

# STRATEGIC PLAN

## 2020/21-2024/25



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA





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

**2020/21-2024/25  
STRATEGIC PLAN**

**2022/23 FINANCIAL YEAR UPDATE**



## ACCOUNTING AUTHORITY STATEMENT

As we enter the third year of the current Medium Term Strategic Framework (MTSF) period, 2020/21 -2024/25, I have the pleasure of presenting the 2022/23 update of the five-year Strategic Plan (SP) for the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA). This Plan has been updated to encapsulate the challenges that have occurred since the previous version which is currently being implemented through the Annual Performance Plan (APP).

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

The Chef Artisan Development Programme has been identified as the priority project that the SETA will implement during the remaining part of the MTSF period. This will indeed demonstrate the contribution to the achievement of one of the outcomes of the NSDP, on the one hand, whilst on the other hand supporting the NDP, 2030 which has set a target of producing 10 000 artisans per annum.

It is noted that whilst efforts are being made to mitigate the risks posed by the COVID-19 Pandemic, the Country will require more time to get the economy back on track. The COVID-19 Pandemic has continued to negatively impact the operation of some of the sub-sectors of the SETA, resulting in a decrease in revenue, which implies that the SETA will not be able to expand its services.

Notwithstanding the challenges ahead, the Accounting Authority (AA) of CATHSSETA will do its best to position this SETA as the leader in facilitating skills development.



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**Mr David Themba Ndhlovu**  
**Accounting Authority Chairperson**

# CHIEF EXECUTIVE OFFICER STATEMENT

CATHSSETA has developed this Strategic Plan, which is aligned to the 2020/21 – 2024/25 MTSF. This process was guided by the Framework for the development of Strategic Plans and Annual Performance Plans that was issued in 2019 by the Department of Planning, Monitoring and Evaluation (DPME). The Framework introduced a shift in the planning process, whereby Government institutions are now expected to focus on impact and outcomes instead of outputs and activities.

Implementation of this Strategic Plan will be carried out through the Annual Performance Plans that are prepared annually and form the basis for annual reporting. The SETA is aware of its current challenges and those affecting the sector, hence the setting of performance targets will consider the availability of resources. Notwithstanding the challenges faced, the SETA will endeavour to ensure that all legislative mandates are addressed. It is important to note that this Strategic Plan will be implemented at a time when the country's economy is not growing at the desired rate. Additionally, the COVID-19 Pandemic will no doubt have an impact on the sector, which in turn, will have a direct impact on the SETA's financial resources.

In conclusion, I wish to assure the Accounting Authority of my unconditional support to ensure that commitments made in the Strategic Plan are fulfilled.



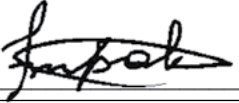
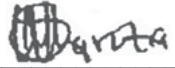



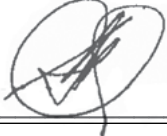
**Mr Marks Thibela**

**Chief Executive Officer**

## OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

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

<p>Mr Fezekile Mphako <b>Executive Manager: Corporate Services</b></p>	<p>Signature: </p>
<p>Mr Ntona Marota <b>Chief Financial Office</b></p>	<p>Signature: </p>
<p>Dr Tebogo Umanah <b>Executive Manager: Research, Monitoring and Evaluation</b></p>	<p>Signature: </p>
<p>Ms Lebogang Mpye <b>Executive Manager: Learning Programmes</b></p>	<p>Signature: </p>
<p>Mr Marks Thibela <b>Chief Executive Officer</b></p>	<p>Signature: </p>
<p><b>Approved by:</b> Mr. David Themba Ndhlovu <b>Accounting Authority Chairperson</b></p>	<p>Signature: </p>

## ABBREVIATIONS AND ACRONYMS

Accord	National Skills Accord
BCEA	Basic Conditions of Employment Act No 75 of 1997 as amended
BUSA	Business Unity South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment Act No.53 of 2003 as amended
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
CET	Community Education and Training
Constitution	Constitution of the Republic of South Africa, Act No.108 of 1996 as amended
COVID-19	Coronavirus that was declared as a Pandemic by the World Health Organisation
DHET	Department of Higher Education and Training
DSI	Department of Science and Innovation
EEA	Employment Equity Act No 55 of 1998 as amended
ERRP	Economic Reconstruction and Recovery Plan
ERSS	Economic Reconstruction Skills Strategy
DPME	Department of Planning, Monitoring and Evaluation
HEI	Higher Educational Institution
ICT	Information and Communications Technology
LC	Labour Court
LAC	Labour Appeal Court
Minister	Minister of Higher Education, Science and Innovation
MOU	Memorandum of Understanding
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NGO	Non-Governmental Organisation
NHRDSSA	National Human Resources Development Strategy of South Africa
NOLS	National Open Learning System
NPPEST	National Plan for Post School Education and Training
NQF	National Qualifications Framework
NQFA	National Qualifications Framework Act
NSDP	National Skills Development Plan
NSDS	National Skills Development Strategy
NSF	National Skills Fund
PESTEL	Political, Economic, Social, Technological, Environmental, Legal
PFMA	Public Finance Management Act No. 1 of 1999 as amended
PIVOTAL	Professional, Vocational, Technical and Academic Learning
POPIA	Protection of Personal Information Act No. 4 of 2013
President	President of the Republic of South Africa
QCTO	Quality Council for Trades and Occupations
RPL	Recognition of Prior Learning
SAQA	South African Qualifications Authority
SARS	South African Revenue Service

SDA	Skills Development Act No 97 of 1998 as amended
SDLA	Skills Development Levies Act No. 9 of 1999
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SMME	Small Medium and Micro Enterprises
SONA	State of the Nation Address
SP	Strategic Plan
SSP	Sector Skills Plan
SWOT	Strengths, Weaknesses, Opportunities, Threats
TVET	Technical, Vocational Education and Training
UoT	University of Technology
WIL	Work Integrated Learning
WHO	World Health Organisation
WPPSET	White Paper on Post School Education and Training
WTO	World Trade Organisation
4IR	Fourth Industrial Revolution

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## PART A: OUR MANDATE

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

- Arts, Culture and Heritage;
- Conservation;
- Gaming and Lotteries;
- Hospitality;
- Sport, Recreation and Fitness; and
- Tourism and Travel Services.

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

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

### 1. Constitutional Mandate

Section 29 of the Constitution provides all South Africans with the right to education. It states that everyone has the right to:

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

In giving effect to this right, CATHSSETA must develop credible SSPs and Strategic Plans (SPs) that guide the implementation of various skills development programmes within its diverse sector.

## 2. Legislative and Policy Mandate

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

This is the founding Act that gives effect to the establishment and functioning of the SETAs. The Act outlines the legislative mandate of the SETAs and gives rise to the development of the SSP within which industry-supported learning programmes are implemented to upskill the workforce and improve labour productivity. The Act further compels the SETA to conclude a Service Level Agreement (SLA) with DHET that provides the basis on which the Shareholder will monitor the performance of the SETA. The roles and responsibilities of the SETA, as well as its funding mechanisms, are clearly outlined in this Act. Various arrangements are contained in this Act to support the effective implementation of skills development.

