promote the sound organisational culture and environment that enhance service delivery.

Approved Macro Structure

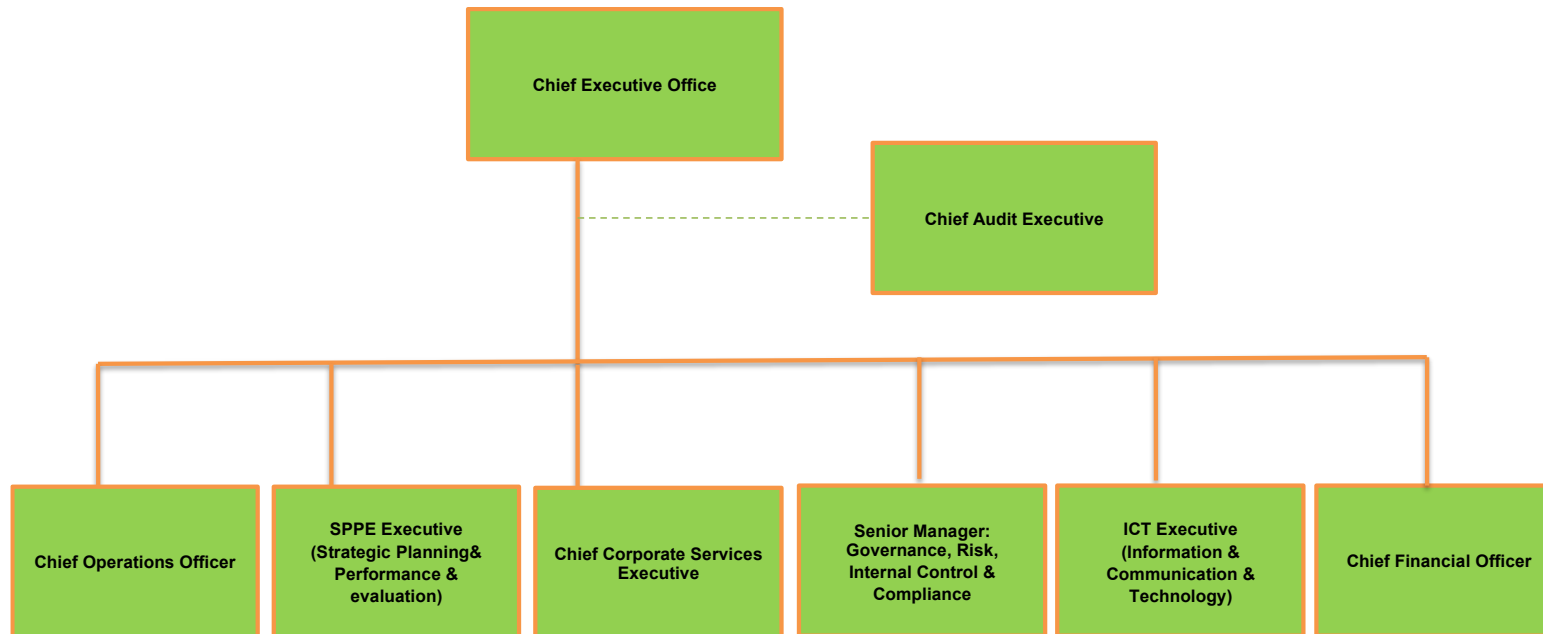
The approved macro structure is the culmination of the second phase of the organizational design (OD) process for the SETA. The macro structure includes the following:

- Executive Management Structure; and
- Functional Structure

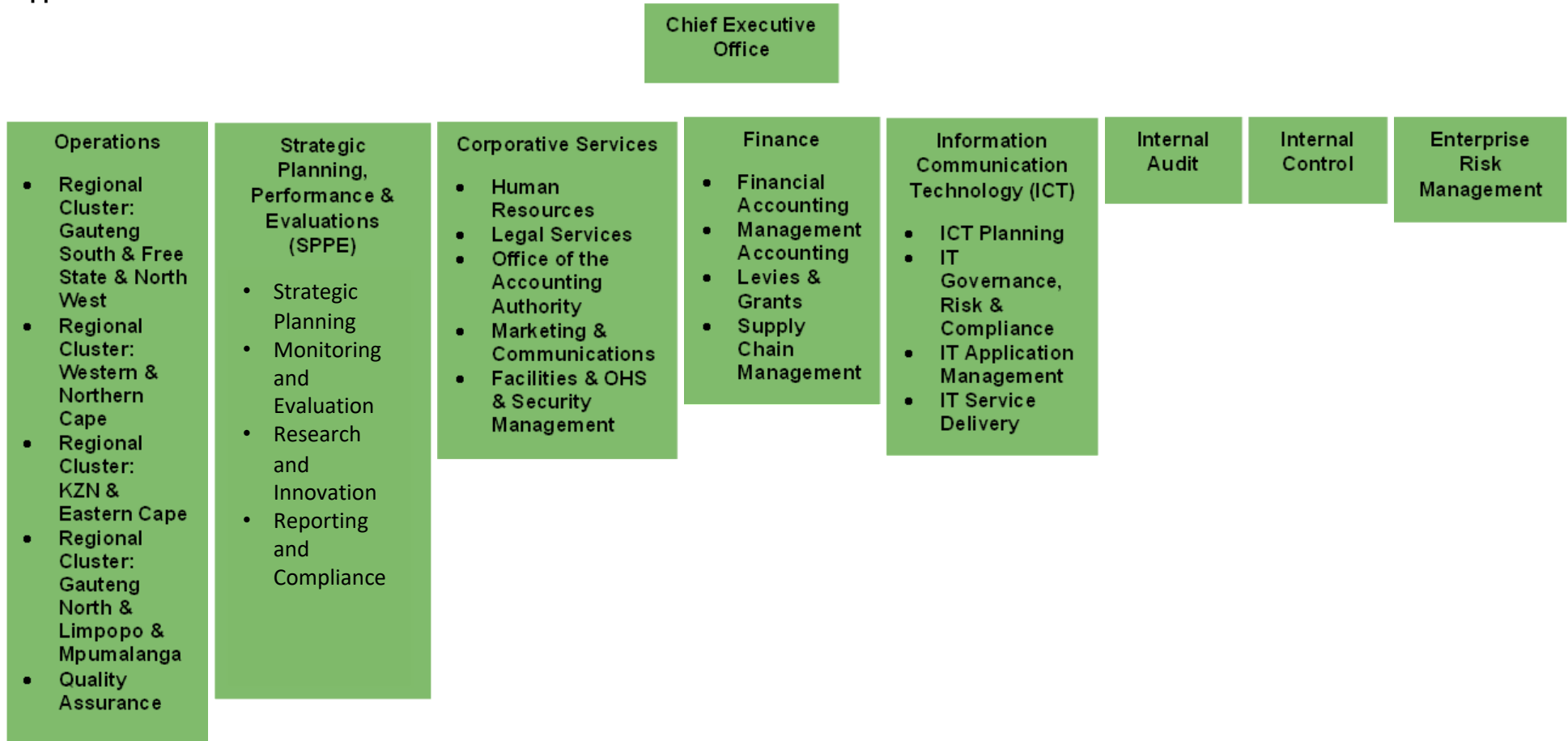
The Organisational Design is structured around three key focus areas which are:

- Value creators
- Value enablers
- Value defenders

Approved W&RSETA Structure: Executive Management



Approved W&RSETA: Functional Structure



4.2.2. W&RSETA's Capacity to Deliver: Financial Resources

The Medium-Term Expenditure Framework (MTEF) outlines the strategic priorities of the W&RSETA. The adjustments to the budgets are informed by external economic factors. Overall performance of the economy and the status of employment in South Africa are among the factors impacting the overall levies obtained by the Wholesale and Retail SETA.

Financial Resource

The W&RSETA receives 80% of the 1% of payroll paid by levy-paying companies. Revenue streams projected for 2023/2024 - 2026/2027 are based on actual levies received during the 2022/2023 financial year, considering the state of the economy and the CPI percentiles (part of the MTEF guidelines).

Revenue streams in past budgets have always been conservatively projected at an average increase of 5% - 6% per year, this is based on the salary negotiations within the sector that forms the basis for the calculation of the 1% skills levy.

Goods and Services

2023/24 FY R' 000	2024/25 FY R' 000	2025/26 FY R' 000	2026/27 FY R' 000
93 332	87 332	91 437	95 643

Goods and services are expected to decrease by 6,4% from the 2023/24 to 2024/25 financial years. The rate will then increase by CPI of 4,7% in 2025/26 and again expected to increase by 4,6% from 2025/26 to the 2026/27 financial years.

The 6,4% decrease in Goods and Services from 2023/24 to 2024/25 financial year can be attributed to the following reasons:

- W&RSETA has applied for additional funds above 10,5% in the 2023/24 financial year.
- Other expenses have been adjusted for inflation over the MTEF.

Employee Costs

Employee costs are expected to increase by 4.8% from the 2023/24 financial year to the 2024/25 financial year. The increases are projected based on anticipated wage increase negotiations as well as the filling of some vacant positions. In the journey to deliver on a Turnaround Strategy, the W&RSETA has embarked on various initiatives. One of these initiatives is the Organisational Design (OD) process which involves the realignment of the W&RSETA organizational structure with the mandate to respond adequately to changing demands and needs of the sector.

Levy Revenue

2023/24 FY R' 000	2024/25 FY R' 000	2025/26 FY R' 000	2026/27 FY R' 000
1 494 179	1 565 900	1 639 497	1 714 914

Levy revenue is expected to increase by 4.8% (from 2023/24 to 2024/25) and again by 4.7% and 4.6% in the year 2025/26 and 2026/27, respectively.

- The 4.8% increase from 2023/24 to 2024/25 reflects the levy income for the full 12 months.
- With things being back to normal, more businesses opened their doors which results in more levy-paying companies and more levies being collected.

Transfers and Subsidies

2023/24 FY R' 000	2024/25 FY R' 000	2025/26 FY R' 000	2026/27 FY R' 000
2 072 288	2 171 758	2 273 831	2 378 427

Transfers and subsidies expenditure represents the total value of both mandatory and discretionary grant expenditure for the W&RSETA. This expenditure is expected to increase by CPI of 4.8% from 2023/24 to 2024/25 financial years and again increase by 4.7% and 4.6% from 2025/26 and 2026/27 financial years, respectively.

The increases are linked to the increases in levy revenue and linked to the increased performance targets set by the W&RSETA.

4.2.3. The status of W&RSETA's compliance with the Broad-Based Black Economic Empowerment Act 53 of 2003, as amended.

In South Africa, Broad-Based Black Economic Empowerment (BBBEE, or BEE as it is more commonly known) is a complex system of rules and guidelines designed to effect socio-economic transformation by levelling the playing field for people of all races. The W&RSETA ensures compliance with the Broad-Based Black Economic Empowerment Act in its procurement of goods and services. All adverts for tenders and request for quotations includes a clause on BBBEE, and the award of contracts considers the BBBEE points.

4.2.4 The status of the W&RSETA in responding to interventions relating to women, youth and people with disabilities.

Section 15 of the Employment Equity Act no 55 of 1998 stipulates that a Designated Employer must implement affirmative action measures intended to ensure that suitably qualified employees from Designated Groups have equal opportunity and are equitably represented in all occupational categories and levels of the workforce. In line with the provisions of the Employment Equity Act, the W&RSETA workforce as at end of March 2022 is shown in the table below:

Table 8: HR Statistical picture

Item	Numbers	Comment
Total Staff (including fixed term)	255	None
Women (including fixed term)	173	68. 37 % of the W&RSETA's workforce are women
People with disability	1	0.40% is the number representing the people with disability.

The above table demonstrates that the W&RSETA has made strides in maintaining a high number of females in its employment (68.37%). Of the 28 filled senior management posts within the W&RSETA, eight (10) of them, translating to 35.71 comprised of women, showing good progress in ensuring gender equality at the senior management level.

According to the Employment Equity Commission Report of 2020/2021, 44.6% of the economically active population (EAP) are women and 55,4% are men. This suggests that the W&RSETA's numeric goals in the Employment Equity Plan have to be progressively moving towards the balance as depicted in the Commission's Report.

As of 31 March 2022, a total of 8 350 unemployed learners, who are all youths, were registered in NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually. Of the 8 350 learners registered in learnerships, 5052(60,5%) were females.

