Culture
Arts
Tourism
Hospitality
Sport
Sector Education and Training Authority

cathsseta

Culture, Arts, Tourism, Hospitality and Sport
Sector Education and Training Authority (CATHSSETA)

Annual Performance Plan

for the fiscal year 2014/15

higher education & training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

FOREWORD

The Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA) hereby presents the Annual Performance Plan (APP) for 2014/15, informed by the revised Strategic Plan for 2014/15 – 2016/17 (SP) and the 2014/15 Annual Sector Skills Plan (SSP).

The APP highlights CATHSSETA's goals and objectives by placing an emphasis on targets that consider and align to the goals of the National Skills Development Strategy (NSDS) III, including a focus on targets that consider the developmental and transformation imperatives of NSDS III. Parameters are set for the achievement of targets as set in the Service Level Agreement signed with the Department of Higher Education and Training.

The APP aligns to the Strategic Plan and challenges facing the CATHSSETA to use innovative approaches that are in line with CATHSSETA vision, mission and values; so as to inculcate a result oriented and performance driven culture. These include introducing mechanisms to accelerate support for SMME's, development of artisans in the sector, provision of bursaries for students at FETs, UoTs and Universities, the strengthening of ETQA and Monitoring and Evaluation systems and alignment to changes in qualifications as part of the QCTO.

CATHSSETA's APP further recognises the role and responsibility of each stakeholder and the importance placed on the formation of partnerships at all levels, in fast tracking the mandate and performance of the SETA. As such, CATHSSETA needs to strengthen old and build new partnerships to ensure that the concerns surrounding the quality of education, lack of critical skills, low placement of learners into areas of employment and the general lack of performing as an authority in the area of subject and field expertise must be dissuaded through positive action.

We invite our stakeholders to venture with us on a new path to skills improvement and to peruse the programmes and targets that CATHSSETA have set in this APP. We are confident that the achievement of these targets will be no mean feat and if successful, will bring about real change in the sector.

Advocate Brenda Madumise

Chairperson of the Board

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

January 2014

OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority under the guidance of the Board;
- Was prepared in line with the revised 2014/15 – 2016/17 Strategic Plan of the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority;
- Accurately reflects the performance targets which the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority will endeavor to achieve, given the resources made available in the budget for 2014/2015.

Recommended by:

Mr Ben Keet	**Signature:**	
Chief Financial Officer (CFO)	**Date:**	31/01/2014
Mr Muzi Mwandla	**Signature:**	
SM: Skills Development, Planning & Research	**Date:**	31/01/2014
Mr Mike Tsotetsi	**Signature:**	
Chief Executive Officer	**Date:**	31/01/2014

Approved by:

Advocate Brenda Madumise	**Signature:**	
Chairperson of the Board	**Date:**	31/01/2014

ABBREVIATIONS AND ACRONYMS

AET	Adult Education and Training
AIDS	Acquired Immunodeficiency Syndrome
APP	Annual Performance Plan
ATR	Annual Training Report
BBBEE	Broad-based Black Economic Empowerment
BCRCAT	Bargaining Council for the Restaurant, Catering and Allied Trades
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Education and Training Authority
CATRA	Catering and Restaurant Allied Trade Association
DAC	Department of Arts and Culture
DEA	Department of Environmental Affairs
DHET	Department of Higher Education and Training
FEDHASA	Federated Hospitality Association of Southern Africa
FET	Further Education and Training
HEI	Higher Education Institution
HIV	Human Immunodeficiency Virus
HOTELLICA	Hotel, Liquor, Catering Commercial and Allied Workers Union of South Africa
HRDSSA	Human Resource Development Strategy for South Africa
ISOE	Institute of Sectoral Excellence
IPAP	Industrial Policy Action Plan
M&E	Monitoring and Evaluation
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MTEF	Medium-term Expenditure Framework
MTSF	Medium-term Strategic Framework
NACTU	National Council of Trade Unions
NAFCOC	National African Federated Chamber of Commerce and Industry
NAMB	National Artisan Moderating Body
NCV	National Certificate (Vocational)
NDP	National Development Plan
NDT	National Department of Tourism
NICP	National Industrial Policy Framework
NSDS	National Skills Development Strategy
NGO	Non-governmental Organisation
NQF	National Qualifications Framework
NSF	National Skills Fund
OFO	Organising Framework for Occupations