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

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

### 2.3. The SETA Grant Regulations, 2012

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

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

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

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

The PFMA provides for the classification of public entities into various schedules. The 21 SETAs are classified as Schedule 3A Public Entities. The Act also designates the Board of a SETA as an Accounting

Authority. The Minister in turn is designated as the Executive Authority. The object of the PFMA is to ensure effective, efficient, and economical management of all public resources allocated to a public institution.

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

The Act introduced amendments to Code Series 300, Statement 300, namely, the “General Principles for Measuring Skills Development”. These principles prescribe compliance targets and weighting points to be claimed by measured entities. The measured entities should demonstrate the expenditure incurred in training black people on various listed learning interventions. The Code determines that the Workplace Skills Plan, an Annual Training Report and Pivotal Report which are SETA approved will constitute the criteria for Measured Entities to receive points towards their BEE scorecards.

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

The purpose of this Act is to give effect to Section 217 of the Constitution, which requires that contracting for goods or services by state institutions must be done in accordance with a system that is fair, equitable, transparent, competitive and cost-effective. The Act further outlines the processes for procuring goods or services, below and above R500 000, as well as determining the preference points system in the awarding of bids. CATHSSETA has a Policy on Supply Chain Management that guides the procurement of goods and services of any value.

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

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

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

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

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

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

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

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

## **2.12. Protection of Personal Information Act No. 4 of 2013 (POPI)**

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

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

### **2.13. National Development Plan, 2030 (NDP)**

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

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

### **2.14. National Skills Development Plan, 2030 (NSDP)**

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

### **2.15. National Skills Accord, 2011**

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

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

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

**TABLE 1: CATHSSETA CONTRIBUTION TO NHRDSSA OUTCOMES**

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

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

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

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

During SONA, President of the Republic of South Africa (President), His Excellency Mr. Cyril Ramaphosa announced an introduction of an e-visa for travelers coming from China, India, Nigeria, Kenya and 10 other countries. In line with the President's commitment to the use of information and communication technologies (ICT) to improve delivery, e-visas will allow the management of the visa application process to take place entirely online. This is a critical development for the sector which addresses one of the barriers to entry in the country. The World Trade Organisation (WTO) has reported an expected increase of between 5% and 25% in passenger numbers driven by the improved facilitation of visas.

### 2.19. Minister of Higher Education, Science and Innovation's Policy and Budget Speech of 2021

According to the Minister of Higher Education, Science and Innovation, Honourable Dr Bonginkosi Emmanuel Nzimande Nzimande's Budget Vote Speech that was delivered in May 2021, the PSET sector, like the rest of our country has been significantly affected by the COVID-19 Pandemic. Since the beginning of this Pandemic, education institutions have put in place health and safety protocols to ensure that the spread of this virus is limited in the PSET system. This work is coordinated by Higher Health – the DHET's

health and wellness agency. In March 2021, the Minister approved the strategy to support intentions to expand online learning efforts within the PSET. In addition, both Departments of Science and Innovation (DSI) and the DHET, are working together to establish a National Open Learning System (NOLS) that will provide online learning opportunities in the PSET system. The departments are also working to consider the Ministerial Task Team report on sectoral implications of the Fourth Industrial Revolution (4IR), and the Presidential Commission on 4IR.

Further to that, the Minister mentioned that the recently introduced Economic Reconstruction and Recovery Plan (ERRP) as announced by the President of the Republic of South Africa, His Excellency Mr Ramaphosa in October 2020, puts emphasis on skills development, science and innovation as not only critical in driving South Africa's Economic Reconstruction and Recovery Plan, but also key in sustaining it.

In support of this initiative, DHET has developed a skills strategy to support the government's efforts to mitigate the impact of COVID-19 and the initiatives towards economic and social recovery. This will be guided by the list of scarce skills and those in demand which were released in the previous year. The skills strategy will create a balance between the short- and long-term skills needs of the country and ensure that the skills system is strengthened with its implementation.

The ERSS will target groups that are seeking employment; those who are employed and require upskilling/reskilling programmes and those who will be selecting careers in occupations where there are skills shortages.

## **2.20. Economic Reconstruction and Recovery Plan (ERRP)**

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

## **2.21. Economic Recovery Skills Strategy (ERSS)**

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

The DHET identified nine (9) priority interventions to be implemented in the short term to accelerate access to income-earning opportunities by young people. The following interventions have been identified:

- Embedding skills planning into sectoral processes;
- Updating or amending technical and vocational education programmes;
- Increased access to programmes resulting in qualifications in priority sectors;
- Access to targeted skills programmes;
- Access to workplace experience;
- Supporting entrepreneurship and innovation;
- Retraining/up-skilling of employees to preserve jobs;
- Meeting demand outlined in the List of Critical Occupations; and
- National Pathway Management Network.

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

### 3. Institutional Policies and Strategies Governing the Five year Period

CATHSSETA has identified the following sector-wide priorities that will guide its work over the MTSF period. The priorities are the product of a wider consultation undertaken during the development of the SSP, which forms the basis for the development of the SP:

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

### 4. Relevant Court Rulings

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



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

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

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

## PART B: OUR STRATEGIC FOCUS

### 5. Vision

A leader in skills development within our diverse sector.

### 6. Mission

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

### 7. Values

The institutional values of CATHSSETA are:

TABLE 2: CATHSSETA'S VALUES

VALUE	WHAT IT MEANS
<b>Service Excellence</b>	<ul style="list-style-type: none"> <li>To understand stakeholder needs, and to respond timeously, efficiently and effectively to stakeholder queries and requests;</li> <li>To display an image of professionalism and accountability; and</li> <li>To drive quality and high performance.</li> </ul>
<b>Fairness and Transparency</b>	<ul style="list-style-type: none"> <li>To conduct its operational business without fear or favour;</li> <li>All providers feel confident that their bids are given adequate consideration and evaluated professionally;</li> <li>Stakeholders are entitled to believe that nothing is hidden and that there are no undeclared meanings and intentions; and</li> <li>Everything is out in the open for all to see, subject to ethical conduct and legal boundaries.</li> </ul>
<b>Respect</b>	<ul style="list-style-type: none"> <li>Every stakeholder experiences a human relationship with CATHSSETA employees;</li> <li>Their self-worth is not eroded or negatively impacted by CATHSSETA employees' conduct or actions; and</li> <li>CATHSSETA staff practices humility in its engagement with stakeholders.</li> </ul>
<b>Accessibility</b>	<ul style="list-style-type: none"> <li>To develop and promote skills development programmes in order to ensure equal access to opportunities for all;</li> <li>To develop skills development programmes aimed at improving opportunities for people in rural areas; and</li> <li>To ensure that, upon request, conversations, documentation and publications are translated into the prominent languages of the specific geographical areas.</li> </ul>
<b>Integrity</b>	<ul style="list-style-type: none"> <li>To value openness, honesty, consistent evaluation and fairness;</li> <li>To act in good faith in all its day-to-day activities; and</li> <li>To conduct its operations to fulfill public expectations of CATHSSETA's purpose and goals.</li> </ul>
<b>Stakeholder orientation</b>	<ul style="list-style-type: none"> <li>To build partnerships with relevant government departments, public and private training providers and organisations; and</li> <li>To offer quality education and skills development opportunities and experiences to learners, in order to ensure ultimate employability and to reduce inequality in the sector.</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>The acceptance of our responsibility and obligation towards the public for CATHSSETA's services</li> <li>To follow the legal prescripts for reporting to the department, the executive authority, Parliament and the public.</li> <li>To provide honest, reliable and truthful reporting in respect of performance, concerning plans and financial performance.</li> <li>Research-based Monitoring and Evaluation.</li> </ul>