The W&RSETA has however slackened in increasing the representation of people with disabilities in its employ. As of 31 March 2022, the W&RSETA had one person with disabilities, translating to 0.4%. The SETA continues to implement and monitor its Employment Equity Plan. The national target for People with Disabilities has been standing at 2% for the past number of years, and the W&RSETA picture indicates a need to increase the representation of people with disabilities to align with national objectives.

It is also worth noting that the W&RSETA (annually) prepares and submits an online EE Report as required by law. Increased access to wholesale and retail occupationally directed programmes has been provided to 339 (4.06%) people with disabilities (in the sector) in 2021/22, compared to 159 (4.45%) in 2020/21.

An impact study was conducted on "W&R programmes on People with Disabilities." The study sought to understand the relevance of W&R programmes on People with disabilities, how the access of persons with various disabilities can be mainstreamed within the sector and the role of 4IR towards greater access to the labour market by persons with various disabilities. The study found that People with disabilities are currently not adequately represented in the W&R sector. The study recommended that technological changes and developments such as assistive technologies and the work-from-home lifestyle provide opportunities to access the labour market. In addition, recruitment strategies and inclusive skills development strategies can play a significant role in mainstreaming the access of PWD in the labour market.

The committed implementation of the Disability Development Strategy of the W&RSETA and its programmes will, henceforth, address gaps identified in Disability Development.

4.2.4. Strengths and Weaknesses

Table 11: Strengths and Weaknesses (APP)

STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> 1. Availability of financial resources due to numerous levy-paying firms 2. Existing national footprint with regional offices in all nine provinces 3. Availability of W&RSETA offices at all the TVET branches in South Africa 4. Staff complement with a substantive understanding of clients and the wholesale and retail sector 5. Since W&RSETA is statutorily created, government support is available 6. Organisational stability 7. Leadership commitment 8. Providing platforms for stakeholder input and engagement 	<ol style="list-style-type: none"> 1. An organisational culture which does not support business – Staff and management are so far working with a SILO mentality which stifles teamwork. To mitigate this, contracts of employees could be based on overall performance rather than narrowly defined roles and responsibilities 2. Inadequate investment in change management – A rigid approach to organisational activities can cripple the SETA's ability to swiftly respond to the dynamics of the W&R environment such as the recent 4th IR introduction. Target owners should hence be more flexible towards embracing change, and communicating it to their subordinates 3. Poor communication internally and externally – Poor internal communication results in a lack of coordination in doing business, especially due to existing interdependencies between functional units and support units.

Outcomes of the W&RSETA

The following are the eight Outcomes for the W&RSETA, as identified in the 2020 - 2025 Strategic Plan, aligned to the NSDP 2030 Outcomes:

Table 12: Outcome of the W&RSETA

NSDP 2030 OUTCOME	W&RSETA OUTCOMES	W&RSETA Outputs
Outcome 1: Identify and increase production of occupations in high demand	Outcome 1: An efficient and effective organisation with good corporate governance	<ul style="list-style-type: none"> • Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery • Output 3: Identity, prioritise, and form partnerships to address priority occupations
Outcome 2: Linking education and the workplace	Outcome 4: A sector-responsive Research Agenda that supports and informs the establishment of impact-gearred W&R skills development programmes	<ul style="list-style-type: none"> • Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply • Output 3: Identity, prioritise, and form partnerships to address priority occupations • Output 6: Facilitate access and provide support for interventions towards occupationally directed learning Programmes.
Outcome 3: Improving the level of skills in the South African workforce	Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector's current and emerging skills needs	<ul style="list-style-type: none"> • Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply • Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes. • Output 13: A skilled, competent, and professional workforce in the wholesale and retail sector through the provision of Bursaries to W&RSETA employed and unemployed beneficiaries
Outcome 4: Increase access to occupationally directed Programmes	Outcome 5: Increased access to wholesale and retail occupationally directed programmes	<ul style="list-style-type: none"> • Output 4: Facilitate innovative workplace-based learning opportunities within the sector • Output 5: Facilitate and create opportunities for skills development for the employed • Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes

NSDP 2030 OUTCOME	W&RSETA OUTCOMES	W&RSETA Outputs
		<ul style="list-style-type: none"> • Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery
<p>Outcome 5: Support the growth of the public college system</p>	<p>Outcome 3: Growth-focused programmes for the development and support of Training Providers and the Higher Education, TVET and CET sectors to enable their responsiveness to changing occupations and technological advances</p>	<ul style="list-style-type: none"> • Output 3: Identify, prioritise, and form partnerships to address priority occupations • Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes • Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes
<p>Outcome 6: Skills development support for entrepreneurship and cooperative development</p>	<p>Outcome 6: Growth-focused skills development and entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy</p>	<ul style="list-style-type: none"> • Output 9: Provide skills development support to, SMMEs, Cooperatives and Informal traders who participate in the mainstream economy.
<p>Outcome 7: Encourage and support worker-initiated training</p>	<p>Outcome 7: Capacitated Trade Unions within the W&R sector</p>	<ul style="list-style-type: none"> • Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces
<p>Outcome 8: Support career development services</p>	<p>Outcome 2: An integrated career guidance programme</p>	<ul style="list-style-type: none"> • Output 11: Develop and support an integrated career guidance and development strategy

PART C: MEASURING OUR PERFORMANCE

5. Institutional Programme Performance Information

5.1 Programme 1: Administration

The purpose of this Programme is to provide effective and efficient support functions within the organisation. The Programme is responsible for creating an enabling environment for the W&RSETA to deliver on its Outputs and goals.

The success of this Programme over the MTEF will be measured in terms of its ability to establish organisational capacity and capability that will enable a culture of high-performance productivity which will enable the delivery of the SETA's mandate. This will be attained through the deployment of robust business processes and systems, embedding effective corporate governance, strengthening oversight and compliance, as well as monitoring and evaluation capabilities for measuring the impact of skills interventions in the sector.

5.1.1. Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 1: An efficient and effective organisation with good corporate governance	Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery	[1.1] Audit opinion annually	Unqualified	Qualified ³	Unqualified	Unqualified	Unqualified	Clean	Clean

³ The 2022/23 actual outcome of a qualified audit opinion is based on the Annual Performance Report for 2022/23.

Outcome	Outputs	Output indicators	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Output 3: Identify, prioritise and form partnerships to address priority occupations	[1.2] Number of stakeholder sessions conducted annually to advocate for participation in skills development programmes	10	7	16	16	18	20	20

5.1.2. Indicators, Annual and quarterly targets

Outputs	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery	[1.1] Audit opinion annually	Unqualified	-	-	-	Unqualified
Output 3: Identify, prioritise, and form partnerships to address priority occupations	[1.2] Number of stakeholder sessions conducted annually to advocate for participation in skills development programmes	18	4	5	5	4

⁴ (-) represents no target for the quarter in cases where the target indicator is qualitative.

5.1.3. Explanation of Planned Performance Over the Medium-Term Planning Period

W&RSETA's overarching impact statement is to facilitate the development of a "well-skilled workforce contributing towards a transformed, agile, and thriving wholesale and retail sector." It has been recognised that in doing this, an efficient and effective organisation with good corporate governance is a pre-requisite. To achieve the above-mentioned outcome, the SETA intends to achieve the following outputs:

- Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery
- Identify, prioritise, and form partnerships to address priority occupations

Effective and efficient use of resources will be shown through maintaining an unqualified audit opinion by the Auditor-General South Africa, with an eventual clean opinion being achieved in the 2024/25 financial year. Sound administration and governance are critical to the effective functioning of a SETA and W&RSETA places great emphasis on this component of its operations. It has been recognised that addressing priority occupations needs to be done through partnerships. Stakeholder sessions are conducted to raise awareness and attract relevant role-players to partner with W&RSETA to achieve this, and to this end, a total of 16 sessions will be conducted during the financial year.

5.2 Programme 2: Skills Planning and Research

5.2.1. Programme purpose

Functions falling within the ambit of this Programme include skills planning, monitoring, evaluation, reporting and research Programmes. These Programmes provide key inputs in advancing skills development in the sector.

Programme 2 implements its mandate through robust planning, improving the quality and quantity of research outputs, as well as strengthening the integrity of monitoring, evaluation and reporting on performance information.

5.2.2. Outcomes, Outputs, Output Indicators and Annual Targets

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 4: A sector responsive Research Agenda that supports and informs the establishment of impact-gearred W&R skills development programmes.	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[2.1] Number of Board approved planning documents submitted to DHET within prescribed timeframes annually	1	1	1 ⁵	2	3	2	2
	Output 3: Identify, prioritise and form partnerships to address priority occupations.	[2.2] Number of Memorandums of Understanding with strategic partners addressing sector needs, annually	5	3	3	2	2	2	2
	Output 1: Research and develop a Sector Skills Plan (SSP) in response to the sector skills demand and supply	[2.3] Number of sector research reports completed annually	4	4	3	4	5	5	5

⁵ The estimated performance of 1 for the 2022/23 Financial Year includes an achievement of 1 which entailed a Board approved SSP, SP and APP.

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Output 6: Facilitate access and provide support for interventions towards occupationally directed learning Programmes.	[2.4] Number of sector directed tracer / impact study reports completed annually	2	2	2	2	3	3	3
		[2.5] Number of Post-Doctoral Fellows appointed to support sector research agenda implementation	-	-	-	-	2	2	2

5.2.3 Indicators, Annual and Quarterly Targets

Output	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Output 1: Research and develop a Sector Skills Plan (SSP) in response to the sector skills demand and supply	[2.1] Number of Board approved planning documents submitted to DHET within prescribed timeframes annually	3	0	1	2	0
Output 3: Identify, prioritise and form partnerships to address priority occupations.	[2.2] Number of Memorandums of Understanding with strategic partners addressing sector needs, annually	2	0	0	2	-
Output 1: Research and develop a Sector Skills Plan (SSP) in response to the sector skills demand and supply	[2.3] Number of sector research reports completed annually	5	0	0	0	5
Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	[2.4] Number of sector directed tracer/ impact study reports completed annually	3	0	0	0	3
	[2.5] Number of Post-Doctoral Fellows appointed to support sector research agenda implementation	2	0	0	2	0

5.2.3. Explanation of Planned Performance Over the Medium-Term Planning Period

The NSDP places a central emphasis on the need for research that needs to be robust and allow for improved forecasting and planning. SETAS must create credible institutional mechanisms for skills planning, applied research and innovation projects. This is the driver behind the W&RSETA's Outcome 4: A sector responsive Research Agenda that supports and informs the establishment of impact-gearred W&R skills development programmes.

Programme 2 looks to achieve several outputs that will collectively achieve this outcome by facilitating skills and strategic planning, conducting strategic and purposeful research that continuously improves the SETA's labour market intelligence as well as ensuring and formalising strategic partnerships with key institutions that can contribute towards addressing sector needs.

Research conducted also looks to support women, children and people with disabilities by assessing their needs and identifying market opportunities, and as part of the research agenda, the W&RSETA also focus on topics that look at skills development initiatives and special projects implemented in support of the transformation agenda, with a specific focus on women, people with disabilities, youth and people from rural areas.

The outputs and indicators in Programme 2 are also linked to Intervention 8 of the ERRP Skills Strategy, which requires that Institutions, as well as the SETAs, embed skills planning in economic planning processes.

5.3. Programme 3: Learning Programmes and Projects

5.3.1. Programme purpose

The purpose of this Programme is to contribute to addressing the HTFVs identified in the SSP and reducing HTFVs in the wholesale and retail sector through the provisioning of quality learning programmes. Sub programmes under this Programme include career guidance and the implementation of learnerships, apprenticeships, skills Programmes, internships, workplace-based learning programmes (learnerships) and bursaries for students at TVET Colleges and Higher Education institutions.

