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## GOVERNMENT NOTICE

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### DEPARTMENT OF LABOUR

No. R. 88

2 February 2007

#### SKILLS DEVELOPMENT ACT, 1998 (ACT NO. 97 OF 1998)

#### AMENDMENTS TO SECTOR EDUCATION AND TRAINING AUTHORITIES (SETAs) GRANT REGULATIONS REGARDING MONIES RECEIVED BY A SETA AND RELATED MATTERS

I, Membathisi Mphumzi Shepherd Mdladlana, Minister of Labour, under section 36 of the Skills Development Act, 1998 (Act No. 97 of 1998), and after consultation with the National Skills Authority, hereby make the regulations in the Schedule.

#### SCHEDULE

##### Definitions

1. In these regulations “the Regulations” means the Sector Education and Training Authorities (SETAs) Grant Regulations regarding monies received by a SETA and related matters promulgated by Government Notice No.R.713 of 18 July 2005.

##### Amendment of regulation 1 of the Regulations

2. Regulation 1 of the Regulations is hereby amended-

- (a) by the insertion after the definition of “financial year” of the following definition:

“‘institutional research’ means research commissioned by a SETA on any aspect of the administration or management of a SETA”; and

- (b) by the insertion after the definition of “mandatory grant” of the following definition:

“‘project costs’ means costs payable through a discretionary grant and includes all costs inclusive of project administration costs that have been budgeted for and approved by a SETA Board or Council;”.

##### Amendment of regulation 3 of the Regulations

3. Regulation 3 of the Regulations is hereby amended-

- (a) by the substitution for subregulation (2) of the following subregulation:

“(2) In addition to subregulation (1), a SETA may use the contributions received from public service employers in the national or provincial spheres of government as contemplated in section 30 of the Act, and relevant national and provincial public entities as contemplated in section 30A of the Act for its administration costs.” and

(b) by the substitution for subregulation (4) of the following subregulation:

“(4) For the purposes of subregulation (1) and (2), and subject to section 14(3B) of the Act, the administration costs are the following:

Rent, heat, light, power, insurances, bank charges, audit fees, accounting fees, legal fees, postage, printing and stationery, documentation and books, advertising, reports, wages and salaries, travel expenses, staff training, purchase of computers and information systems, maintenance of computers and systems, general maintenance, hire costs of photocopier, telephone and fax, meetings, land, non-residential buildings and improvements thereon, furniture and office equipment, other machinery and equipment, transport assets, consultancy fees including institutional research, promotional items, national skills development strategy conference expenses, database development, office relocation expenses, recruitment expenses and any other reasonable administration costs approved by a SETA Board or Council but does not include project administration costs”.

#### **Amendment of regulation 4 of the Regulations**

4. Regulation 4 of the Regulations is hereby amended by the substitution for paragraph (c) of subregulation (1) of the following paragraph:

“(c) discretionary grant and project costs disbursements; and”.

#### **Amendment of regulation 6 of the Regulations**

5. Regulation 6 is hereby amended-

(a) by the substitution for paragraph (a) of subregulation (1) of the following paragraph:

“(a) an employer employing 50 or more employees that has submitted an application for a Workplace Skills Planning and Annual Training Report grant in accordance with subregulation (2) and as a minimum in the format contained in Annexure “2” to these Regulations; or”;

(b) by the addition after paragraph (b) of subregulation (1) of the following paragraph:

- “(c) an employer who has registered for the first time in terms of section 5(1) of the Skills Development Levies Act that has submitted an application for a Workplace Skills Planning grant within 6 months of registration.”;
- (c) by the substitution for subregulation (2) of the following subregulation:
- “(2) An application for a mandatory grant in terms of subregulation (1) must be submitted, subject to subregulation (5)-
  - (a) by 30 September 2005 for the 2005/ 2006 financial year or in respect of unclaimed mandatory grants in respect of previous financial years; and
  - (b) by 30 June for all subsequent financial years.” and
- (d) by the addition after subregulation (4) of the following subregulation:
- “(5) A SETA Board or Council may grant an extension up to a maximum period of one month from the date contemplated in subregulation (2)(b) for late submission of an application for a mandatory grant subject to a written request by an employer.”