## 8. Situational Analysis and the Theory of Change

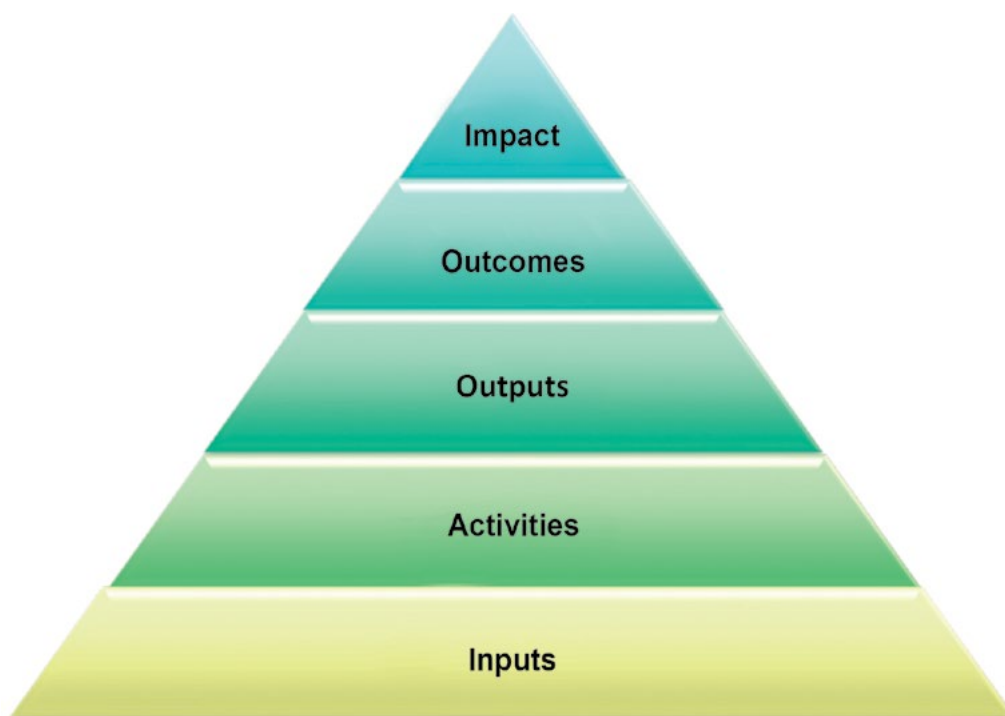
This section provides a detailed account of information gathered through research and strategic planning sessions. The situational analysis gives broad information about the institution's internal and external environment and highlights the context for the implementation of the planned initiatives over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

In March 2020, the World Health Organization (WHO) declared COVID-19 a global health Pandemic. CATHSSETA sub-sectors have been the hardest hit economic sectors and most negatively affected by COVID-19. Whilst the overall immediate economic impact has been well documented a more detailed analysis for each of the sub-sectors is not readily available especially in relation to its implication on PSET. As a result, the SETA has relied on secondary data sources to examine the state of the sector in relation to the Pandemic. The SETA is embarking on a research study to examine the impact of COVID-19 on the sector and its implications on the supply and demand of skills.

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

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

**FIGURE 1: RESULTS FRAMEWORK**



Approximately 96% of entities under CATHSSETA are categorised as Small, Medium and Micro-Enterprise (SMMEs). As a result, CATHSSETA depends on a relatively small portion of its sector for revenue, as the largest number of employers within it falls below the prescribed threshold for contribution, owing to their size. Additionally, SMMEs, together with the Tourism and Travel Services sub-sector, have been the most affected by COVID-19. The South African government has put in place various measures to mitigate the impact of COVID-19, including the ERRP, and a vaccination campaign which will invariably assist in resuscitating the Tourism and Travel Services sub-sector, amongst others.

The table below not only provides the profile of the sector but demonstrates the portion of SMMEs dependent on CATHSSETA for skills development support.

**TABLE 3: EMPLOYER PROFILE**

SUB-SECTOR	SIZE OF ENTITY			NUMBER OF ENTITIES REGISTERED WITH CATHSSETA	% IN THE SECTOR
	SMALL (1-49)	MEDIUM (50-149)	LARGE (150+)		
Arts, Culture and Heritage	1 888	42	6	1 936	5%
Conservation	1 809	37	8	1 854	5%
Hospitality	26 288	1010	240	27 538	67%
Gaming and Lotteries	1 136	87	140	1 363	3%
Sport, Recreation and Fitness	3 488	78	26	3 592	9%
Tourism and Travel Services	4 565	70	45	4 680	11%
Total	39 174	1 324	465	40 963	100%
	96%	3%	1%	100%	

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

### 8.1. Sector challenges

CATHSSETA sub-sectors have been gravely impacted by the national lockdown and international travel restrictions. Due to the lockdown restrictions, there has been an abrupt drop in revenues, which has put the financial sustainability of the sector at risk. It is projected that, even once the outbreak is over it could take up to 10 months for the Tourism and Travel sub-sector to recover from the impact of the Pandemic. The slowdown in domestic and international travel has also had multiplier effects on the performance of other CATHSSETA sub-sectors. For instance, the Conservation sub-sector almost entirely relies on tourism and donor funding, and the restrictions on travel this has an impact on both the economic performance of the sub-sector and wildlife conservation.

The challenges created by COVID-19 impacted almost every part of the Hospitality sub-sector operations, from room occupancy levels and staffing plans to food and beverage provisioning. In the Gaming and Lotteries and Sport, Recreation and Fitness sub-sectors horse racing and sport events were cancelled or postponed, and there is growing concern that the industry and its employees may struggle to recover. In the Arts, Culture and Heritage, venue-based businesses, such as museums, performing arts, live music, festivals etc., were the hardest hit by social distancing measures. However, some cultural and creative sectors, such as online content platforms, have profited from the increased demand for cultural content streaming during the lockdown. With the lockdown, many public and private providers moved content online, to ensure business continuity and satisfy the increased demand for streaming cultural content.