5.3.2. Outcomes, Outputs, Output Indicators and Annual Targets

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector's current and emerging skills needs	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[3.1a] Percentage of WSPs and ATRs approved for Small Companies per annum	81%	90,25%	93.8%	70%	70%	75%	75%
		[3.1b] Percentage of WSPs and ATRs approved for Medium Companies per annum	82%	86,41%	88.25%	70%	70%	75%	75%
		[3.1c] Percentage of WSPs and ATRs approved for Large Companies per annum	85%	90,68%	90.43%	70%	70%	75%	75%
	Output 13: A skilled, competent, and professional workforce in the wholesale and retail sector through the provision of Bursaries to the W&RSETA employed and unemployed beneficiaries	[3.2] Number of unemployed persons awarded bursaries per annum	2170	2163	2303	3500	2500	2500	2500
		[3.3] Number of employed persons awarded bursaries per annum	-	941	1090	1895	1080	1080	1080
		[3.4] Number of employed and unemployed bursars completing their studies per annum	101	106	340	500	500	500	500

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.5] Number of unemployed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	4664	10334	11852	12000	12000	12000	12000
		[3.6] Number of unemployed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	2435	3565	5196	5000	5145	5145	5145
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 5: Facilitate and create opportunities for skills development for the employed.	[3.7] Number of employed and unemployed learners enrolled on Artisan / technician programmes per annum	-	323	598	500	750	750	750
		[3.8] Number of employed and unemployed learners completing Artisan / technician programmes per annum	-	0	415	300	350	350	350
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.9] Number of learners from TVET colleges and HETs are placed in Work Integrated Learning Programmes per annum	728	1227	2782	2400	2945	2945	2945
		[3.10] Number of learners from TVET colleges and HETs completed their Work Integrated Learning Programmes per annum	230	352	470	850	850	850	850
	Output 5: Facilitate and create opportunities for skills development for the employed.	[3.11] Number of employed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	7452	10399	10447	9800	9800	9800	9800

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 5: Facilitate and create opportunities for skills development for the employed.	[3.12] Number of employed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	1735	2092	3926	4850	4850	4850	4850
Outcome 6: Growth-focused skills development and entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy	Output 9: Provide skills development support to, SMMEs, Cooperatives and Informal traders who participate in the mainstream economy.	[3.13] Number of small and micro businesses supported per annum	2446	2508	4321	3000	3000	3000	3000
		[3.14] Number of Informal Traders supported per annum	2426	2401	3006	3000	3000	3000	3000
		[3.15] Number of Cooperatives / Community-based entities supported per annum	120	138	197	120	120	120	120
		[3.16] Number of persons enrolled on entrepreneurship development programmes per annum	303	177	257	300	300	300	300
Outcome 7: Capacitated Trade Unions within the W&R sector	Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces	[3.17] Number of Trade Union beneficiaries who participated in Trade Union Capacitation Programmes per annum	1095	1010	1629	1382	1382	1382	1382
Outcome 2: An integrated career guidance programme	Output 11: Develop and support an integrated career guidance and development strategy	[3.18] Number of career guidance interventions per annum	-	950 ⁶	244	211	211	211	211

⁶ The audited outcome for 2021/22 reflects as high due to the fact that the indicator was also measuring the number of people trained, while the target as of 2022/23 FY focuses on the number of events and not the number of people.

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.19] Number of learners assisted to access opportunities in the W&R sector per annum	-	1803	523	500	500	500	500
		[3.20] Number of unemployed learners enrolled for Candidacy Programmes per annum	-	27	58	50	50	50	50

5.3.3. Indicators, Annual and Quarterly Targets

Output	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[3.1a] Percentage of WSPs and ATRs approved for Small Companies per annum	70%	30%	30%	10%	0%
	[3.1b] Percentage of WSPs and ATRs approved for Medium Companies per annum	70%	30%	30%	10%	0%
	[3.1c] Percentage of WSPs and ATRs approved for Large Companies per annum	70%	30%	30%	10%	0%
Output 13: A skilled, competent, and professional workforce in the wholesale and retail sector through the provision of Bursaries to W&RSETA employed and unemployed beneficiaries	[3.2] Number of unemployed persons awarded bursaries (or write for studies) per annum	2500	500	0	500	1500 0

Output	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Output 13: A skilled, competent, and professional workforce in the wholesale and retail sector through the provision of Bursaries to W&RSETA employed and unemployed beneficiaries	[3.3] Number of employed persons awarded bursaries per annum	1080	200	0	380	500
	[3.4] Number of employed and unemployed bursars completing their studies per annum	500	0	100	0	400
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.5] Number of unemployed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	12000	0	6500	4000	1500
	[3.6] Number of unemployed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	5145	0	2500	1700	945
Output 5: Facilitate and create opportunities for skills development for the employed	[3.7] Number of employed and unemployed learners enrolled on Artisan technician programmes per annum	750	0	250	500	0
	[3.8] Number of employed and unemployed learners completing Artisan/technician programmes per annum	350	0	0	0	350
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.9] Number of learners from TVET colleges and HETs are placed in Work Integrated Learning programmes per annum	2945	0	1000	0	1945
	[3.10] Number of learners from TVET colleges and HETs completed their Work Integrated Learning Programmes per annum	850	0	0	300	550
Output 5: Facilitate and create opportunities for skills development for the employed	[3.11] Number of employed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	9800	500	4400	4400	500
	[3.12] Number of employed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.	4850	1000	1000	1500	1350
Output 9: Provide skills development support to, SMMEs, Cooperatives and Informal traders who participate in the mainstream economy.	[3.13] Number of small and micro businesses supported per annum	3000	0	500	2500	0
	[3.14] Number of Informal Traders supported per annum	3000	0	500	2500	0
	[3.15] Number of Cooperatives /Community-based entities supported per annum	120	0	60	60	0

Output	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
	[3.16] Number of persons enrolled on entrepreneurship development programmes per annum	300	0	0	300	0
Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces	[3.17] Number of Trade Union beneficiaries who participated in Trade Union Capacitation Programmes per annum	1382	0	500	500	382
Output 11: Develop and support an integrated career guidance and development strategy	[3.18] Number of career guidance interventions per annum	211	0	106	0	105
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.19] Number of learners assisted to access opportunities in the W&R sector per annum	500	0	0	250	250
	[3.20] Number of unemployed learners enrolled for Candidacy Programmes per annum	50	0	0	0	50

5.3.4. Explanation of Planned Performance Over the Medium-Term Planning Period

In line with the NDP priorities of promoting an economy that creates employment and improving the quality of education, training, and innovation, W&RSETA's contribution to the achievement of the NDP's goals includes the following:

- Partnerships with TVET and other HET institutions with the objective to improve accessibility to education;
- Learning Programmes targeted at unemployed youth aiming at increasing employability of the youth in the economy;
- Mainstreaming women, youth, and people with disabilities in all projects implemented; and
- Partnerships with employers and labour to improve training delivery and employability across the sector.

The Learning Programmes and Projects are core to W&RSETA. The programme looks to achieve the following outcomes:

- Outcome 2: An integrated career guidance programme
- Outcome 5: Increased access to wholesale and retail occupationally directed programmes
- Outcome 6: Growth-focused skills development and entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy
- Outcome 7: Capacitated Trade Unions within the W&R sector
- Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector current and emerging skills needs

A key focus of the SETA's outputs and respective indicators are youth, women and people with disabilities. Objectives surrounding the upliftment of the most vulnerable members of society are embedded in our performance indicators and find a prominent voice in our operational plans. Career guidance interventions also make up part of our targets to educate the youth about opportunities in the sector. Furthermore, W&RSETA recognises that entrepreneurs and SMMEs are the

lifeblood of the economy and the wholesale and retail sector and are therefore a major focus of what the SETA does.

Six (6) targets were not achieved for the 2022/23 implementation period, namely:

- [3.2] Number of unemployed persons awarded bursaries annually for studies and continued studies in retail related qualifications
- [3.3] Number of employed persons awarded bursaries annually for studies and continued studies in retail related qualifications
- [3.4] Number of bursars completing their studies, annually
- [3.10] Number of learners completing their Work Integrated Learning Programmes from TVET colleges and HETs, annually
- [3.12] Number of employed learners completing learning programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually.
- [3.19] Percentage of discretionary grant budget allocated to elementary, intermediary, and high-level skills per annum
 - Elementary level = 35%
 - Intermediary level = 15%
 - High level = 50%

The SETA has adopted the following strategy to address underperformance:

1. **Increase the number of windows opened by the W&RSETA for applications for bursaries annually.** This will enable the SETA to increase its reach of the missing middle students throughout the SETA's annual implementation period and ensure improved performance on its bursary targets.
2. **Increased support for institutions of further and higher learning in career guidance & development initiatives** to promote wholesale and retail qualifications and careers. This strategy aims address poor or lack of career guidance as a factor that affects completion of programmes for indicators related to bursary completions and completion of Work Integrated Learning Programmes viz. Indicator 3.4: "Number of bursars completing their studies, annually" and Indicator 3.10: "Number of learners completing their Work Integrated Learning Programmes from TVET colleges and HETs, annually".
3. **Promote the absorption into employment for learners participating in Work Integrated Learning programmes as a way of ensuring a higher completion rate in Work Integrated Learning programmes.** The SETA in 2023/24 will continue with its implementation of the Employer/SETA partnership strategy adopted

in 2021/22 that has resulted in partnerships with Super large wholesale and retail companies in skills development initiatives that ensure absorption of 60% of unemployed learners who have completed their workplace based learning.

4. **Promote and support e-learning as a tool through the continued implementation of the W&RSETA E-learning policy adopted in 2020.** This will enable workers to access learning programmes at any given time and eliminate the time factor as one of the factors for non-completion of learning programmes by workers.

5. **Improve the W&RSETA Monitoring and Evaluation Processes.**

This element of the W&RSETA performance improvement strategy aims to ensure effective utilisation of M&E data in planning for implementation of programmes that address indicator 3.19, “Percentage of discretionary grant budget allocated to elementary, intermediary, and high-level skills per annum” as well as Indicator 3.4: “Number of bursars completing their studies, annually”.

5.4. Programme 4: Quality Assurance

5.4.1. Programme purpose

The purpose of this Programme is to execute the QCTO delegated quality assurance functions with regards to the accreditation of training providers, registration of assessors, facilitators, and moderators, evaluation of assessments and facilitation of moderation including certification of learners as proof of successful completion of the 'historical' unit standard based qualification, until 2024.

5.4.2. Outcomes, Outputs, Output Indicators and Annual Targets

Outcome	Outputs	Output Indicator	Annual Targets						
			Audited / Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 3: Growth-focused programmes for the development and support of Training Providers and the Higher Education, TVET and CETsectors to enable their responsiveness to changing occupations and technological advances	Output 3: Identify, prioritise, and form partnerships to address priority occupations	[4.1] Number of signed partnership agreements with HET Institutions, annually	2	2	2	2	2	2	2
	Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.2] Number of Public TVET Centres of Specialisation supported annually	-	6	5	4	4	4	4
	Output 3: Identify, prioritise, and form partnerships to address priority occupations	[4.3] Number of signed partnership agreements with TVET's, annually	-	9	20	16	16	16	16
	Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.4] Number of TVET colleges where the SETA has or maintains a presence, annually	35	33	35	32	32	32	32
		[4.5] Number of partnerships formed with CETs to improve the delivery of retail and related programmes, annually	-	3	3	3	3	3	3

5.4.3. Indicators, Annual and Quarterly Targets

Output	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Output 3: Identify, prioritise, and form partnerships to address priority occupations	[4.1] Number of signed partnership agreements with HET Institutions, annually	2	0	2	0	0
Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.2] Number of Public TVET Centres of Specialisation supported annually	4	0	0	4	0
Output 3: Identify, prioritise, and form partnerships to address priority occupations	[4.3] Number of signed partnership agreements with TVET's, annually	16	0	8	8	0
Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.4] Number of TVET colleges where the SETA has or maintains a presence, annually	32	0	0	0	32
	[4.5] Number of partnerships formed with CETs to improve the delivery of retail and related programmes, annually	3	0	0	3	0

5.4.4. Explanation of Planned Performance Over the Medium-Term Planning Period

In order to constantly professionalize the sector, high quality levels of training and course content are required. As such, we regularly engage in partnerships with TVETs, CETs and HETs to further improve retail and retail related qualifications. A high performing PSET ecosystem is the backbone of strong learners and employees, and in turn a strong sector.

In line with the NDP priorities of promoting an economy that creates employment and improving the quality of education, training, and innovation, W&RSETA’s contribution to the achievement of the NDP’s goals includes the following:

- Partnerships with TVET and other HET institutions with the objective of improving accessibility to education;

- Learning Programmes targeted at unemployed youth aiming at increasing employability of the youth in the economy;
- Mainstreaming women, youth, and people with disabilities in all projects implemented; and
- Partnerships with employers and labour in order to improve training delivery and employability across the sector.

6 Link between Outputs and, Outcomes and national priorities

To contribute to the delivery of national priorities, the W&RSETA has aligned its Outputs to the NSDP outcomes and SSP priority actions as shown in Table 11 below.