#### **Amendment of regulation 7 of the Regulations**

#### **6. Regulation 7 of the Regulations is hereby amended-**

- (a) by the substitution for subregulation (1) of the following subregulation:
- “(1) A SETA may determine and allocate a discretionary grant-
  - (a) to fund research in the sector in accordance with the sector skills plan and guidelines prepared by the Department;
  - (b) to fund the development of guidelines and the training of sector specialists or persons involved with skills development facilitation;
  - (c) to fund a qualifying employer or an accredited organisation in respect of Adult Basic Education and Training provided to a learner;
  - (d) to fund a training provider or employer in respect of a learner who enters a learning programme to acquire a scarce or critical skill identified by the SETA;
  - (e) to fund an employer who provides work experience opportunities to learners in sector relevant programmes;
  - (f) to fund an employer or training provider to train and mentor learners to acquire new venture qualification;

- (g) to fund an institution of sectoral or occupational excellence;
  - (h) to fund an institution that offers the new venture qualification to learners contemplated in subregulation (1)(f);
  - (i) to fund an education and training provider or an institution responsible for the implementation of the National Qualifications Framework in support of the National Skills Development Strategy;
  - (j) to fund SETA constituency capacity building initiatives and promotion of skills development in the sector;
  - (k) to fund a lead employer contemplated in regulation 5(4) of the Learnership Regulations;
  - (l) to fund an agency established in terms of section 17(7) of the Act;
  - (m) to fund an employer for learnerships registered under a different SETA;
  - (n) to fund a stakeholder in respect of sector skills priorities.”;
- (b) by the addition in subregulation (4) after paragraph (b) of the following paragraph:
- “(c) an employer contemplated in section 30 and 30(A) of the Act who has submitted to its relevant line SETA and Public Service SETA (PSETA) within the timeframes prescribed in regulation 6(2) of these Regulations, a Workplace Skills Plan and Annual Training Report as a minimum in the format contained in Annexure 3.”; and
- (c) by the addition after subregulation (4) of the following subregulation:
- “(5) A discretionary grant paid in terms of subregulation 7(1)(a) to (n) must fund all project costs for any project funded by a discretionary grant under subregulation 7(1) inclusive of project administration costs for the discretionary project subject to the approval by a SETA Board or Council of a separate budget for the project administration costs not exceeding a maximum of 10% of total project cost”.

#### **Amendment of regulation 8 of the Regulations**

7. The following heading is hereby substituted for the heading to regulation 8:

**“Approval of discretionary grants by SETA Board or Council”****Substitution of regulation 9 of the Regulations**

8. The following regulation is hereby substituted for regulation 9:

- “9 Each SETA must prepare and distribute a schedule setting out the criteria in terms of regulation 8 and the dates by which applications for discretionary grants contemplated in regulation 7 must **be** submitted.”.

**Amendment of regulation 10 of the Regulations**

9. Regulation 10 of the Regulations is hereby amended-

- (a) by the substitution for the heading to the regulation of the following heading:

**“Mandatory grant recovery by employers”**; and

- (b) by the substitution for subregulation (2) of the following subregulation:

“(2) A SETA must not pay mandatory grant to an employer who is liable to pay the skills development levy in terms of section 3(1) of the Skills Development Levies Act unless the employer-

- (a) has registered with the Commissioner in terms of section 5 of the Skills Development Levies Act;
- (b) has paid the levies directly to the Commissioner in the manner and within the period determined in section 6 of the Skills Development Levies Act;
- (c) is up to date with the levy payments to the Commissioner at the time of approval and in respect of the period for which an application is made;
- (d) has submitted a Workplace Skills Plan that contributes to the relevant SETA sector skills plan as contemplated in section 10(1) of the Act within the timeframes prescribed in regulation 6(2) of these Regulations; and
- (e) with effect from 2006/2007 financial year and in subsequent financial years, has submitted an Annual Training Report that has been verified by a SETA Board or Council as having contributed to the implementation of the previous financial year’s Workplace Skills Plan, except for an employer contemplated in subregulation 6(1)(c) of these Regulations.”.

**Amendment of Annexures**

- 9.** (1) Annexure 2 of the Regulations is hereby amended-
- (a) by the substitution for paragraph 3 of item A(1) of the following paragraph:
- “(If the workplace skills plan or annual training report is submitted on behalf of one or more establishments, please attach a list of names and addresses, including physical and postal addresses).” and
- (b) by the substitution for the heading to item A (4) of the following heading:

**“ANNUAL TRAINING REPORT”**

- (2) The following Annexure 3 is hereby added to the Regulations:

**Commencement**

- 10.** The Amendments to the Regulations come into operation on 1 April 2007.