COVID-19 has highlighted technology and e-learning as an important component in the educational process. CATHSSETA needs to take the time to frame an approach to e-learning for the sector and conceptualise an e-learning policy and framework for accreditation and implementation. The SETA will need to move with speed and agility as demand increases. However, South Africa's post-education system is complex, with historical inequalities; a huge digital divide still subsists between learners and educational institutions in the more rural, compared to urban, provinces of the country. The CATHSSETA 2020/21 – 2024/25 SSP has highlighted e-learning and digital transformation in the sector as key action items on the list of key strategic priorities.

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

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

The composition of the sector shows that most entities (96%) are small (0-49), indicating that there is a need to support and prioritise SMME development in the sector. Females make up 60% of employees in the sector, 46% of whom are African. Many employees are in the lower occupational levels, including the Service and Sales occupational category (34%), followed by Elementary Workers (22%) and Clerical Support Workers (14%). Most employees in the sector (53%) are classified as a youth (less than 35 years old), indicating that the SETA needs to prioritise and support the development of youth in the various sub-sectors.

Technological advancement trends are critical for both the supply and demand of skills, and for CATHSSETA to be able to identify skills' requirements more precisely for qualification review and priority skills identification, across the sub-sectors. The SETA aims to engage continuously with stakeholders to combat the impact of COVID-19 on the sector. As part of the SETAs' research efforts, the SETA undertakes

to update sector information on recognition technology, virtual reality and e-learning. The implications for future skills planning are that the skills that will be in demand will be computing technology, software development, artificial intelligence, robotics, etc. In addition, the soft skills required are changing to include skills such as agility, innovation, creativity, problem-solving, etc. Proper planning requires that sub-sector specific demand and supply of skills be identified and prioritised for funding.

**TABLE 4: CATHSSETA'S STRATEGIC SKILLS PRIORITY AND ACTIONS**

SKILLS PRIORITY	PLANNED ACTIONS
1. Fourth Industrial Revolution	Skills identification through the Research Agenda
2. Training Provision	Engagement with QCTO, Joint Implementation Plan
3. Analysis of Skills Needs	Research projects articulated in the Research Agenda
4. Increased Partnerships to include Worker-initiated Interventions	Initiate partnerships with organised labour to leverage established networks with members
5. Sector Advancement	New teaching and learning methods/workplaces, WRP
6. SMME interventions and Green Economy (Resource efficiency)	Implement Skills Development Strategy for SMMEs, entrepreneurship, new enterprises and informal traders
7. Monitoring and Evaluation	Elevate Monitoring and Evaluation
8. Addressing Occupational Shortages and Skills Gaps	<ul style="list-style-type: none"> <li>• Apprenticeship</li> <li>• Learnerships</li> <li>• WIL</li> <li>• Internships</li> <li>• Bursaries</li> <li>• Skills programmes</li> </ul>
9. Technological advancement to combat the impact of the COVID- 19 Pandemic	Examine the overall impact of COVID-19 on CATHSSETA sub-sectors and its implications for skills development.
10. Sector Transformation	Initiate partnerships with NGOs and CBOs to increase support for people with disabilities Upskilling of people in lower occupational categories

### 8.3. Measures to support national strategies and plans

The drive to support Sector Strategies and Plans is embedded in the CATHSSETA's SSP and SP, and the six (6) sub-sector strategies. These are implemented through partnerships with various National Departments that fall within the economic sector. They include reconfigured departments, such as the National Department of Sport, Arts and Culture (DSAC), the Department of Tourism (DT), the Department of Forestry, Fisheries and the Environment (DFFE), the Department of Agriculture, Land Reform and Rural Development (DLRRD), and the Department of Trade, Industry and Competition (DTIC). The ERRP and ERSS require CATHSSETA to review its partnership arrangements to respond to national skills priorities. The above-mentioned Departments are custodians of the following sector strategies that impact on the work of the SETA:

- The National Cultural Industries Skills Academy, (NaCISA);
- The Mzansi Golden Economy (MGE) Strategy;
- The National Sports and Recreation Plan (NSRP 2030);
- The National Tourism Sector Strategy (NTSS); and
- The Tourism Sector Human Resource Development Strategy (TSHRD).

Other specific measures initiated include:

- Accreditation support; and
- CATHSSETA will partner with institutions engaged in RPL in terms of planning and implementation.

## 9. External Environment Analysis

South Africa accounts for the highest number of recorded coronavirus cases in Africa. To mitigate the risk of infection, the country put in place strict measures to manage the risk of infection which weakened the South African economy. As previously mentioned, CATHSSETA has been amongst the hardest hit economic sectors. An empirical study needs to be conducted to determine the extent to which the Pandemic has affected the SETA’s external operating environment.

External environmental factors influencing the organisation are analysed using the Political, Economic, Social, Technological, Environmental and Legal (PESTEL) analysis tool. In addition to COVID-19, political instability as well as economic uncertainty post-national elections have been identified as dominant factors in our external operating environment. This contributes to the existing high unemployment levels and service delivery protests because of slow economic growth. Table 5 below provides a summary of some of the factors identified during the strategic planning session.

**TABLE 5: PESTEL ANALYSIS**

<b>Political Factors</b>	<ul style="list-style-type: none"> <li>• The SETA has been re-established for 10 years</li> <li>• Changes in political leadership at the government level</li> </ul>
<b>Economic Factors</b>	<ul style="list-style-type: none"> <li>• Slow economic growth, at less than 1%</li> <li>• Fewer levy-paying employers if the economy is not growing sufficiently</li> <li>• Unemployment</li> <li>• Emerging career paths</li> <li>• Skills mismatch (supply and demand)</li> </ul>
<b>Social Factors</b>	<ul style="list-style-type: none"> <li>• High unemployment rate (youth unemployment constitutes a high risk to national stability) versus entrepreneurship proposed programmes as per the NSDP</li> <li>• Poverty</li> <li>• Gender-based violence</li> <li>• Student unrest</li> <li>• Impact of COVID-19 and the impact of social schooling.</li> <li>• Partnerships with Higher Educational Institutions (HEI)</li> <li>• Strengthening of TVET College Principals and Lecturers skills levels</li> <li>• Inequality</li> <li>• Civil unrest which may contribute to unemployment</li> </ul>
<b>Technological Factors</b>	<ul style="list-style-type: none"> <li>• Innovation and technology (robotics, artificial intelligence, internet of things, technological disruption) that will influence the industry and market and the way the sector operates</li> <li>• E-learning proposed</li> <li>• Online communication platforms</li> </ul>
<b>Environmental Factors</b>	<ul style="list-style-type: none"> <li>• Exploring environmentally friendly alternatives such as the Green Economy</li> </ul>
<b>Legal Factors</b>	<ul style="list-style-type: none"> <li>• Regulation of the SETA budget limits the resources available to fulfill its legislative mandate</li> <li>• Compliance with the POPIA</li> <li>• Directives from DHET, SAQA and QCTO</li> <li>• Labour Appeal Court Judgment on the case brought by BUSA, regarding the 60% Mandatory Grant payment to be paid to the levy-paying employer</li> </ul>

## 10. Internal Environment Analysis

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

The organisation faced several challenges, which impacted service delivery, namely the Organisational Realignment (OR), deployment of the Enterprise Resource Planning system and COVID-19. The OR process was undertaken to align the CATHSSETA with the NSDP 2030. The OR happened amidst the national lockdown and the process culminated in the revised CATHSSETA organisational structure. This meant reducing the staff compliment from 110 to 77 and consolidation of regional offices. CATHSSETA moved from six (6) to three (3) regional offices. The regions were consolidated as follows: (1) KwaZulu-Natal and Free State; (2) Western, Eastern, and Northern Cape; and (3) Gauteng, Limpopo; North-West and Mpumalanga.