Table 11: Alignment of National Outcomes, Outcomes and National Imperatives

OUTCOMES	OUTPUTS	SSP PRIORITIES	NSDP 2030 PRIORITIES
Impact Statement: A well-skilled workforce contributing towards a transformed, agile, and thriving wholesale and retail sector			
Outcome 1: An efficient and effective organisation with good corporate governance	Output 2: Allocate resources to implement Programmes aligned to the SSP, SP and APP	SSP Priority 1: Priority Skills Plan SSP Priority 2: SMME, Informal Traders and Cooperative Development SSP Priority 3: Youth Unemployment	Sub-Outcome 1.1: National enrolment and resource ratios for the high, intermediate, and elementary skills level
	Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery	SSP Priority 6: Training and Employment for People with Disabilities SSP Priority 7: Sector Transformation	Sub-Outcome 1.2: Targets for priority occupations

OUTCOMES	OUTPUTS	SSP PRIORITIES	NSDP 2030 PRIORITIES
* Outcome 4: A sector-responsive Research Agenda that supports and informs the establishment of impact-gearred W&R skills development programmes	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	SSP Priority 1: Priority Skills Plan SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 7: Sector Transformation	Sub-Outcome 1.4: Identification of interventions required to improve enrolment and completion of priority occupations
	Output 3: Identify, prioritise, and form partnerships to address priority occupations	SSP Priority 1: Priority Skills Plan SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 5: Stakeholder Engagement SSP Priority 7: Sector Transformation	Sub-Outcome 1.2: Targets for priority occupations Sub-Outcome 1.3: Targets for priority qualifications
	Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	SSP Priority 1: Priority Skills Plan SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 7: Sector Transformation	Sub-Outcome 4.2: Increase access for Intermediate and high-level skills
Outcome 2: An integrated career guidance strategy * Outcome 3: Growth-focused programmes for the development and support of Training Providers and the Higher Education, TVET and CET sectors to enable their responsiveness to changing occupations and technological advances. Outcome 5: Increased access to wholesale and retail occupationally directed programmes Outcome 6: *Growth-focused skills development and	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	SSP Priority 1: Priority Skills Plan SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 7: Sector Transformation	Sub-Outcome 1.4: Identification of interventions required to improve enrolment and completion of priority occupations
	Output 4: Facilitate innovative workplace-based learning opportunities within the sector	SSP Priority 1: Priority Skills Plan SSP Priority 2: SMME, Informal Traders and Cooperative Development SSP Priority 3: Youth Unemployment SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 6: Training and Employment for People with Disabilities SSP Priority 7: Sector Transformation	Sub-Outcome 2.1: Workplace-based learning opportunities increased
	Output 5: Facilitate and create opportunities for skills development for the employed	SSP Priority 1: Priority Skills Plan SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 6: Training and Employment for People with Disabilities SSP Priority 7: Sector Transformation	Sub-Outcome 3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy

OUTCOMES	OUTPUTS	SSP PRIORITIES	NSDP 2030 PRIORITIES
<p>entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium, and informal business enterprises to enhance their participation in the mainstream economy.</p> <p>Outcome 7: Capacitated Trade Unions within the W&R sector</p> <p>*Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector current and emerging skills needs.</p>	<p>Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.</p>	<p>SSP Priority 1: Priority Skills Plan SSP Priority 3: Youth Unemployment SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 6: Training and Employment for People with Disabilities SSP Priority 7: Sector Transformation</p>	<p>Sub-Outcome 4.2: Increase access for Intermediate and high-level skills</p>
	<p>Output 8: Assist CET colleges to increase capacity to offer retail and related programmes</p>	<p>SSP Priority 7: Sector Transformation</p>	<p>Sub-Outcome 5.2: Support the CET colleges</p>
	<p>Output 9: Provide skills development support to SMMEs, Cooperatives, Informal traders, and emerging entrepreneurs</p>	<p>SSP Priority 2: SMME, Informal Traders and Cooperative Development</p>	<p>Sub-Outcome 6.1: To increase skills development support to stimulate entrepreneurial activity and the establishment of new enterprises and cooperatives</p>
	<p>Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces</p>	<p>SSP Priority 7: Sector Transformation</p>	<p>Outcome 7: Encourage and support worker-initiated training</p>
	<p>Output 11: Develop and support an integrated career guidance and development strategy</p>	<p>SSP Priority 1: Priority Skills Plan</p>	<p>Outcome 8: Support career development services</p>
	<p>Output 13: A skilled, competent, and professional workforce in the wholesale and retail sector through provision of Bursaries to W&RSETA employed and unemployed beneficiaries</p>	<p>SSP Priority 1: Priority Skills Plan SSP Priority 3: Youth Unemployment SSP Priority 4: Hard-To-Fill Vacancies SSP Priority 6: Training and Employment for People with Disabilities SSP Priority 7: Sector Transformation</p>	<p>Sub-Outcome 4.2: Increase access for Intermediate and high-level skills</p>
<p>Outcome 3: Growth-focused programmes for the development and support of Training Providers and the Higher Education, TVET and CET sectors to enable their responsiveness to changing occupations and technological advances.</p>	<p>Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes</p>	<p>SSP Priority 1: Priority Skills Plan SSP Priority 3: Youth Unemployment SSP Priority 5: Stakeholder Engagement SSP Priority 6: Training and Employment for People with Disabilities</p>	<p>Sub-Outcome 5.1: Support the TVET Colleges</p>
	<p>Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes</p>	<p>SSP Priority 1: Priority Skills Plan SSP Priority 3: Youth Unemployment SSP Priority 5: Stakeholder Engagement SSP Priority 6: Training and Employment for People with Disabilities</p>	<p>Sub-Outcome 5.2: Support the CET colleges</p>

6. Programme Resource Considerations

The following are the Medium-term Expenditure Framework (MTEF) for the period 2024/25-2026/27

Table 12: Medium-term Expenditure Framework for the MTEF period 2024/25-2026/27 (Consolidated budget)

	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
				Approved				
Financial Performance data	Audited Outcome/ Actual			Previous Budget	Revised Budget	Medium Term Estimates Medium Term Estimates		
R thousand	2020/21	2021/22	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
Revenue								
Non-tax revenue	97 443	108 181	142 125	161 667	194 000	203 312	212 868	222 660
Interest income	95 871	106 435	142 125	161 667	194 000	203 312	212 868	222 660
Other	1 572	1 746						
Transfers received	834 225	1 323 572	1 409 604	1 494 179	1 494 179	1 565 900	1 639 497	1 714 914
Administration Grant (10.5%)	105 513	168 776	181 897	192 810	192 810	202 065	211 562	221 294
Mandatory Grant (20%)	200 914	325 794	346 471	367 259	367 259	384 887	402 977	421 514
Discretionary Grant (49,5%)	497 485	806 729	857 515	908 966	908 966	952 596	997 368	1 043 247
Penalties and interest on levies	30 313	22 273	23 721	25 144	25 144	26 351	27 589	28 859
Total revenue	931 668	1 431 753	1 551 729	1 655 846	1 688 179	1 769 212	1 852 365	1 937 574
Expenses								
Current expenses	162 256	135 269	181 022	184 224	202 810	202 065	211 562	221 294
Compensation of employees	60 823	56 732	100 672	97 474	97 474	97 474	102 055	106 750
Goods and services	94 472	67 743	70 350	74 746	93 332	92 011	96 335	100 767
Depreciation	6 961	10 794	10 000	12 004	12 004	12 580	13 171	13 777
Transfers and subsidies	964 072	1 267 681	1 820 649	1 755 684	2 064 917	2 164 033	2 265 743	2 369 967
Transfers and subsidies excluding project costs	862 760	1 099 119	1 713 027	1 646 114	1 937 593	2 030 597	2 126 035	2 223 833
- Compensation of employees	79 371	107 679	79 422	78 983	78 983	82 774	86 665	90 651
- Other Project Expenses	21 941	60 883	28 200	30 587	48 341	50 662	53 043	55 483

	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
				Approved				
Financial Performance data	Audited Outcome/ Actual			Previous Budget	Revised Budget	Medium Term Estimates		Medium Term Estimates
R thousand	2020/21	2021/22	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
Total expenses	1 126 328	1 402 950	2 001 671	1 939 908	2 267 727	2 366 098	2 477 305	2 591 261
Surplus / (Deficit)	-194 660	28 803	-449 942	-284 062	-579 548	-596 886	-624 940	-653 687
Retained Surpluses			449 942	284 062	579 548	596 886	624 940	653 687
Total Surplus / (Deficit)			-	-	-	-	-	-

	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
				Approved				
Financial Performance data	Audited Outcome/ Actual values			Previous Budget	Revised Budget	Medium Term Estimates		
R thousand	2020/21	2021/22	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
Total Revenue Budget	931 668	1 431 753	1 551 729	1 655 846	1 688 179	1 769 212	1 852 365	1 937 574
1. Administration Grant (10.5%)	105 513	168 776	181 897	192 810	192 810	202 065	211 562	221 294
2. Mandatory Grant (20%)	200 914	325 794	346 471	367 259	367 259	384 887	402 977	421 514
3. Discretionary Grant (49,5%)	497 485	806 729	857 515	908 966	908 966	952 596	997 368	1 043 247
4. Other Income	127 756	130 454	165 846	186 811	219 144	229 663	240 458	251 519
Expense Breakdown per Grant Category								
Total Expenditure Budget	1 126 328	1 402 950	2 001 671	1 939 908	2 267 727	2 366 098	2 477 305	2 591 261
1. Administration Grant (10%)	154 410	129 647	172 782	177 609	193 117	191 191	199 562	210 736
2. QCTO (0.5%)	7 846	5 622	8 240	6 615	9 693	10 874	12 000	10 558
3. Mandatory Grant (20%)	138 512	218 566	278 067	294 751	367 259	384 887	402 977	421 514
4. Discretionary Grant (49.5%)	825 560	1 049 115	1 542 582	1 460 933	1 697 658	1 779 146	1 862 766	1 948 453
4.1 Project Expenses (7.5% Admin)	101 312	168 562	107 622	109 570	127 324	133 436	139 707	146 134
- Compensation of employees	79 371	107 679	79 422	78 983	78 983	82 774	86 665	90 651
- Other Project Expenses	21 941	60 883	28 200	30 587	48 341	50 662	53 043	55 483
4.2 Discretionary Grant excluding project expenditure	724 248	880 553	1 434 960	1 351 363	1 570 334	1 645 710	1 723 058	1 802 319
4.2.1 Discretionary Grant: Pivotal (80%+ of 49,5%)	579 398	704 442	1 147 968	1 168 746	1 256 267	1 316 568	1 378 447	1 441 855
4.2.2 Discretionary Grant: Various Projects (20%- of 49.5%)	144 850	176 111	286 992	292 187	314 067	329 142	344 612	360 464

	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
				Approved				
Financial Performance data	Audited Outcome/Actual values			Previous Budget	Revised Budget	Medium Term Estimates		
R thousand	2020/21	2021/22	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
Programme 1: Administration	162 256	135 269	181 022	184 224	202 810	202 065	211 562	221 294
1.1 Compensation of employees	60 823	56 732	100 672	97 474	97 474	97 474	102 055	106 750
1.2 Good and services	94 472	67 743	70 350	74 746	93 332	92 011	96 335	100 767
1.3 Depreciation	6 961	10 794	10 000	12 004	12 004	12 580	13 171	13 777
Programme 2: Skills Planning	152 429	234 506	295 176	312 754	385 262	403 755	422 731	442 177
2. Project Expenses	3 361	3 563	3 777	4 004	4 004	4 196	4 393	4 596
2.1 Research (Chairs and SOEs)	6 336	8 733	9 170	9 628	9 628	10 090	10 564	11 050
2.2 Sector Skills Plans	4 220	3 644	4 163	4 371	4 371	4 581	4 796	5 017
2.3 Work Skills Plans and Annual Training Reports (Mandatory Grant)	138 512	218 566	278 067	294 751	367 259	384 887	402 977	421 514
Programme 3: Learning Programmes and Projects	761 039	979 533	1 468 614	1 382 659	1 619 384	1 697 115	1 776 879	1 858 615
3. Project Expenses	100 145	141 733	137 844	90 075	90 075	113 005	118 316	123 759
3.1 Implementation of learning Programmes per NSDS goals	639 223	743 963	1 231 302	1 187 147	1 359 926	1 473 611	1 542 871	1 613 843
3.2 Special projects (including partnerships)	15 120	80 280	85 097	90 203	90 203	94 533	98 976	103 529
3.3 Monitoring, Evaluation and Reporting	-	2650	2 809	2 978	2 978	3 121	3 268	3 418
3.4 Career and vocational guidance	6 551	10 907	11 562	12 256	12 256	12 844	13 448	14 067
								0
Programme 4: Quality Assurance	50 604	53 641	56 859	60 271	60 271	63 164	66 133	69 175
4. Project Expenses	13 006	13 787	14 614	15 491	15 491	16 235	16 998	17 779
4.1 Provider Accreditations	18 688	19 809	20 998	22 258	22 258	23 326	24 423	25 546
4.2 Learning Programmes	-	-	-	-	-	-	-	-
4.3 Certifications	-	-	-	-	-	-	-	-
4.4 Qualification Development	18 910	20 045	21 247	22 522	22 522	23 603	24 712	25 849
Total expense	1 126 328	1 402 950	2 001 671	1 939 908	2 267 727	2 366 098	2 477 305	2 591 261