PCHET	Portfolio Committee on Higher Education and Training
PIVOTAL	Professional, Vocational, Technical and Academic Learning
QCTO	Quality Council for Trades and Occupations
SACCAWU	South Africa Commercial, Catering and Allied Workers Union
SAQA	South African Qualifications Authority
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SMME	Small, Medium and Micro-sized Enterprises
SP	Strategic Plan
SRSA	Sport and Recreation South Africa
SSP	Sector Skills Plan
The DTI	The Department of Trade and Industry
THETA	Tourism, Hospitality and Sport Sector Education and Training Authority
WSP	Workplace Skills Plan

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

PART A: STRATEGIC OVERVIEW

1. INTRODUCTION TO CATHSSETA

At the apex of the mandate of the Department of Higher Education and Training (DHET) and in turn the Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA), lies the Constitution of the Republic of South Africa (Act No 108 of 1996). The Constitution forms the legal foundation of a democratic South Africa and sets out the rights and duties of its citizens and defines the structure of the government. All laws of the country must be consistent with the Constitution and it further requires that all spheres of government work together to address poverty, underdevelopment, marginalisation of individuals and communities and other legacies of apartheid and discrimination. In this light, all Government Institutions, Entities and Municipalities ultimately derive their mandate from the Constitution.

Among other sections, of specific relevance to the mandate of CATHSSETA is Section 29 of the Constitution which provides all people in South Africa the basic right to education. Everyone has the right-

a) to a basic education, including adult basic education; and

b) to further education, which the state, through reasonable measures, must make progressively available and accessible.

The Skills Development Act (No 97 of 1998) (SDA) makes provision for the establishment of SETA's for each national economic sector and thereby aims to develop the skills of the South African workforce by increasing the investment in education and training in the labour market; and encouraging employers to play a meaningful role in developing employees, particularly the previously disadvantaged. The Skills Development Levies Act of 1999 (SDLA) and the revised Grant Regulations (December 2012, as amended) then provide for the programmes and funding policies and regulations, which are intended to stimulate investment in skills development and learning interventions.

The following pieces of legislation (and their amendments) determine the establishment mandate, scope, operating procedures and reporting requirements of the Sector Education and Training Authority (SETA).

Table 1: CATHSSETA Establishment Legislation

LEGISLATION or REGULATIONS	PURPOSE
The Skills Development Act of 1999	SETA Institutional Establishment legislation
National Qualifications Framework Act of 2008	To provide for NQF, SAQA and Quality Councils
Education and Training Quality Assurance Bodies Regulations of 1998	To guide the accreditation of bodies responsible for monitoring and auditing the provision and achievement of NQF registered standards and qualifications

LEGISLATION or REGULATIONS	PURPOSE
Skills Development Levies Act of 1999	To impose the payment of skills levies by employer organisations to motivate investment in skills development
Learner Programmes Regulations of 2006	Guidelines to regulate the establishment and implementation of learnerships in the workplace
New Grant Regulations, came into effect on 1 April 2013 (Government Gazette no. 35940, published on 3 December 2012).	The guidelines are intended to assist the Sector Education and Training Authorities (SETAs) in the development of internal policies and procedures in response to the Grant Regulations.

Together, these pieces of legislation form the foundation of an institutional framework for the SETA to develop and implement national, sectoral and workplace strategies. Such strategies are intended to improve workforce skills, productivity and employee employability.

Specifically, the Culture, Art, Tourism, Hospitality and Sport Sector Education and Training Authority (CATHSSETA), is the Sector Education and Training Authority (SETA) established under the Skills Development Act (SDA) for the culture, arts, heritage, conservation, tourism, hospitality and sport and recreation sub-sectors.

The arts, culture and heritage and the conservation sub-sectors have been combined within the scope of the historical Tourism, Hospitality and Sport Sector Education and Training Authority (THETA) since 2011, after the dissolution of then MAPPPSETA. The reason for this inclusion was to align all the logical sectors and sub-sectors that are inter-related and inter-dependant to the tourism sector; and to allow for improved skills planning so that the full value of the arts, culture, environment, tourism, hospitality, heritage and sport value-chain can be derived for both the benefit of the South African economy and its citizens.