**ANNEXURE 3**

**WORKPLACE SKILLS PLAN**

**and**

**ANNUAL TRAINING REPORT**

**Public Sector Template**

**Minimum Requirements**

## **SECTION A: ADMINISTRATIVE DETAILS**

<b>ENTITY DETAILS</b>			
<b>A1: Entity name</b>			
<b>A2: Skills Development Levy (SDL) no.</b>		<div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> <div style="width: 20px; height: 20px; border: 1px solid black;"></div> </div>	
<b>A3: Postal address</b>			
	<u>Postal code</u>		
	<u>Province</u>		
<b>DETAILS OF THE PERSON WHO COMPLETED THE FORM</b>			
<b>A4: Surname</b>			
<b>A5: First name</b>			
<b>A5: Title (Prof, Dr, Mr, Mrs, Ms)</b>			
<b>A6: Contact details</b>	<u>ID number</u>		
	<u>Telephone</u>		
	<u>Fax</u>		
	<u>Cell number</u>		
	<u>E-mail</u>		
	<u>Postal address</u>		
		<u>Code</u>	
<b>A7: Contact of the CFO</b>	<u>Name and surname</u>		
	<u>Telephone</u>		
	<u>Fax</u>		
	<u>Cell number</u>		
	<u>E-mail</u>		



<b><u>B1: Total personnel budget for the current financial year</u></b>	
<b><u>B2: One per cent (1%) of the personnel budget</u></b>	
<b><u>B3: Total planned training budget for the current financial year</u></b>	
<b><u>B4: Additional funding planned for the current financial year</u></b>	

[illegible]

<b><u>D1: Occupations classified as scarce skills</u></b>				
Occupations		Reason/s for the scarcity	Projected Number of staff needed	Number of qualified persons imported from outside South Africa
Code	Occupational category			

<b><u>E1: Strategic objectives described in the entity's strategic or business plan</u></b>	
<b>No.</b>	<b>List the strategic objectives</b>

***E2: Strategic training priorities of the entity derived from the strategic objectives***

<b>No.</b>	<b>List the training priorities</b>

<b>E3: Planned beneficiaries of training per occupational category, by gender, population group, disability status and age groups</b>																	
Occupations		Male				Female				Total	People with Disability				Age groups		
Code	Occupational category	A	C	I	W	A	C	I	W		A	C	I	W	<35	35-55	>55
<b>E4: Planned training – employed (18.1)</b>																	
Code	Occupational category	Type of learning programme	Number to be trained at														
			Basic entry level	Intermediate level	Advanced level												
<b>E5: Planned training – unemployed (18.2)</b>																	
Code	Occupational category	Type of learning programme	Number to be trained at														
			Basic entry level	Intermediate level	Advanced level												
<b>E6: Planned ABET training</b>																	
ABET Level		Total number to be trained															
ABET Level 1																	
ABET Level 2																	
ABET Level 3																	
ABET Level 4																	

## **SECTION F: ANNUAL TRAINING REPORT**

<b>F3: Number of actual beneficiaries of training per occupational category, by gender, population group, disability status and age group</b>																	
Occupations		Male				Female				Total	People with Disability				Age groups		
Code	Occupational category	A	C	I	W	A	C	I	W		A	C	I	W	<35	35-55	>55
<b>F4: Number of beneficiaries who completed the training – employed (18.1)</b>																	
Code	Occupational category	Type of learning programme	Number to be trained at														
			Basic entry level	Intermediate level	Advanced level												

<b><i>F5: Number of beneficiaries who completed the training – unemployed (18.2)</i></b>					
Code	Occupational category	Type of learning programme	Number to be trained at		
			Basic entry level	Intermediate level	Advanced level
<b><i>F6: Number of beneficiaries who completed ABET training</i></b>					
ABET Level		Total number completed			
ABET Level 1					
ABET Level 2					
ABET Level 3					
ABET Level 4					
<b><i>F7: Expenditure of training budget</i></b>					
Type of learning programme	employed		unemployed		
<b><i>F8: Expenditure of additional funding</i></b>					
Source	Amount		Project		

## **SECTION G: AUTHORISATION AND STAKEHOLDER SUPPORT**

### **DECLARATION**

***Section G of the template, with the original signatures, must be submitted to the skills development division of the relevant SETA by hand, post or fax simultaneously with the submission of the WSP/ATR BY 30 JUNE.***

**We, the undersigned, submit this information in fulfilment of this entity's legal obligation in terms of the skills development legislation and regulations. We declare that, to the best of our knowledge, the information contained in this WSP/ATR is accurate and up to date.**

<b>SIGNATORIES</b>				
<b>Designated signatory</b>	<b>Name and surname</b>	<b>Telephone number</b>	<b>Original signature</b>	<b>Date</b>
The person who completed the WSP/ATR				
Designated employee representative				
<b>AUTHORISATION</b>				
DG or Head of Department				