7. Updated Key Risks

Table 13: Key Risks and Mitigation Factors

OUTCOMES	Risk	Risk Mitigation Plan
Outcome 1: An efficient and effective organisation with good	1. Impact of changes in Grant Regulations on available funds (Financial Risk)	<ul style="list-style-type: none"> a) Continuous updates to be obtained from DHET in relation to the review of the grant regulations. b) Implement cost containment measures over and limit employee costs, particularly project costs c) Implement revised investment policy to ensure that the SETA improve returns on invested surplus reserves in order to generate additional income to be used for discretionary grants. d) Reprioritisation of the budget. e) Reduce accumulated cash reserves annually over the MTEF (will be achieved by increasing expenditure and ensuring completions of historic projects). f) Monthly updates and reporting on commitments register.
	2. Delays in processing payments.	<ul style="list-style-type: none"> a) Implement capacity building for both internal and external stakeholder on all SOPs across the organisation b) Implement capacity building for both internal and external stakeholder on all contract's implementation across the organisation c) Engagement with the DHET on regulation d) Enable monitoring and reporting system capabilities to facilitate efficient process of payments e) Development of a complaints platform for stakeholder's queries to be adequately resolved f) Ensure performance management contract includes payment of claims.
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	3. Relevant skills delivery aligned to stakeholder needs.	<ul style="list-style-type: none"> a) Misaligned economic research and the quality of existing research (incorrect information in terms of the needs of the industry) b) Poor implementation of the SSP within the SETA due to lack of alignment between APP targets and SSP priorities
Outcome 1: An efficient and effective organisation with good	4. Inadequate skills, consequence management and breakdown of ethical principle across the organisation.	<ul style="list-style-type: none"> a) Annual fraud awareness b) Training on code of conduct c) Performance management review should be continuously done, highlighting the gaps noted d) Implementation of the recommendation of the skills audit report

OUTCOMES	Risk	Risk Mitigation Plan
All 8 outcomes	5. Reputational risk due to inadequate impact of W&RSETA programmes	<ul style="list-style-type: none"> a) Engage large retailers on learner absorption and agree on a contractual percentage for fulltime employment. b) Stakeholder engagement Plan (Improved stakeholder communication and consultation) c) Implement monitoring and evaluation programmes to report on impact across the organisation
Outcome 1: An efficient and effective organisation with good	6. Inadequate project and contract management	<ul style="list-style-type: none"> a) Capacity building for all staff members dealing with contract management processes b) Incorporation of contract management of the individual performance contract c) Development of Contract Life cycle management tool
	7. Inadequate adoption of the ICT systems and solutions	<ul style="list-style-type: none"> a) Continuous adoption of implementation plan b) Continuous implementation of the ICT systems enhancement as per business requirements c) Appointment of ICT business analyst d) ICT network and hosting infrastructure capabilities monitored on regular basis and address all emerging challenges raised e) Quarterly reporting ICT capabilities to various governance structures.
	8. Fraud and corruption and other related unethical behaviour	<ul style="list-style-type: none"> a) Implement revised Fraud Prevention Policy and Plan b) Conduct and create awareness on Fraud, corruption and prevention mechanisms across the organisation. c) Ongoing training for Supply Chain officials d) Probity and Initiative-taking Security Audits (including SCM, Grant reviews, Validation of Disclosure of Interest, Phishing reviews etc.) e) Monitor the annual financial declarations
All 8 outcomes	9. Cyber security and organisational resilience	<ul style="list-style-type: none"> a) Continuous monitoring and evaluation of the cyber security reports and prompt resolution of any identified vulnerabilities b) Ongoing monitoring of existing controls
All 8 outcomes	10. Non achievement of strategic outcomes	<ul style="list-style-type: none"> a) Ensure governance structures at management level and operational level b) Ensure that the performance plan is aligned to APP and Operational plan c) Ensure the implementation of the operational plan d) Ongoing staff capacitation on new processes e) Mid-term review of SP/APP/Operational Plan

8. Public Entities

Not applicable.

9. Infrastructure Projects

No.	Project Name	Programme	Description	Outputs	Start Date	Completion Date	Total Estimated Cost	Current Year Expenditure
1.	Sekhukhune Skills Development Centre	Other: TVET Infrastructure Support	The Construction of Sekhukhune Skills Development Centre	The Sekhukhune TVET Skills Development Centre with the proposed teaching and learning facility	29 March 2019	30 April 2025	R131 000 000	R131 000 000.00
2.	Access Road to the Sekhukhune Skills Development Centre	Other: TVET Infrastructure Support	The Construction of the Traffic Circle and Access Road to the Sekhukhune Skills Development Centre	Access to the Skills Centre as per the Local Authority Requirements	31 March 2021	30 March 2025	R6 900 000	R0.00

No.	Project Name	Programme	Description	Outputs	Start Date	Completion Date	Total Estimated Cost	Current Year Expenditure
3.	Informal Traders Capacitation and Infrastructure project (Hawkers)	SMME Capacitation	Training of Informal Traders and Construction of Trading stalls near the Skills Development Centre	Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy	31 March 2021	30 March 2025	R9 052 312.50	R0.00
4.	DHET-W&RSETA Partnership for Infrastructure Support	Other: CET Infrastructure Support	Refurbishment of 54 community learning centres nationally to establish Information and Communication Technology laboratories	The provision of Information and Communication Technology laboratories for Community Education and Training College	13 December 2020	31 March 2025	R50 000 000.00	R16 190 588.86
5.	Free State CET Skills Development Centre: DHET- W&RSETA Partnership for Infrastructure Support	Other: CET Infrastructure Support	The Construction of Free State CET Skills Development Centre	The provision of the Free State CET Skills Development Centre with the proposed teaching and learning facility	31 March 2021	31 March 2025	R60 000 000.00	R0.00
6.	CETA & W&RSETA Collaborative Project	Other: TVET Infrastructure Support	The Construction of the KwaMpumuza Skills Development Centre	The provision of the KwaMpumuza Skills Development Centre with the proposed teaching and learning facility	31 March 2022	31 March 2025	R50 000 000.00	R0.00

10. Public Private Partnerships

Not applicable

PART D: TECHNICAL INDICATOR DESCRIPTORS (TIDs)

Programme 1: Administration

Indicator Title	1.1 Audit opinion annually
Definition	This indicator aims to ensure that the unqualified audit opinion is obtained by the 2024/25 financial year. An unqualified audit opinion in the context of this indicator means that the financial statements of the W&RSETA contain no material misstatements.
Source of data	Signed Auditor General report
Method of Calculation / Assessment	Determine achievement of target by assessing the Auditor General’s report. An unqualified Audit opinion indicates the achievement of the set target.
Means of verification	Signed Auditor General report
Assumptions	Internal processes are implemented while complying with all regulations as required by the Auditor General
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Unqualified audit opinion for 2024/25 financial year
Indicator Responsibility	Chief Financial Officer

Indicator Title	1.2 Number of stakeholder sessions conducted annually to advocate for participation in skills development programmes.
Definition	This indicator aims to ensure that stakeholder outreach programmes are conducted to create awareness of the W&RSETA brand, publicise its programmes, advocate for participation in skills development and communicate to stakeholders the benefits of participation in the W&RSETA skills development programmes
Source of data	Online and physical attendance registers of stakeholder outreach sessions
Method of Calculation/ Assessment	Count the number of stakeholder sessions conducted
Means of verification	Attendance registers of stakeholder sessions
Assumptions	There will be prioritisation for the inclusion of all relevant stakeholders to participate in stakeholder sessions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Throughout the 9 provinces of South Africa
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	18 stakeholder sessions are to be conducted annually to advocate participation in the W&RSETA programmes
Indicator Responsibility	Chief Corporate Services Executive

Programme 2: Skills Planning and Research

Indicator Title	2.1 Number of Board approved planning documents submitted to DHET within prescribed timeframes annually.
Definition	<p>The indicator measures submission of board approved planning documents (Sector Skills Plan and Annual Performance Plan) to DHET within prescribed timeframes.</p> <ul style="list-style-type: none"> • The Sector Skills Plan (SSP) is approved by the Board annually and submitted to DHET within prescribed timeframes. The prescribed timeframe to submit the final SSP is August each year. • The SP and APP is developed annually and approved by the Board prior to submission to DHET within prescribed timeframes. The prescribed timeframe to submit the final APP for consideration by the Executive Authority is 30 November each year.
Source of data	SSP, SP and APP documents signed by the W&RSETA Board Chairperson and proof of submission
Method of Calculation /Assessment	A simple count of the SSP, SP and APP approved by the Board and submitted to DHET within the prescribed timeframes.
Means of verification	Board Approved SSP, SP and APP Proof of submission of the SSP, SP and APP to DHET
Assumptions	Credible information provided during the SSP, SP and APP consultation process as well as alignment to recommended actions
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-annual
Desired performance	Board approved SSP, SP and APP submitted to DHET within prescribed timeframes
Indicator Responsibility	SPPE Executive

Indicator Title	2.2 Number of Memorandums of Understanding with strategic partners addressing sector needs, annually.
Definition	The indicator measures the total number of strategic partnerships on research and innovation entered into with strategic partners that address sector needs.
Source of data	Signed Partnership agreements / MOUs
Method of Calculation / Assessment	A simple count of the signed Partnership agreements / MOUs that addresses sector needs
Means of verification	Signed MOUs
Assumptions	Identified potential strategic partners who are willing to enter into a partnership agreement with the W&RSETA The Partnership agreements / MOUs will be implemented
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Two (2) Partnership agreements / MOUs signed with strategic partners annually
Indicator Responsibility	SPPE Executive

Indicator Title	2.3 Number of sector research reports completed annually.
Definition	The indicator measures the number of research reports that were completed that provide insight into W&RSETA skills development interventions
Source of data	Research reports
Method of Calculation / Assessment	Simple count of the number of research reports completed annually
Means of verification	Completed research reports.
Assumptions	Credible and quality research reports that contribute to the sector needs
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	5 Research reports completed
Indicator Responsibility	SPPE Executive

Indicator Title	2.4 Number of sector directed tracer/impact study reports completed annually.
Definition	The indicator measures the number of sector directed tracer/ impact studies reports that are completed per year. Tracer and impact assessment of W&RSETA programmes are undertaken for the purpose of providing insight on skills development interventions.
Source of data	Research reports
Method of Calculation / Assessment	A simple count of tracer/ impact study reports completed
Means of verification	Completed impact/tracer study reports
Assumptions	Credible and quality impact/tracer study reports that contribute to the sector
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Three (3) impact / tracer studies reports completed annually
Indicator Responsibility	SPPE Executive

Indicator Title	2.5 Number of Post-Doctoral Fellows appointed to support sector research agenda implementation
Definition	The indicator measures the number of Post-Doctoral Fellows that are appointed for the implementation of W&RSETA Research Agenda. The objective is to enhance sector research agenda implementation through the appointment of Post-Doctoral students and contribute to sector transformation.
Source of data	Award Letters Linked with Research Leadership Chair
Method of Calculation / Assessment	A simple count of Post-Doctoral Fellows
Means of verification	Proof of appointment for Post-Doctoral Fellows
Assumptions	Credible and quality sector research agenda
Disaggregation of Beneficiaries (where applicable)	Post-Doctoral Fellows (50%) should be a Black South African woman and priority given to Black South Africans
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Two (2) Post-Doctoral Fellows appointed
Indicator Responsibility	SPPE Executive