The CATHSSETA has been in operation since April 2011 and is responsible for the:

- Development of a sector skills plan;
- Implementation of the sector skills plan;
- Development and administration of learnerships;
- Support of the implementation of the National Qualifications Framework and reports to the Minister of Higher Education;
- Undertaking of quality assurance of sector learning interventions;
- Disbursement of levies collected from employers in their sector;

The CATHSSETA is a schedule 3(a) listed public entity in terms of the Public Finance Management Act (Act 1 of 1999 as amended) (PFMA), and is accountable to the National Department of Higher Education and Training (DHET). Its current license, provided by the Minister of Higher Education and Training, expires on 31 March 2016 – the final year of the MTEF period reflected in this APP; and it is incumbent of the CATHSSETA to be proactive in approaching this deadline and the planning period beyond.

The Board of CATHSSETA is the Accounting Authority in terms of the PFMA. The Board provides strategic direction and leadership so as to enhance shareholder value and ensure CATHSSETA's long-term sustainable development and growth. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer and Executive Management Team in implementing the approved strategic and corporate plans and policies.

The legislation which gives legitimacy to the CATHSSETA then forms the foundation of a strategic framework for the CATHSSETA which, as a public entity, must produce a 5-year Strategic Plan and an Annual Performance Plan (APP) in accordance with Treasury Regulations emanating from the PFMA.

The 2014/15 Annual Performance Plan must be read in conjunction with the Revised CATHSSETA Strategic Plan 2014/15 – 2016/17.

2. CATHSSETA REVISED STRATEGIC FRAMEWORK AS REFLECTED IN THE 2014/15 TO 2016/17 STRATEGIC PLAN

In 2013, the Board and the CEO identified the need to critically assess, review and develop afresh the strategic plan, and not just conduct a roll-over of the existing strategic plan for a further period. This was so as to fully align the strategy with the revised Grant Regulations, recent sectoral policy developments and with the framework for strategic planning and annual performance plans. The various strategic, policy and related documents were examined, synthesised and assimilated and the changes in the performance environment and policy intent was considered in the process, so as to develop the revised Strategic Plan for 2014/15 to 2016/17.

The revised CATHSSETA Strategic Plan 2014/15 – 2016/17 sets the high-level strategic framework as follows:

VISION: WHERE DOES CATHSSETA ASPIRE TO BE?

In delivering on its mandate and in support of the National Skills Development Strategy 3 (NSDS III); the CATHSSETA sets for itself the following vision:

Sustainable people development for prosperity

MISSION (AIM): WHAT DOES CATHSSETA DO FOR ITS STAKEHOLDERS?

In achieving the vision, CATHSSETA defines its mission (aim) as follows:

To facilitate skills development of our people through creating strategic partnerships to ensure a meaningful contribution to economic growth within our sector

Underscoring the mission statement are the following high-level roles and functions of the CATHSSETA as it seeks to deliver its intended developmental impact:

To promote, facilitate and coordinate skills development by:

- Understanding labour and market issues in the sector;
- Partnering with the sector as the recognised centre of excellence for skills development in the sector;

- Creating interventions and shaping innovative solutions to address skills needs in the sector;
- Monitoring the quality and evaluating the demand and supply side of skills development requirements;
- Benchmarking systems, policies, procedures and qualifications against recognised standards; and
- Incentivising and unlocking mechanisms for stakeholders to partake in skills development interventions.

VALUES: WHAT DOES CATHSSETA VALUE INTERNALLY?

In working towards its Vision and Mission, CATHSSETA articulates and subscribes to the following institutional values:

Table 2: CATHSSETA Institutional Values

VALUE	WHAT IT MEANS IN PRACTICE
Service Excellence	Living this value means that CATHSSETA will seek to: ▪ Understand customer needs, respond timeously, efficiently and effectively to customer queries and requests; ▪ Display an image of professionalism and accountability; and ▪ Drive quality and high performance.
Commitment to Transformation	Living this value means that CATHSSETA will seek to: ▪ Prioritise the participation of previously disadvantaged groups in all skills development opportunities; ▪ Promote demand-driven skills development programmes ; and ▪ Measure impact of interventions on transformation.
Ubuntu	Living this value means that CATHSSETA will seek to: ▪ Work with care, empathy, respect and consideration for the well-being of staff, customers and stakeholders; ▪ Maintain a safe and healthy work environment and promote care and concern for assets and people; and ▪ Focus on people development, growth and work / life balance.
Accessibility	Living this value means that CATHSSETA will seek to: ▪ Develop and promote skills development programmes to ensure equal access to opportunities by all; and ▪ Develop skills development programmes aimed at improving opportunities for people in rural areas. ▪ Create communication channels for stakeholder engagement

VALUE	WHAT IT MEANS IN PRACTICE
Integrity	Living this value means that CATHSSETA will seek to: ▪ Value openness, honesty, consistency and fairness; ▪ Act in good faith in all our day to day activities; ▪ Display humility in our actions; and ▪ Ensure transparent funding policies and practices.
Partnership and Stakeholder Focused	Living this value means that CATHSSETA will seek to: ▪ Collaborate with stakeholders on key strategic issues ▪ Build partnerships with relevant government departments, public and private training providers and organisations; and ▪ Offer quality education and skills development opportunities and experiences to learners to ensure ultimate employability and reduce inequality in sector.

The above values and behavioural indicators are then integrated with the CATHSSETA performance management process, and reflect in the performance scorecards of managers and staff. The emphasis is on promoting a culture in which these values are visibly demonstrated and lived by all.

The above strategic framework then informs the crafting of the Strategic Goals (outcomes) of the CATHSSETA in response to its mandate and strategic intent.

THE CATHSSETA STRATEGIC GOALS

Table 3: CATHSSETA Strategic Goals to 2016/17

CATHSSETA STRATEGIC GOAL	GOAL STATEMENT (Description)	CATHSSETA PROGRAMMATIC FOCUS OF THE GOAL
1. Demand led sector skills development programmes informed by sector research and intelligence.	To position CATHSSETA as a credible and authoritative voice on skills demand and on interventions and solutions that are required to address skills needs within the sector. To build CATHSSETAs understanding of labour market issues in the sector and to document and communicate recent and emerging trends, as well as to develop solid baseline indicators for the	▪ Sound sector knowledge informing sectoral strategy and plans. ▪ Support the sector through conducted research to addressing skilling needs - Needs in relation to skills development are researched, documented and communicated. ▪ Scarce and critical skills are escalated to Chamber Strategies, which are sub-sector specific and form the basis from which discretionary grant projects are developed and implemented. ▪ Qualifications identified to address sector needs and sources of education and training supply identified. ▪ Enhanced data, information and knowledge management systems – Collection, Compilation,

CATHSSETA STRATEGIC GOAL	GOAL STATEMENT (Description)	CATHSSETA PROGRAMMATIC FOCUS OF THE GOAL
	sector so as to inform planning and guide decision making on investment in education and training provision.	Storage, Analysis, Reporting – CREDIBILITY requires VERIFICATION. ▪ Establish MoU's to fund and capacitate research projects by Masters, PhD and post-doctoral students.
	SUPPORTING NATIONAL OUTCOME 5; and SECTORAL SUPPORT TO OUTCOMES 4, 10, 12b. **SUPPORTING NSDS III GOAL 1:** Establishing a credible institutional mechanism for skills planning.	
	SUPPORTING SLA OBLIGATION: **Strategic Driver 1:** Assessment of skills required for each sector and the identification of scarce skills. **Strategic Driver 5:** Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved.	
2. Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet sectoral skills needs.	Effective stakeholder management and partnering initiatives between the SETA, employers, private providers, government, other SETAs and sectoral bodies and relevant institutions are resulting in increased capacity to meet industry skills needs throughout the country.	▪ Interacting and partnering with stakeholders to address sector needs. ▪ Oversight and coordination of effective Chamber structures. ▪ Strategic partnerships with other SETAs and Government Entities to monitor and evaluate all learning interventions within the scope of the CATHSSETA. ▪ Enhance the experience of stakeholders and customers interacting with CATHSSETA. ▪ Effectively communicate and promote the work and programmes of CATHSSETA.
	SUPPORTING NATIONAL OUTCOME 5; and SECTORAL SUPPORT TO OUTCOMES 4, 10, 12b. **SUPPORTING NSDS III GOALS:** Stakeholder engagement and partnership in support of all 8 NSDS III goals**.**	
	SUPPORTING SLA OBLIGATION: **Strategic Driver 3:** Partnerships between CATHSSETA and Public FET Colleges. **Strategic Driver 6:** Number of agreements signed with Public FET Colleges, Universities and other Training Providers as well as the amount approved for each agreement which should also reflect the number of learners to be trained, types of training programmes and the programmes that are in place for the current financial year.	

