**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

**QUESTION 4318 DATE OF PUBLICATION OF INTERNAL QUESTION PAPER: 18/11/2022 INTERNAL QUESTION PAPER NO 49 OF 2022**

 **Mr S S Zondo (IFP) to ask the Minister of Higher Education, Science and Innovation:**Considering that COVID-19 has become a scapegoat for the little to no progress made by his department on issues relating to the duplication of funding, what are the (a) reasons that sector and education training authorities (SETAs) do not have to adhere to the Public Finance Management Act, Act 1 of 1999, and (b) relevant details of the processes of awarding funding to students in SETAs in comparison to technical vocational education and training colleges? NW5434E

**REPLY:**

(a) SETAs, as schedule 3A entities are not exempted from the provisions of the Public Finance Management Act, Act No 1 of 1999 (the PFMA) and other related prescripts. Consequently, where non-compliance with the PFMA is brought to the Department, such matters are attended to, in compliance with the provisions of the PFMA and other applicable legislation. Amongst other things, intervention measures that are implemented by the Department entail directing all SETAs to develop and submit audit action plans to the Department in cases where the Auditor-General South Africa has made audit findings. The Department’s intervention in addressing non-compliance is not limited to the above as each case of non-compliance is handled based on its merit. Additionally, to strengthen governance and improve compliance with the PFMA by the entities, the Department also organises regular meetings with the Chief Financial Officers of the entities (including the SETA’s) to discuss, among other things, PFMA compliance issues. The last meeting was held on 18 November 2022 with the Chief Financial Officers from all entities.

(b) All SETAs develop Sector Skills Plans, which amongst others identify scarce or critical skills or occupations in high demand in their sectors; to address the required skills or occupations, in their sectors, SETAs would identify the required learning programmes, which includes amongst others: providing the bursaries, subsequently Memorandum of Agreements will be entered with the institutions of higher learning. SETAs allocate funding to students in accordance to their grant regulations