Programme 3 - Learning Programmes and Projects

Indicator Title	3.1a Percentage of WSPs and ATRs approved for Small Companies per annum 3.1b Percentage of WSPs and ATRs approved for Medium Companies per annum 3.1c Percentage of WSPs and ATRs approved for Large Companies per annum
Definition	The indicator measures the percentage of approved Work Skills Plans (WSP) and Annual Training Reports - ATRs (Annexure II) for small, medium, and large firms as against the number of submitted WSPs and ATRs. The size of companies (small, medium, large) is defined according to the number of employees employed by said companies, as follows: <ul style="list-style-type: none"> • Small company = 1 to 49 employees • Medium company = 50 to 149 employees • Large company = more than 149 employees
Source of data	System report indicating submitted and approved WSPs and ATRs for the relevant period
Method of Calculation / Assessment	Number of approved WSP's and ATRs / Total number of WSP's and ATRs submissions made x 100
Means of verification	MIS System report indicating the submitted and approved WSPs and ATRs for Small, Medium, and Large firms.
Assumptions	Companies will continue to submit compliant Annexure II documents to be approved.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	70% of compliant Annexure II submissions approved per annum per company category listed below: <ol style="list-style-type: none"> Small Medium Large
Indicator Responsibility	COO

Indicator Title	3.2 Number of unemployed persons awarded bursaries per annum
Definition	<p>The indicator measures the number of unemployed persons awarded bursaries for new and continuing undergraduate studies at HET and TVET Institutions per annum.</p> <ul style="list-style-type: none"> • New Bursar definition: <ul style="list-style-type: none"> ○ First year Learner receiving funding from W&RSETA in an academic programme; • Continuing Bursar definition: <ul style="list-style-type: none"> ○ Students funded by the W&RSETA in the previous year or by any other funder other than the W&RSETA, and such student is continuing to the next academic year
Source of data	System report.
Method of Calculation / Assessment	Count the number of registered new and continuing unemployed persons.
Means of verification	<ul style="list-style-type: none"> • New Bursaries: Bursary agreements. • Continuing Bursaries: Bursary Agreements and Renewal letters (Bursary Agreement is the Initial Agreement entered into with the W&RSETA; Renewal letter is a letter indicating the list of bursars approved to continue their studies)
Assumptions	Unemployed persons will have an appetite to study in the fields of retail studies or related qualifications.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural and Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	2500 bursaries awarded annually for new and continuing unemployed persons
Indicator Responsibility	COO

Indicator Title	3.3 Number of employed persons awarded bursaries per annum
Definition	<p>The indicator measures the number of bursaries (new and continuing) that are awarded to employed persons in the retail sector to study towards qualifications at HET and TVET Institutions per annum.</p> <ul style="list-style-type: none"> • New Bursar definition: <ul style="list-style-type: none"> ○ First year Learner receiving funding from W&RSETA in an academic programme; • Continuing Bursar definition: <ul style="list-style-type: none"> ○ Students funded by the W&RSETA in the previous year or by any other funder other than the W&RSETA, and such student is continuing to the next academic year
Source of data	System report
Method of Calculation / Assessment	Count the number of registered new and continuing employed persons using signed bursary agreements (new) and renewal letters (continuing) awarded to individuals.
Means of verification	<p>New Bursaries: Bursary agreements.</p> <p>Continuing Bursaries: Bursary Agreements and Renewal letters (Bursary Agreement is the Initial Agreement entered into with the W&RSETA; Renewal letter is a letter indicating the list of bursars approved to continue their studies)</p>
Assumptions	Employed people within the W&R sector will have an appetite to study in the fields of retail studies or related qualifications.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural and Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	A total of 1080 bursaries awarded to new and continuing employed persons in 2024/25 financial year.
Indicator Responsibility	COO

Indicator Title	3.4 Number of employed and unemployed bursars completing their studies per annum
Definition	The indicator measures the number of W&RSETA's bursary beneficiaries (both employed and unemployed) who completed their studies.
Source of data	System report
Method of Calculation / Assessment	Count the number of learner certificates issued to W&RSETA bursars who have completed their qualifications.
Means of verification	Learner statement of results or certificates from the HET or TVET Institutions
Assumptions	Bursary beneficiaries will complete their studies
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural & Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annual
Desired performance	500 bursars completed their studies annually
Indicator Responsibility	COO

Indicator Title	3.5 Number of unemployed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.
Definition	The indicator measures the number of unemployed learners registered to participate in learning programmes that address the Key Skills Priority Areas as identified in the W&RSETA SSP. Learning programmes will consist of learnerships, skills programmes, occupational qualifications and part qualifications.
Source of data	System Report
Method of Calculation / Assessment	Count the number of signed learner agreements used to register unemployed learners that participate in W&RSETA funded learning programmes.
Means of verification	Registered learner agreements
Assumptions	Employers will be agreeable to host unemployed youth participating in programmes that address the HTFV's as identified in the SSP.
Disaggregation of Beneficiaries (where applicable)	The unemployed population for learnerships to be disaggregated as follows: 100% Youth 60% Female 4% PWD
Spatial Transformation (where applicable)	Rural (20%), Township, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	12 000 unemployed learners registered in learning programmes annually
Indicator Responsibility	COO

Indicator Title	3.6 Number of unemployed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.
Definition	The indicator measures the number of unemployed learners completing learning programmes that address the Key Skills Priority Areas as identified in the W&RSETA SSP. Types of learning programmes include learnerships, skills programmes, occupational qualifications and part qualifications.
Source of data	System Report
Method of Calculation / Assessment	Count each learner who completed / certificated in Learnership Programmes
Means of verification	Agreements and Certificates or statement of results issued
Assumptions	Learners will complete the Programme
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Rural, Township, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	5145 Unemployed learners complete learning programmes addressing Wholesale and Retail Key Skills Priority Areas identified in the SSP
Indicator Responsibility	COO

Indicator Title	3.7 Number of employed and unemployed learners enrolled on Artisan / Technician programmes per annum
Definition	The indicator measures the number of learners (employed and unemployed) enrolled on artisan / technician programmes on an annual basis. An artisan is a person who has been certified as competent to perform a listed trade per the skills development act, 1998 (Act of 97 Of 1998).
Source of data	System report
Method of Calculation / Assessment	Count the number of learners enrolled on Artisan programmes, ARPL, Trade Tests or Accelerated Programmes.
Means of verification	Signed learner agreements
Assumptions	There are sufficient host sites to accommodate learners.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Annual
Desired performance	750 Learners enrolled annually
Indicator Responsibility	COO

Indicator Title	3.8 Number of employed and unemployed learners completing Artisan / Technician programmes per annum
Definition	The indicator measures the number of learners (employed and unemployed) funded by W&RSETA who completes Artisans / Technician programmes annually. An artisan is a person who has been certified as competent to perform a listed trade per the skills development act, 1998 (Act of 97 Of 1998).
Source of data	System report
Method of Calculation / Assessment	Count the number of W&RSETA learners who successfully completed artisan/technician programmes
Means of verification	Certificates or trade test certificate or statements of results issued for completions.
Assumptions	Learners will complete their programmes
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Rural
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	350 Learners completed their artisan / technician programmes in 2024/25
Indicator Responsibility	COO

Indicator Title	3.9 Number of learners from TVET colleges and HETs are placed in Work Integrated Learning programmes per annum
Definition	The indicator measures the number of unemployed learners who are placed with organisations to gain workplace experience or to obtain their qualifications.
Source of data	System Report
Method of Calculation / Assessment	Count the number of unemployed learners registered on Work Integrated Learning Programmes.
Means of verification	WBLP agreements
Assumptions	There will be a sufficient number of organizations to host learners to gain workplace experience.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban & Rural
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	2945 Learners registered on WIL programmes annually
Indicator Responsibility	COO

Indicator Title	3.10 Number of learners from TVET colleges and HETs completed their Work Integrated Learning Programmes per annum
Definition	The indicator measures the number of learners (Interns and Graduates) from TVET colleges and HETs who complete their Work Integrated Learning Programmes, annually. Work Integrated Learning Programmes aims to provide students / learners with the required work experience.
Source of data	System report
Method of Calculation / Assessment	Count the number of learners completing their WIL programmes
Means of verification	Completion letter
Assumptions	Learners will successfully complete their WIL programmes
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban & Rural
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	850 Learners complete their WIL programmes, annually
Indicator Responsibility	COO

Indicator Title	3.11 Number of employed learners registered on learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.
Definition	The indicator measures the number of employed learners registered on learning programmes or occupational qualifications that address the Key Skills Priority Areas as identified in the W&RSETA SSP. Types of learning programmes include learnerships, skills programmes, occupational qualifications, RPL interventions and part qualifications.
Source of data	System report.
Method of Calculation / Assessment	Count the number of learners registered as per the system report
Means of verification	Learner agreements
Assumptions	Employers will release staff to attend training interventions.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	9800 Employed learners registered on learning programmes annually
Indicator Responsibility	COO

Indicator Title	3.12 Number of employed learners completing learning programmes addressing Key Skills Priority Areas as identified in the W&RSETA SSP per annum.
Definition	Number of employed learners who complete the learning programmes that address the Key Skills Priority Areas as identified in the W&RSETA SSP. Types of learning programmes include learnerships, skills programmes, occupational qualifications, RPL interventions and part qualifications.
Source of data	System report
Method of Calculation / Assessment	Count each learner who completed/ certificated in Learning Programmes addressing Key Skills Priority Areas as identified in the SSP.
Means of verification	Certificates or statement of results issued.
Assumptions	Learners will complete the Programme
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4850 Employed learners complete learning programmes addressing Wholesale and Retail Key Skills Priority Areas identified in the SSP annually
Indicator Responsibility	COO

Indicator Title	3.13 Number of small and micro businesses supported per annum
Definition	The indicator measures the number of registered small and micro companies that operate in the Wholesale and Retail Sector who are supported by participating in Wholesale and Retail SETA's skills development projects during the period
Source of data	Benefit Template
Method of Calculation / Assessment	Count each registered small and micro businesses that operate in the Wholesale and Retail Sector that has signed a contract with the W&RSETA for participation in skills development interventions in the financial year
Means of verification	Signed contract
Assumptions	Small and micro business entities apply for SME Discretionary Grants
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Townships, Rural, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annual
Desired performance	3000 Small and micro businesses supported annually
Indicator Responsibility	COO

Indicator Title	3.14 Number of Informal Traders supported per annum
Definition	The indicator measures the number of Informal Traders who are supported through participation in Wholesale and Retail SETA Skills Development Programmes to enable the growth and sustainability of their businesses.
Source of data	Benefit Template
Method of Calculation / Assessment	Count each informal trader that participated in W&RSETA development programmes by assessing attendance through attendance registers
Means of verification	Informal Traders Development Programmes attendance register
Assumptions	Informal Traders participate in skills development interventions and workshops organised by the W&RSETA
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Townships, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annual
Desired performance	3000 Informal Traders supported annually
Indicator Responsibility	COO

Indicator Title	3.15 Number of Cooperatives / Community-based entities supported per annum
Definition	The indicator measures the number of enterprises registered as Cooperatives or Community-based entities (Community based entities may include Non-governmental organisations and Non-profit organisations) supported through their participation in W&RSETA Skills Development Initiatives to enable them to participate in the mainstream economy and address Key Skills Priority Areas as identified in the W&RSETA Sector Skills Plan
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of Cooperatives and Community-based entities participating in the skills development initiatives
Means of verification	Signed MOUs with Cooperatives or Community-based entities
Assumptions	Targeted Cooperatives and Community-based entities are registered with the relevant bodies (CIPC or Department of Social Development) and their skills needs are addressed via retail and related programmes
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Townships, Rural
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annual
Desired performance	120 enterprises (20 Cooperatives and 100 Community-based entities) supported annually
Indicator Responsibility	COO

Indicator Title	3.16 Number of persons enrolled on entrepreneurship development programmes per annum
Definition	The indicator measures the number of persons who were enrolled to participate in the W&RSETA's Entrepreneurship Development Programmes to enable the growth and sustainability of their businesses.
Source of data	System Report
Method of Calculation / Assessment	Count the number of persons enrolled on entrepreneurship development programmes
Means of verification	Learner Agreements
Assumptions	There are people who are willing and available to attend the programmes
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Townships, Rural
Calculation Type	Cumulative (year-end)
Reporting Cycle	Annual
Desired performance	300 Persons enrolled on entrepreneurship development programmes
Indicator Responsibility	COO