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

**TABLE 6: SWOT ANALYSIS**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Work-readiness programme</li> <li>• Track-and-Trace studies</li> <li>• Increase in the number of training providers</li> <li>• Portability of skills</li> <li>• Strong oversight structures</li> <li>• Transparent processes in DHET and SETA</li> <li>• Dedicated team</li> <li>• Internal audit and risk controls</li> <li>• Adapting to 4IR in creating awareness organisations and its offerings – increased activity of Digital platforms for awareness</li> <li>• Regular internal and external communication</li> <li>• Strong branding – National Office (Tourism, Hospitality and Sport)</li> </ul>	<ul style="list-style-type: none"> <li>• Funding (limited funding) from a perspective of the levies</li> <li>• Capacity-building for employees</li> <li>• High students drop out levels</li> <li>• Poor marketing of the CATHSSETA brand at the local level and rural areas</li> <li>• Absence of a Human Resource Strategy to deal with motivation of employees</li> <li>• Inadequate internal controls</li> <li>• Enterprise Resource Planning (ERP) system functionality</li> <li>• Lack of business processes e.g., Payroll</li> <li>• Lack of synergy as an organisation (working in opposite directions)</li> </ul>



OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• To improve revenue generation</li> <li>• Skills Mismatch (Supply &amp; Demand) – an opportunity to influence the curriculum</li> <li>• To improve the area of qualifications</li> <li>• An increased rural footprint</li> <li>• E-learning</li> <li>• Entrepreneurship and partnership</li> <li>• COVID-19 Temporary Employee Relief Schemes (TERS)</li> <li>• Organisational Realignment</li> <li>• Improved stakeholder engagement</li> <li>• 4IR</li> <li>• Establish new partnerships with traditional leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Funding and Legislation changes</li> <li>• New processes of ETQA and QCTO</li> <li>• Skills Mismatch (supply and demand)</li> <li>• TVET College and University student protests and unrest</li> <li>• Point of entry hampering selection of suitable learners</li> <li>• Reduced revenue and levies</li> <li>• Uncertainty and instability due to pending litigation relating to staff matters</li> <li>• Unidentified risks resulting from a change in legislation and external stakeholders</li> <li>• High staff turnover</li> <li>• Impending BUSA Court Case</li> <li>• Invasion of CATHSSETA Offices by aggrieved stakeholders and members of the communities demanding funding</li> </ul>