Indicator Title	3.17 Number of Trade Union beneficiaries who participated in trade union capacitation programmes per annum
Definition	The indicator measures the number of trade Union members who participate in capacitation programmes that address the skills needs of the Trade Unions within the sector.
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of trade union members who attended Capacitation Programmes by verifying signed attendance registers.
Means of verification	Attendance registers
Assumptions	Availability of Trade Union members to participate in Capacitation Programmes.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Townships, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	1382 Trade Union members participate in Trade Union Capacitation Programmes per annum
Indicator Responsibility	COO

Indicator Title	3.18 Number of career guidance interventions per annum
Definition	The indicator measures the number of Career guidance interventions conducted, comprising of career guidance events and the capacitation of Life Orientation (LO) Educators.
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of Career Guidance interventions implemented.
Means of verification	<ul style="list-style-type: none"> • Career Guidance Events: Invitations and Attendance registers • LO Capacitation: Attendance Register and Invitations
Assumptions	Practitioners are equipped to offer sound career advice to LO Educators and youth attending career exhibitions.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Rural & Townships
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-annual
Desired performance	211 Career Guidance interventions (201 events + 10 LO workshops)
Indicator Responsibility	COO

Indicator Title	3.19 Number of learners assisted to access opportunities in the W&R sector per annum
Definition	Unemployed learners participate in bridging programmes, retail work readiness programmes, access to RPL or AET programmes to further learning opportunities or placement opportunities in the retail sector.
Source of data	System report
Method of Calculation / Assessment	Count the number of learners assisted to access opportunities using signed learner agreements
Means of verification	Learner Agreements
Assumptions	Sufficient accredited providers to offer bridging programmes. Resources are available for the SETA to provide work readiness programmes
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Rural
Calculation Type	Cumulative (year-end)
Reporting Cycle	Annual
Desired performance	500 Learners assisted
Indicator Responsibility	COO

Indicator Title	3.20 Number of unemployed learners enrolled for candidacy programmes per annum.
Definition	The indicator measures the number of unemployed learners who are assisted to obtain professional designation through the candidacy programmes.
Source of data	System report
Method of Calculation / Assessment	Count the number of registered candidates using signed learner agreements
Means of verification	Learner agreements
Assumptions	Candidates in need of professional designation will accept and participate in the candidacy programmes funded by the W&RSETA
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Rural, Township, Urban
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	50 Unemployed learners enrolled per year
Indicator Responsibility	COO

Programme 4 – Quality Assurance

Indicator Title	4.1 Number of signed partnership agreements with HET Institutions per annum
Definition	Partnership agreements are concluded with HET Institutions to improve the delivery of Wholesale and Retail related qualifications through using a variety of interventions, for example: <ul style="list-style-type: none"> • Workshops • Infrastructure support • Equipment • Training Material • Lecturer Capacitation • Establishing Assessment Centres
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of partnership agreements concluded with HET Institutions.
Means of verification	Signed partnership agreements
Assumptions	Sufficient interest from HET Institutions to partner with W&RSETA
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Rural
Calculation Type	Non - Cumulative
Reporting Cycle	Annual
Desired performance	2 Partnership agreements signed with HET Institutions annually
Indicator Responsibility	COO

Indicator Title	4.2 Number of Public TVET Centres of Specialisation supported per annum
Definition	The indicator measures the number of Public TVET Centres of Specialization supported through a partnership agreement that outlines the support to be provided.
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of Centres of Specialisation supported using signed agreements
Means of verification	Signed Agreements
Assumptions	Public TVET Centres of Specialization need support
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Urban, Rural
Calculation Type	Non - Cumulative
Reporting Cycle	Annually
Desired performance	4 Public TVET Centres of Specialization supported
Indicator Responsibility	COO

Indicator Title	4.3 Number of signed partnership agreements with TVETs per annum
Definition	Partnership agreements are concluded with TVET Institutions to improve the delivery of Wholesale and Retail related qualifications through using a variety of interventions, for example: <ul style="list-style-type: none"> • Workshops • Infrastructure Support • Equipment • Training Material • Lecturer Capacitation • Establishing Assessment Centres
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of partnership agreements concluded with TVET Institutions
Means of verification	Signed agreements
Assumptions	Sufficient interest from TVET Institutions to partner with W&RSETA
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Urban
Calculation Type	Cumulative (year-end)
Reporting Cycle	Bi-Annual
Desired performance	16 Partnership Agreements signed with TVET Institutions annually
Indicator Responsibility	COO

Indicator Title	4.4 Number of TVET colleges where the SETA has and maintains a presence per annum
Definition	The indicator measures the number of TVET colleges where the SETA has maintained a presence through having a workstation at the campuses, having a workstation at a university nearby to a TVET college or maintaining a presence through the respective regional office.
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of TVET colleges where the Wholesale and Retail SETA has maintained a presence by assessing the Implementation Report
Means of verification	MOU/ Contract Implementation Reports
Assumptions	TVET colleges will allow the Wholesale and Retail SETA to maintain a presence at their various campuses
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Across townships
Calculation Type	Non - Cumulative
Reporting Cycle	Annual
Desired performance	Wholesale and Retail SETA has maintained a presence at 32 TVET Institutions
Indicator Responsibility	COO

Indicator Title	4.5 Number of partnerships formed with CETs to improve the delivery of retail and related programmes per annum
Definition	Partnership agreements are concluded with CETs to improve the delivery of Wholesale and Retail related qualifications through using a variety of interventions, for example: <ul style="list-style-type: none"> • Workshops • Infrastructure Support • Equipment • Training Material • Lecturer Capacitation • Establishing Assessment Centres
Source of data	Benefit Template
Method of Calculation / Assessment	Count the number of partnerships formed with CETs using agreements signed by all parties
Means of verification	Signed partnership agreements
Assumptions	Sufficient interest from CETs to partner with W&RSETA
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Rural, Urban
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	3 Partnership Agreements entered into with CET's annually
Indicator Responsibility	COO

ANNEXURE A: STRATEGIC PLAN (SP) AMENDMENTS 2020-2025

Outcome	Outcome indicator	Baseline	Five-year target
Outcome 1: An efficient and effective organisation with good corporate governance	Audit opinion	Unqualified	A clean audit opinion
	% Reduction of manual processes as a result of seamless and optimised business processes	70% manual processes	90% reduction of manual processes
Outcome 2: An integrated Career Guidance Programme	A comprehensive career guidance and career development strategy developed	New target	A career guidance and career development strategy which is developed and implemented to guide the W&RSETA career guidance interventions over the period 2020/21 – 2024/25.
Outcome 3: Growth focused programmes for the development and support of Training Providers and the Higher Education, TVET and CET sectors to enable their responsiveness to changing occupations and technological advances.	Percentage increase in the number of HET, TVET and CET partnerships aimed at enabling their growth	New Target	10% increase in the number of partnerships with Training Providers and Further and Higher Education and Training Institutions
	Number of education and training institutions and training providers offering W&R occupationally directed programmes	New Target	20 HET, TVETs, CET sites/campuses 40 Training Providers (of which 100% are HDI Providers)
Outcome 4: A sector responsive Research Agenda that supports and informs the establishment of impact geared W&R skills development programmes	Number of research studies conducted in response to the sector needs	4 research reports	20 research reports completed
	Number of impact assessment reports published	4	5
Outcome 5: Increased access to Wholesale and Retail occupationally directed programmes	Number of learners participating in occupationally directed programmes	6 536	7 000 (4% person with disability 12.5% persons from rural areas)
Outcome 6: Growth focused skills development and entrepreneurship development support for emerging entrepreneurs, cooperative sector, and small, medium and informal business enterprises to enhance their participation in the mainstream economy.	Number of informal businesses that have participated in W&RSETA skills development initiatives registered with relevant business or enterprise registration bodies	New target	1 000 Informal Businesses registered with relevant registration bodies
	Number of small and medium enterprises that have participated in W&RSETA supplier development programmes registered with CSD	New target	500
	Number of Cooperatives participating in skills development initiatives	New target	100

Outcome	Outcome indicator	Baseline	Five-year target
	Number of transformation projects implemented in collaboration with industry partners	New target	3
Outcome 7: Capacitated trade unions within the W&R sector	Number of interventions conducted to capacitate Trade Union members	N/A	15 Interventions
	Percentage Increase in trade union member participation in Trade Union Capacitation Programmes	800	20%
Outcome 8: An appropriately skilled, agile, and responsive workforce and skills pool able to meet the W&R sector current and emerging skills needs.	Number of workers registered in programmes addressing Hard to Fill Vacancies as identified in the SSP	New target	10 000
	% Reduction of imbalance between skills supply and demand for priority skills in the W&R sector	New Target	10%
	Number of employed and unemployed persons obtain qualifications in programmes that address W&R sector current and emerging skills needs for increased sector responsiveness to 4IR and related technological advances.	New Target	2 000
	Number of young people supported with ICT skills to access digitisation job and entrepreneurship opportunities in the sector	874	1 500
	Number of learners exiting W&RSETA programmes	21 252	39 470
	Number of previously unemployed persons who have completed W&RSETA programmes are employed or start their own businesses	9 064	12 000

1. Change Proposed

The following change is proposed to the strategic plan:

- Audit Opinion by 2024/25: 5-year target to be revised from “a **clean audit opinion**” to “an **unqualified audit opinion.**”
- Enhancing strategic planning and implementation by removing the '**Number of SMEs Registered with CSD**' Target.
- Amendments of **source of data** to **system report**: 4IR and related technologies (New and emerging) and ICT skills to access digitization jobs and entrepreneurship opportunities.
- Amendments of the outcome indicator to allow for impact evaluation on W&RSETA funded programmes within the strategic period and performance reporting.
 - **Current:** % Reduction of imbalance between skills supply and demand for priority skills in the W&R sector:
 - **New:** A comprehensive impact evaluation of W&RSETA strategic programmes towards addressing imbalance between skills supply and demand

for priority skills in the sector.

- Source of data: **Impact study report**
- Method of calculation: **Count the number of impact study conducted to respond to skills imbalance**
- Desired performance: **One comprehensive impact evaluation study conducted**

2. Motivation:

2.1 Revising the Clean Audit Target: A Step Towards Robust Financial Governance

It is incumbent on the W&RSETA to continuously assess the achievability of its targets and intended outcomes at any given point in time. This assessment involves identifying key interventions that will assist the SETA in achieving said outcomes. In this instance, there are a number of processes and controls that are required to be put in place to achieve a clean audit, as guided by the W&RSETA's Finance department, Internal Audit, and the AGSA. We have made considerable progress in implementing these processes and controls. However, more time is needed to satisfy relevant shareholders of the robustness of these changes. As such, it appears unlikely that the SETA will achieve a clean audit opinion by the end of FY2024/25 and this target should therefore be revised, with the aim of achieving a clean audit opinion by the end of FY2025/26.

2.2 Enhancing Strategic Planning by Removing the 'Number of SMEs Registered with CSD' Target

The target, "Number of SMEs registered with CSD," should be removed due to its lack of clarity, making data collection and reporting problematic. Additionally, unapproved supplier development programmes and a high dependence on CSD registration present challenges. Removing this target will enhance the accuracy of our strategic planning and allow us to focus on more controllable, goal-oriented objectives, aligning with our mission and objectives effectively. It is important to note that W&RSETA will continue to implement other SMEs and informal traders programmes through the Strategic Plan (SP), Annual Performance Plan (APP) and other Special Projects (SP).