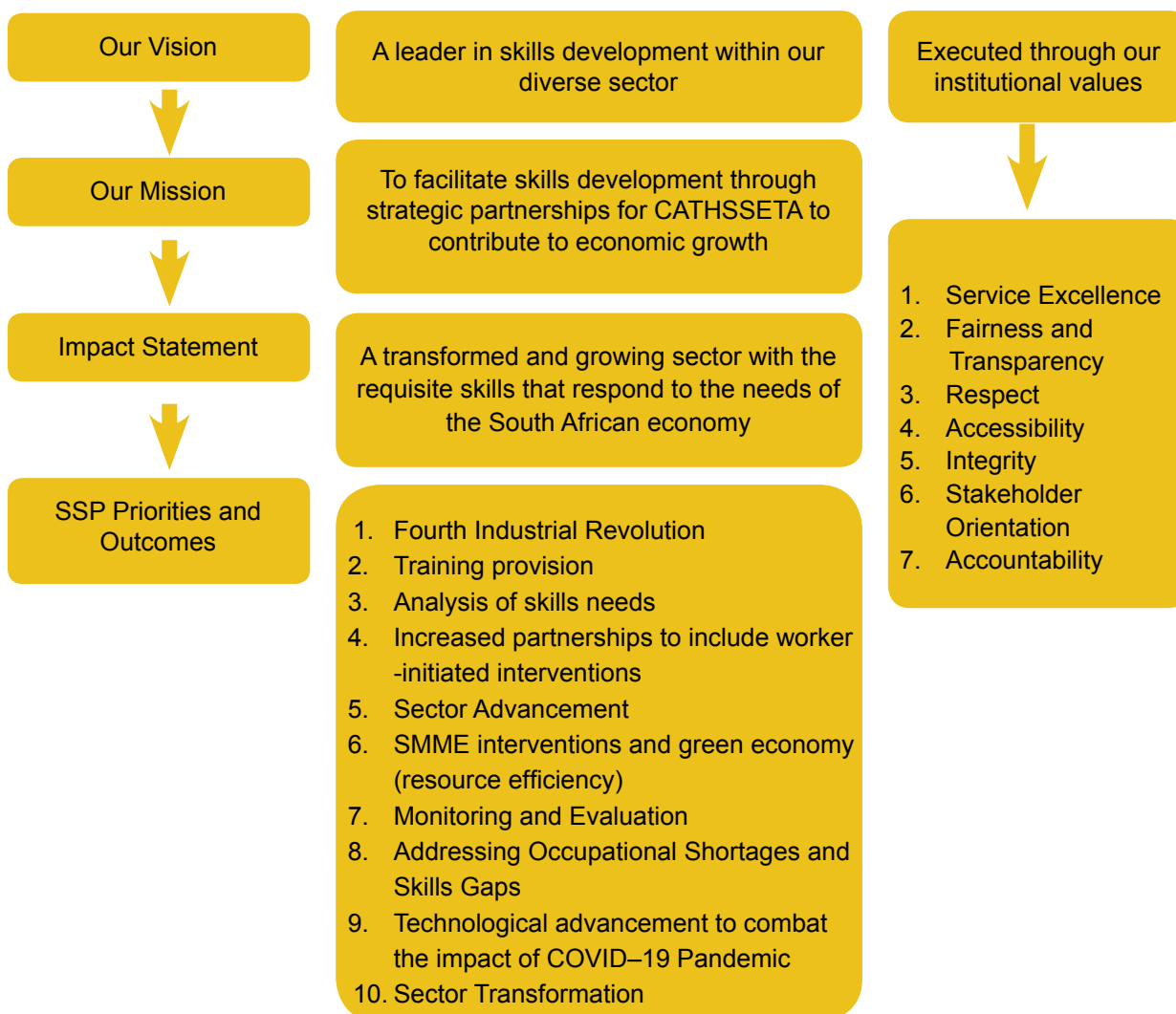
## 10.1. Organisational environment

### 10.1.1. Governance arrangement

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

### 10.1.2. The SETA's Operating Model

FIGURE 2: CATHSSETA'S OPERATING MODEL



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

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

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

FIGURE 3: HIGH-LEVEL SUCCESS FACTORS



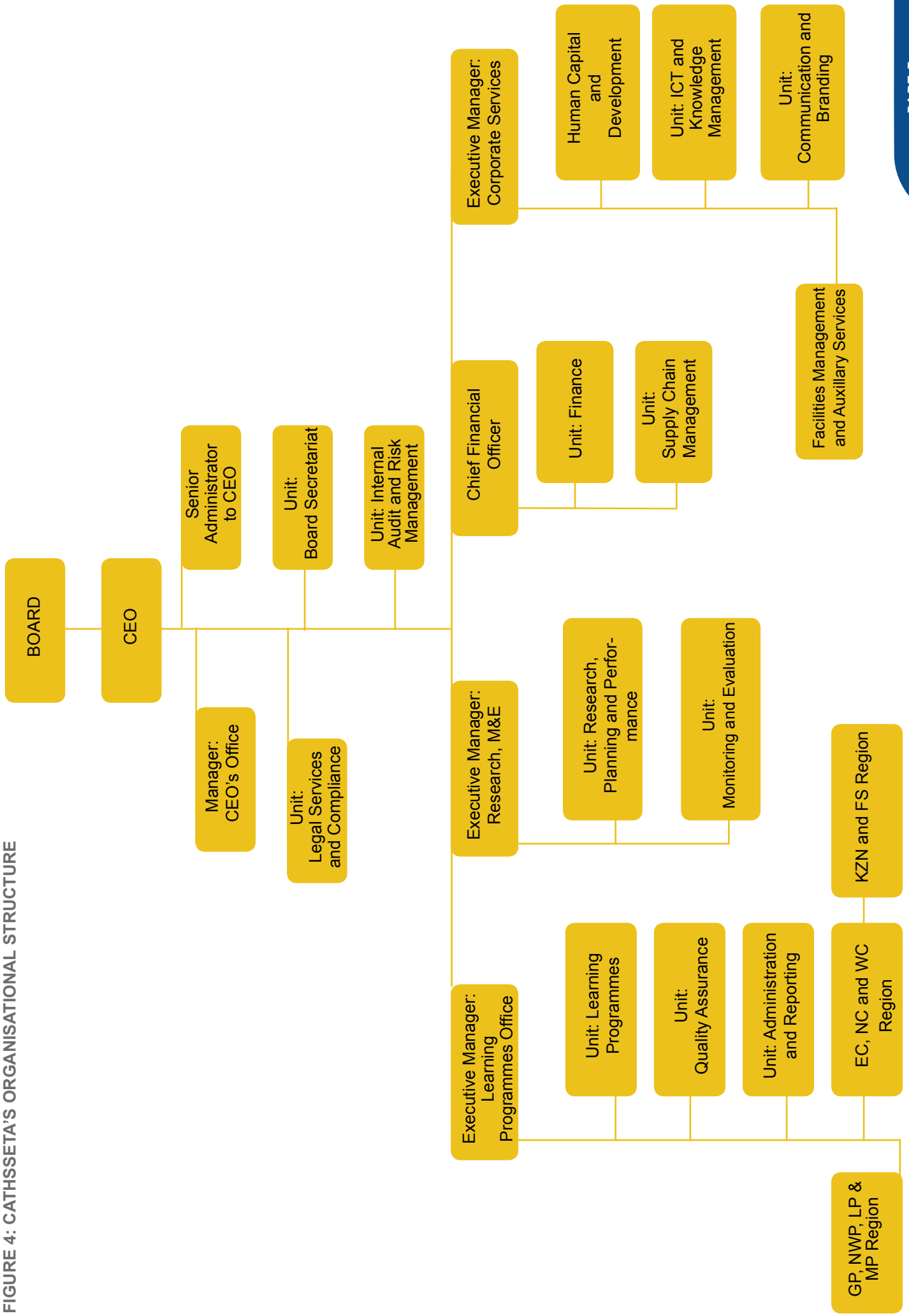
CATHSSETA's learning interventions are the core of its delivery value proposition. In the recent past, the organisation commissioned an analysis of these programmes to ensure relevance and prioritisation for realignment. The SETA's performance against the set targets relies on support from the public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

The SETA also completed a feasibility study into work-readiness, and established a Work- Readiness Programme, during the previous financial year. This programme is now due for piloting and implementation. Rolling out this programme should enhance learner integration and improve workplace experiences for learners.

#### 10.1.4. Organisational structure

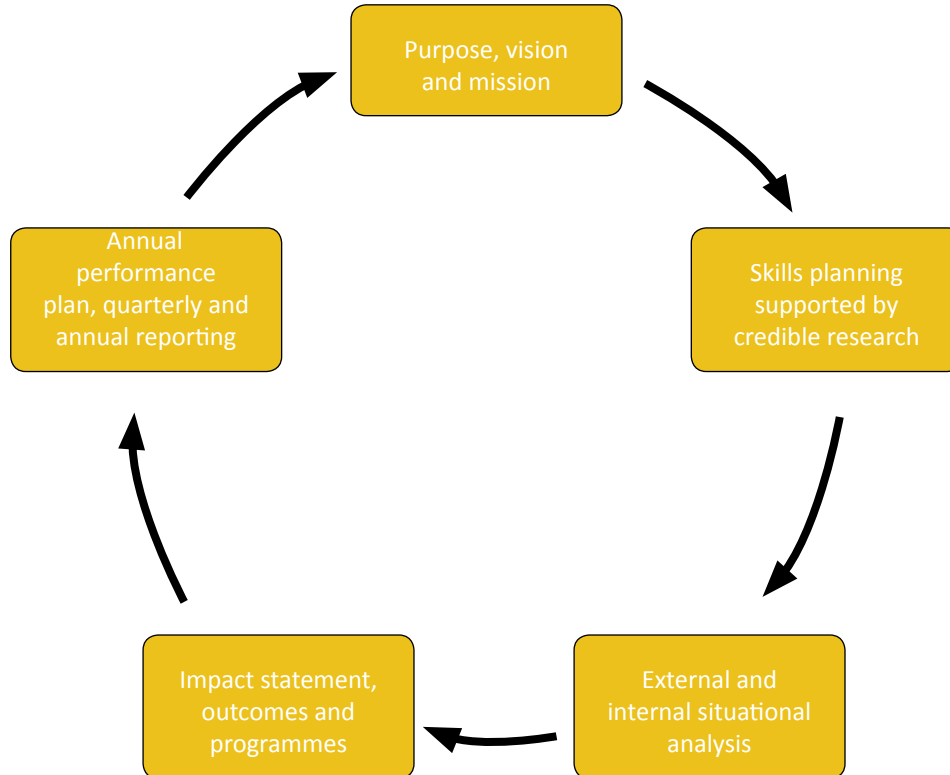
During the 2020/21 financial year, the SETA undertook an organisational re-alignment process that culminated in the implementation of the reconfigured organisational structure depicted below.