2.3 Amendment of Data Source for 4IR and ICT-Related Targets

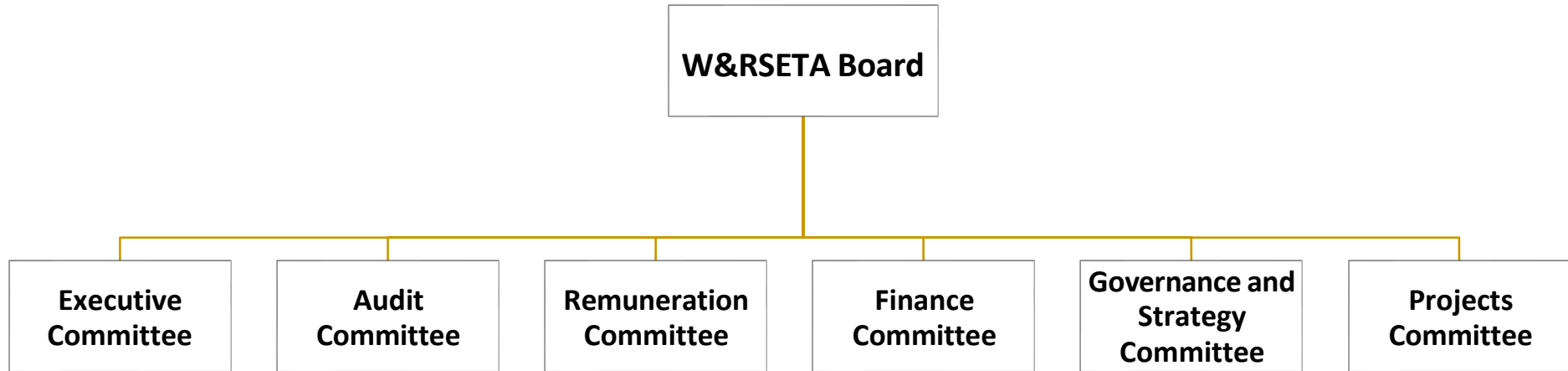
As we strive for greater effectiveness and inclusivity in our data reporting and monitoring, we propose an amendment to the source of data for Strategic Plan targets related to 4th Industrial Revolution (4IR) new and emerging skills and ICT-related interventions. This amendment will enhance our ability to provide comprehensive and relevant reporting aligned to the programmes implemented by the Wholesale and Retail Sector Education and Training Authority (W&RSETA).

The current data source for these targets, as specified under the Technical Indicator Descriptor (TID), presents some challenges in terms of comprehensiveness and inclusivity. To overcome these challenges and streamline data collection, we propose a shift to utilizing system reports as the primary data source. This amendment aligns with our commitment to transparency, accountability, and the robust measurement of our achievements in 4IR and ICT-related interventions. It will enable us to provide a more accurate representation of our work in these critical areas and support the alignment of our strategic goals with the data we collect.

2.4 Optimizing Impact Assessment: Refining Output Indicators for W&RSETA Strategic Programmes

The proposed amendments to the outcome indicator signify a commitment to continuous improvement, aiming to enhance the precision of performance reporting and enable a thorough impact evaluation of W&RSETA-funded programmes within the strategic planning period. By refining our indicators, we seek to focus on the effectiveness of our strategic initiatives in addressing the critical imbalance between skills supply and demand for priority skills in the Wholesale and Retail sector. This adjustment aligns with our dedication to transparency and evidence-based decision-making, ensuring meaningful contributions to workforce development.

ANNEXURE B: W&RSETA GOVERNANCE STRUCTURE



Legend:

W&RSETA Board	15 Members 1 Board Chairperson 6 Organised Labour 6 Organised Employer 2 Community Organisations
Board Committees	4 Board Members 2 Organised Labour 2 Organised Employer 1 Community Organisation
Audit Committee	6 Members 4 Independent Members 2 Board Members

ANNEXURE C: MATERIALITY FRAMEWORK

In terms of Treasury Regulations, 28.3.1 for purposes of material [sections 50(1), 55(2) and 66(1) of the Act] and significant [section 54(2) of the Act], the accounting authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.

The Wholesale & Retail SETA has developed a materiality and significance framework which outlines materiality and significance as follows:

TREASURY REGULATION 28.1.5		
"For purposes of "material" [sections 50(1), 55(2) and 61(1) (c) of the Act] and "significant" [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors."		
		Materiality approach adopted
Section 50(1)	<p>(1) The accounting authority for a public entity must -</p> <p>(a) Exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity;</p> <p>(b) Act with fidelity, honesty, integrity and in the best interest of the public entity in managing the financial affairs of the public entity;</p>	<p>Appropriate systems of control and risk management are maintained as well as a corporate risk management policy which is reviewed annually for effectiveness and a high level of compliance.</p> <p>W&RSETA sets high standards for good governance and ethical behaviour. The best interest of the public entity is always relevant and reflected in the business plan as approved by the Board (accounting authority) and the implementation of the business plan is of the utmost importance.</p>

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

		Materiality approach adopted
	(c) On request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those discoverable, which in any way influence the decision or actions of the executive authority or that legislature; and	W&RSETA is committed to an open and transparent culture and in revealing any relevant information to its stakeholders. Materiality can only be determined if the nature of the information which will affect the decision of the stakeholder is known.
	(d) Seek, within the sphere of influence of that accounting authority, to prevent any prejudice against the financial interests of the state.	W&RSETA employs risk management plans and reviews. Identified processes are aimed at preventing any prejudice to the financial interest of the state.

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

		Materiality approach adopted
Section 55 (2)	<p>(2) The annual report and financial statements referred to by PFMA Subsection 55 (1)(d) must –</p> <p>(a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against pre-determined objectives and its financial position as of the end of the financial year concerned;</p> <p>(b) include particulars of –</p> <ul style="list-style-type: none"> (i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year; (ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; (iii) Any losses recovered or written off; (iv) Any financial assistance received from the state and commitments made by the state on its behalf; and <p>(v) Any other matters that may be prescribed; and</p> <p>(c) Include the financial statements of any subsidiaries.</p>	<p>W&RSETA makes use of independent assurance providers and is involved with disclosure forums for the presentation of annual financial statements to ensure that its affairs are fairly represented in the AFS.</p> <p>All losses are disclosed in the AFS.</p> <p>All activities are disclosed in the AFS.</p> <p>All losses are disclosed in the AFS.</p> <p>All financial assistance received or committed is disclosed.</p> <p>W&RSETA will apply any other matters that become prescriptive.</p> <p>Not applicable.</p>
Section 54 (2)	<p>(1) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant</p>	

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

		Materiality approach adopted
	<p>particulars of the transaction to its executive authority for approval of the transaction</p> <ul style="list-style-type: none"> (a) Establishment or participation in the establishment of a company; (b) Participation in a significant partnership, trust, unincorporated joint venture, or similar arrangement (c) Acquisition or disposal of a significant shareholding in a company (d) Acquisition or disposal of a significant asset (e) Commencement or cessation of a significant business activity; (f) A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture, or similar arrangement. 	<p>Not applicable.</p> <p>Not applicable.</p> <p>Not applicable.</p> <p>Management attains the approval of the Accounting Authority.</p> <p>Not applicable.</p> <p>Not applicable.</p>
Section 61(1)(c)	<p>(a) The report of an auditor appointed in terms of section 58(1)(b) must be addressed to the executive authority responsible for the public entity concerned and must state separately in respect of each of the following matters whether in the auditor’s opinion –</p>	<p>The materiality of 0.5% of the total value of the sum of the revenue received for the year is applied.</p> <p>Budgeted Revenue 2022/23 = R 1, 551 billion (based on MTEF estimate)</p> <p>Materiality for 2022/23 = R 7,8 million</p>

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

		Materiality approach adopted
	(b) The transactions that had come to the auditor’s attention during auditing were in all material respects per the mandatory functions of the public entity determined by law or otherwise.	
Section 66 (1)	<p>(1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity, or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security, or other transaction –</p> <p>(2)</p> <p>(a) Is authorised by this Act; and</p> <p>(b) In the case of public entities, is also authorised by other legislation, not in conflict with this Act; and</p> <p>(c) In the case of loans by a province or a provincial government business enterprise under the ownership control of a provincial executive, is within the limits as set in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act No 48 of 1996).</p>	W&RSETA operates within the ambit as set by this clause and its related Act.

Quantitative Aspects

Materiality level for consideration, the level of materiality for 2023/24 has been set as follows:

Financial Statement Base	Base Amount	Materiality %	Materiality value for 2023/24
Total assets	R 2 816 414 000	1%	R 28 164 140
Total revenue	R 1 551 729 000	0.5%	R 7 758 645
Total Surplus	Not relevant as the W&RSETA is not budgeting for a surplus		

The total revenue amount is based on the MTEF Estimates for the 2023/24 financial year while the total assets value is based on the audited financial statements for the 2021/22 financial year.

Therefore, final materiality is set at R 7 758 645 for the 2023/24 financial year.

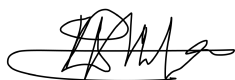
Qualitative aspects

Materiality is not merely related to the size of the entity and the elements of its financial statements. Misstatements that are large either individually or taken together may affect a “reasonable” user’s judgement. However, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst others:

- New contracts that the SETA has entered into.
- Unusual transactions entered into that are not repetitive and are disclosable purely due to the nature thereof due to knowledge thereof affecting the decision making of the user of the financial statements.
- Transactions entered into that could result in a reputational risk to the SETA.
- Any fraudulent or dishonest behaviour of an officer or staff of the SETA.
- Any infringement of W&RSETA’s agreed performance levels.
- Procedures/processes required by legislation or regulation (e.g., PFMA and the Treasury Regulations)

This Materiality Framework is re-assessed and adjusted on an annual basis with the Audit Committee, Internal and External Auditors and assessed and approved by the Accounting Authority.

CHIEF FINANCIAL OFFICER



ANNEXURE D: GLOSSARY OF TERMS

Artisan	the person who has been certified as competent to perform a listed trade per the skills development act, 1998 (Act of 970f 1998)
Candidacy	the structured work experience component is part of an occupational qualification as determined by the relevant professional body and may follow the completion of an academic qualification required for access to the assessment for the issuing of a professional designation. This may lead to the designated registration on the NQF.
Certification	the formal recognition of a student who successfully completed all courses required to obtain a qualification or part qualification
“Centres of Specialisation	in the TVET College sector” is a programme which aims to inform college differentiation, promote quality teaching and learning, facilitate responsiveness and provide a model for the implementation of QCTO’s trade qualifications at the same time as it develops artisanal skills in demand for economic growth, starting with the Strategic Integrated Projects (SIPs).”
Continuing Education Training	all learning and training Programmes leading to qualifications or part qualifications at Levels 1-4 of the NQF contemplated in the National Framework Act, 2008 (Act No. 67 of 2008)
Data source	a record, organisation, individual or database from which data is obtained
Data verification	the process by which data is checked, assessed reviewed and audit
Higher Education Institution	any institution that provides higher education on a full time, part-time or distance basis and which is established deemed to be established or declared as a public higher education institution or registered or conditionally registered as a private higher education institution under the Higher Education Act No 101 of 1997 as amended.
Hard to Fill Vacancies(HTFVs)	hard to fill vacancies are defined as those vacancies that take the employer a period longer than six months to find suitable candidates to fill the vacancy (with skills-related reasons)
Learnership	a learning Programme that leads to an occupational qualification or part qualification
Recognition of prior learning	the principles and processes, through which the prior knowledge and skills of a person are made visible, mediated and assessed for the purpose of alternative access and admission, recognition and certification, or further learning and development
Workplace-based learning	an educational approach with a quality assured curriculum through which a person internalizes knowledge, gains insights, and acquires skills and competencies through exposure to a workplace to achieve specific outcomes applicable to employability

ANNEXURE E: SERVICE LEVEL AGREEMENT

ANNEXURE F: LIST OF TVET COLLEGES WITH W&RSETA OFFICES

NAME OF THE COLLEGE	PHYSICAL ADDRESS	REGION
uMgungundlovu TVET College	44 Burger Street, Pietermaritzburg	KwaZulu Natal
Majuba TVET College (Madadeni Campus)	CPD, Nelson Mandela Drive, Section 2; Madadeni	KwaZulu Natal
uMfolozi TVET College (Esikhawini Campus)	Lot: 11 Eskhawini Highway, Eskhawini	KwaZulu Natal
Mthashana TVET College (Vryheid Campus)	90 Hlobane Street, Vryheid	KwaZulu Natal
Esayidi TVET College (Enyenyenzi Campus)	Boboyi Location, N2 Main Harding Road, Port Shepstone	KwaZulu Natal
Enhlanzeni TVET College	29 Bell Street, Nelspruit	Mpumalanga
Gert Sibande TVET College	No. 2 Tambourin Ave, Standerton	Mpumalanga
Taletso TVET College	Carrol Street, Lichtenburg	North West
Vuselela TVET College	133 OR Tambo Street, Klerksdorp	North West

NAME OF THE COLLEGE	PHYSICAL ADDRESS	REGION
West Coast College	2 Loedolf Street, Malmesbury	Western Cape
False Bay College	Khayelitsha Campus, Mew Way	Western Cape
Boland College	85 Bird Street, Stellenbosch	Western Cape
South Cape College	125 Mitchell Street, George	Western Cape
Maluti TVET College	Central Office, Mampoi Road Phuthaditjhaba 9866	Free State
Goldfields TVET College	Cnr Toronto Rd & Petrus Bosch Str. City Centre Welkom	Free State

ANNEXURE G: SECTOR SKILLS PLAN