FIGURE 4: CATHSSETA'S ORGANISATIONAL STRUCTURE



## 10.2. Description of the strategic planning process

FIGURE 5: CATHSSETA STRATEGIC PLANNING PROCESS



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

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

- Review of the existing vision, mission and values;
- Review of the current SP document that was updated during the 2021/22 financial year;
- Review of the SSP;
- Conducted an environmental scan using the PESTEL and SWOT analysis tools;
- Development of outcomes and outputs which are aligned to the NSDP outcomes; and
- Review of the performance of the previous financial years against the existing capacity of the SETA.

For the above-mentioned process to be effective, various stakeholders, both internal and external, were fully engaged to solicit their buy-in.

## PART C: MEASURING OUR PERFORMANCE

### 11. Institutional Performance Information

### 12. Impact Statement

<b>Impact Statement</b>	A transformed and growing sector, with the requisite skills that respond to the needs of the South African economy
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### 13. Measuring Outcomes

TABLE 7: MEASURING OUTCOMES

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

#### 13.1. Explanation of planned performance over the five-year year planning period

##### 13.1.1. Contribution of outcomes towards the achievement of NDP and NSDP five-year implementation plan

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

TABLE 8: NSDP OUTCOMES LINKED TO THE CATHSSETA OUTCOMES

NSDP Outcomes	CATHSSETA Outcomes	CATHSSETA Outputs
1. Identify and increase production of occupations in demand	Increased production of occupations in demand	Mandatory Grants approved
		Discretionary Grants Allocated
2. Linking education and workplace	Increase in work-ready graduates	Work-based learning programme opportunities for the unemployed
3. Improving the level of skills in the South African workforce	Improved capacity within the CATHSSETA sub-sectors	Research Agenda
		Employees trained and supported through skills development interventions
4. Increase access to occupationally directed programmes	Increased access to occupationally directed programmes within the sector	Artisan produced
		Certification support services provided
		Qualifications developed in line with identified occupations in high demand
		External Integrated Summative Assessments
5. Support the growth of the public college system	Effectiveness of the public college system	Partnership projects implemented with sector employers and employers in rural communities, TVET Colleges, Community Education and Training Colleges (CETs), and universities
		SETA offices established and maintained in TVET Colleges
		Skills development programmes implemented with CETs
		TVET/Employer partnerships for workplace exposure for TVET Lecturers
6. Skills development support for entrepreneurship and cooperative development	Successful entrepreneurs and cooperative businesses within the CATHSSETA sub-sectors	Local SMMEs supported
		Cooperatives, Non-Governmental Organisations (NGOs), Non-Profit Organisations (NPOs) and Community Based Organisations (CBOs) supported through skills training
7. Encourage and support worker-initiated training	Improved capacity within the CATHSSETA sub-sectors	Worker initiated training (federations/trade unions) interventions supported through capacity building
8. Support career development services	Increased rural footprint	Career development services accessible to all especially in rural areas and targeted beneficiaries

### 13.1.2. Rationale for the choice of outcome indicators relevant to outcomes

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

### 13.1.3. Explanation of enablers to achieve five-year targets

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

### 13.1.4. Explanation of the contribution of outcomes towards the achievement of impact

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

## 14. Key Risks

**TABLE 9: THE KEY STRATEGIC RISKS FOR CATHSSETA**

Outcomes	Key Risk	Risk Mitigation
1. An ethically sound, effective and efficient institution that delivers on its mandate	Lack of business continuity	<ul style="list-style-type: none"> <li>Updating and implementing business continuity planning</li> </ul>
	Ineffective governance structures within the entity	<ul style="list-style-type: none"> <li>Continuous development, induction and training for board members and sub- committee members of the various governance structures</li> </ul>
	Uncertainty regarding the financial implications of the BUSA Labour Appeal Court judgment	<ul style="list-style-type: none"> <li>If the Judgement is upheld, CATHSSETA has to set aside a portion of funds towards the settlement. The funds which the SETAs had previously disclosed as uncommitted surpluses, were due to be transferred to the NSF as a contingent liability at the end of each financial year and will now be allocated to the Discretionary Grant.</li> </ul>
	Inability to achieve 7.5% and 10.5% administration ratios	<ul style="list-style-type: none"> <li>Additional resource mobilisation and revenue strategies need to be identified</li> </ul>
	The rigidity of the ERP system thus not supporting the operations of the entity	<ul style="list-style-type: none"> <li>Implement an ICT Service Management tool to automate SLA management (log, assign, escalate calls for system issues).</li> <li>Conduct ERP/MIS assessment to identify and resolve gaps (SITA project).</li> <li>Conduct system enhancement to ensure the increased usage of the ERP system.</li> </ul>
	Poor records management	<ul style="list-style-type: none"> <li>Implement Office 365 One drive solution for users' online storage.</li> <li>Develop a Records Management Policy which complies with the Protection of Personal Information Act 4 of 2013 (POPIA)</li> </ul>
	Inadequate contract management	<ul style="list-style-type: none"> <li>Develop a budget approval plan, communicate and engage with all department of units prior to approval.</li> </ul>
2. Increased production of occupations in demand	Inadequate sector information, resulting in the inability to respond to the sector's needs	<ul style="list-style-type: none"> <li>Collaboration and partnerships strengthened with institutions of higher learning and industry bodies. A thorough analysis of the supply and demand of skills in the sector, is required</li> </ul>



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

## 15. Public Entities

N/A

## PART D: TECHNICAL INDICATOR DESCRIPTORS

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

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

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

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

## OUTCOME 2: INCREASED PRODUCTION OF OCCUPATIONS IN DEMAND

2.1. Indicator title	Percentage of prioritised occupations addressed through Discretionary Grant
Definition	Address Sectoral Priority Occupations identified in the Sector Skills Plan through Discretionary Grant funding allocation.
Source of data	Programme 2 and 3 Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
Method of calculation / assessment	Quantitative analysis (a = total number of SETA funded enrolments in sectoral priority occupations for employed and unemployed work-based learning programmes, bursaries and artisans) divided by (b= total number of Discretionary Grant funding allocation) multiplied by 100 i.e. (a/b) x 100  Qualitative assessment, training against priority occupations identified in the SSP
Assumptions	Annual intake of learners across NQF levels
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	95%
Indicator responsibility	Executive Manager: Learning Programmes

## OUTCOME 2: INCREASED PRODUCTION OF OCCUPATIONS IN DEMAND

2.2. Indicator title	Ratio of occupations in high demand
Definition	Identification and increased learner enrolment in sectoral priority occupations identified in the SSP
Source of data	Programme 2 and 3 Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
Method of calculation/assessment	Programme 2 and 3  Quantitative analysis (a = total number of SETA funded enrolments in sectoral priority occupations) divided by (b= total number of Discretionary Grant funding allocation) multiplied by 100 i.e. (a/b) x 100  Qualitative assessment, training against priority occupations identified in the SSP
Assumptions	Annual SSP update and occupational qualifications scoped
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	90%
Indicator responsibility	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

## OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

3.1. Indicator title	Skills levels of employees per sub-sector
Definition	Employed learner enrolments to increase skills levels of employees in the sector
Source of data	Programme 2 and 3 Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
Method of calculation/assessment	Quantitative analysis (a = sector employees' skills levels) minus (b = baseline of sector employees skills levels) equals increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c$ . $(c/b) \times 100$ Qualitative assessment of skills levels of employees in the sector
Assumptions	Mechanism put in place to ensure worker participation in learning programmes
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	10%
Indicator responsibility	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

## OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

3.2. Indicator title	Percentage of upward mobility in the sector
Definition	The ability of employees to progressively advance from entry- level to higher occupational categories in the sector
Source of data	Programme 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
Method of calculation/assessment	Quantitative analysis (a = sector employees' skills levels) minus (b = baseline of sector employees' skills levels) equals increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c$ . $(c/b) \times 100$ Qualitative assessment of workplace advancement from entry-level occupations
Assumptions	Mechanism put in place to ensure worker participation in learning programmes
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	10%
Indicator responsibility	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

## OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

3.3. Indicator title	Skills levels of trade union members
Definition	Trade union member enrolments to increase skills capacity of organised labour in the sector
Source of data	Programme 2 and 3 Research report outlining educational profile and skills needs of trade unions in the sector; Annual Report; Quarterly Performance Information Reports
Method of calculation/assessment	Quantitative analysis (a = trade union members' skills levels) minus (b = baseline of trade union members' skills levels) equals increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c$ . $(c/b) \times 100$  Qualitative assessment of skills levels of trade union members in the sector
Assumptions	The mechanism put in place to ensure participation of trade unions in learning programmes
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	10%
Indicator responsibility	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

## OUTCOME 3: IMPROVED CAPACITY WITHIN THE CATHSSETA SUB-SECTORS

3.4. Indicator title	Percentage of upward mobility of trade union members
Definition	The ability of trade union members to progressively advance from entry-level to higher occupational categories in the sector
Source of data	Programme 2 and 3 Research report outlining educational profile and skills needs of trade unions in the sector; Annual Report; Quarterly Performance Information Reports
Method of calculation/assessment	Quantitative analysis (a = trade union members' skills levels) minus (b = baseline of trade union members' skills levels) equals increase. (c = increase divided by baseline) multiplied by 100 i.e. $(a - b) = c$ . $(c/b) \times 100$  Qualitative assessment of trade union member workplace advancement from entry-level occupations
Assumptions	Mechanism put in place to ensure participation of trade unions in learning programmes
Disaggregation of beneficiaries (where applicable)	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
Spatial transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	10%
Indicator responsibility	Executive Manager: Learning Programmes; and Research, Monitoring and Evaluation

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

4.1. Indicator title	Percentage of intermediate and high-level skills
<b>Definition</b>	Learners entering occupationally directed learning programmes
<b>Source of data</b>	Programme 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
<b>Method of calculation/assessment</b>	Quantitative analysis (a = total number of SETA funded enrolments in artisan, RPL, unemployed bursary) divided by (b= total number of Discretionary Grant funding allocation) multiplied by 100 i.e. $(a/b) \times 100$  Qualitative assessment of training against priority occupations identified in the SSP
<b>Assumptions</b>	Discretionary Grant will be allocated according to priority skills in the SSP
<b>Disaggregation of beneficiaries (where applicable)</b>	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	50%
<b>Indicator responsibility</b>	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

**OUTCOME 5: INCREASE IN WORK-READY GRADUATES**

5.1. Indicator title	Percentage of employable learners
<b>Definition</b>	Learners hosted in workplaces for learning programmes
<b>Source of data</b>	Programme 2 and 3 Evaluation report; Sector Skills Plan; Annual Report; Quarterly Performance Information Reports
<b>Method of calculation/assessment</b>	Quantitative analysis (a = total number of SETA funded completions in TVET and university students WIL and internships) divided by (b= total number of enrolments in TVET and university students WIL and Internships) multiplied by 100 i.e. $(a/b) \times 100$  Qualitative assessment of graduate work readiness
<b>Assumptions</b>	New Employer partnerships and mentorship programmes will be funded
<b>Disaggregation of beneficiaries (where applicable)</b>	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	60%
<b>Indicator responsibility</b>	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

**OUTCOME 6: EFFECTIVENESS OF THE PUBLIC COLLEGE SYSTEM**

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

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

7.1. Indicator title	Rate of SMME sustainability
<b>Definition</b>	Interventions designed to equip SMMEs with entrepreneurial skills to contribute to the sustainability of new ventures in the sector
<b>Source of data</b>	Programme 2 and 4 Evaluation report; Annual Report; Quarterly Performance Information Reports
<b>Method of calculation/assessment</b>	Quantitative analysis (a = total number of SMMEs equipped with entrepreneurial skills that are still functional) divided by (b = total number of SMMEs equipped with entrepreneurial skills) multiplied by 100 i.e. (a/b) x 100  Qualitative assessment to measure the sustainable economic growth of emerging enterprises and SMMEs in the sector
<b>Assumptions</b>	Support interventions will be implemented
<b>Disaggregation of beneficiaries (where applicable)</b>	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	20%
<b>Indicator responsibility</b>	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

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

7.2. Indicator title	Rate of entrepreneurial expansion
<b>Definition</b>	Interventions designed to equip new ventures and small businesses with entrepreneurial skills so that they scale up/expand their businesses in terms of personnel and branches opened
<b>Source of data</b>	Programme 2 and 4 Evaluation report; Annual Report; Quarterly Performance Information Reports
<b>Method of calculation/assessment</b>	Quantitative analysis (a = total number of SMMEs equipped with entrepreneurial skills that have expanded their personnel and branches) divided by (b = total number of SMMEs equipped with entrepreneurial skills) multiplied by 100 i.e. $(a/b) \times 100$  Qualitative assessment to measure the ability of small businesses to expand and grow their businesses in the sector
<b>Assumptions</b>	Support interventions will be implemented
<b>Disaggregation of beneficiaries (where applicable)</b>	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	5%
<b>Indicator responsibility</b>	Executive Managers: Learning Programmes; and Research, Monitoring and Evaluation

## OUTCOME 8: INCREASED RURAL FOOTPRINT

8.1. Indicator title	Percentage of enrolled learners from rural areas
<b>Definition</b>	Overall proportion of learners from rural areas provided with CATHSSETA learning programmes
<b>Source of data</b>	Programme 3 Annual Report; Quarterly Performance Information Reports
<b>Method of calculation/assessment</b>	Quantitative analysis (a = total number of learners enrolled from targeted rural communities) divided by (b = total number of learners enrolled in SETA funded learning programmes) multiplied by 100 i.e. $(a/b) \times 100$  Qualitative assessment of SETA rural footprint
<b>Assumptions</b>	Discretionary Grant will be allocated according to priority areas
<b>Disaggregation of beneficiaries (where applicable)</b>	Target for Women: 65% of the desired performance Target for Youth: 60% of the desired performance Target for People with Disabilities: 2% of the desired performance
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	45%
<b>Indicator responsibility</b>	Executive Manager: Learning Programmes







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