<table>
<tr><th>CATHSSETA STRATEGIC GOAL</th><th>GOAL STATEMENT (Description)</th><th>CATHSSETA PROGRAMMATIC FOCUS OF THE GOAL</th></tr>
<tr><td></td><td colspan="2">Strategic Driver 8: Placement of students in industry as part of the agreement between CATHSSETA and companies.
Strategic Driver 12: Presence of CATHSSETA in rural areas and townships, and how and by when will it be implemented.</td></tr>
<tr><td rowspan="3">3. Employers participating in the Mandatory Grant process provide quality information regarding the training of employed workers.</td><td>Assess the quality and consistency of plans and reports received so as to enhance the effectiveness of the mandatory grant processing, payment and reporting process.</td><td>▪ Capacitating employers for an increase in the quality of labour market information submitted, received and analysed through the Mandatory Grant process.
▪ Evaluate and verify to ensure plans and reports meet CATHSSETA requirements.
▪ Effective management of the Mandatory Grant process.</td></tr>
<tr><td colspan="2">SUPPORTING NATIONAL OUTCOME 5.
SUPPORTING NSDS III GOAL 5: Encouraging better use of workplace-based skills development.</td></tr>
<tr><td colspan="2">SUPPORTING SLA OBLIGATION:
Strategic Driver 5: Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved.
Strategic Driver 9: Placement of students in industry as part of the agreement between CATHSSETA and companies.</td></tr>
<tr><td rowspan="2">4. Appropriately targeted programmes and funding that address current and emerging skills requirements and improved learner employability.</td><td>To ensure the effective management of four-party agreements resulting in the disbursement of Discretionary Grants for learning interventions and PIVOTAL programmes, with a specific focus on SMMEs, Cooperatives and Rural development.</td><td>▪ PIVOTAL Programme Implementation.
▪ Discretionary Grant disbursements to be managed effectively and informed by the critical and scarce needs of the industry.
▪ Quality career guidance and learner support programmes implemented.
▪ Effective contract and four party management.
▪ Effective Skills Development Facilitators support.
▪ Effective management of Inter-SETA transfers.
▪ Use Skills Development as a tool to advance and transform the small business sector (SMME's, NGO's and Cooperatives).</td></tr>
<tr><td colspan="2">SUPPORTING NATIONAL OUTCOME 5; and SECTORAL SUPPORT TO OUTCOMES 4, 10, 12b.
SUPPORTING NSDS III GOALS:
▪ Goal 2: Increasing access to occupationally-directed programmes.</td></tr>
</table>

CATHSSETA STRATEGIC GOAL	GOAL STATEMENT (Description)	CATHSSETA PROGRAMMATIC FOCUS OF THE GOAL
	▪ **Goal 3:** Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities. ▪ **Goal 4:** Addressing the low level of youth and adult language and numeracy skills to enable additional training. ▪ **Goal 6:** Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives. ▪ **Goal 7:** Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. ▪ **Goal 8:** Building career and vocational guidance.	
	SUPPORTING SLA OBLIGATION: **Strategic Driver 2:** Improving and addressing the levels of education in the sector. **Strategic Driver 3:** Partnerships between CATHSSETA and Public FET Colleges. **Strategic Driver 4:** The number of bursaries awarded/to be awarded to deserving SA citizens in critical skills at the 23 Universities and 50 FET colleges. **Strategic Driver 5:** Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved. **Strategic Driver 8:** Placement of students in industry as part of the agreement between CATHSSETA and companies. **Strategic Driver 9:** A comprehensive plan on making the public service a training space should be developed, with targets per annum to change the lives of the youth. **Strategic Driver 10:** Rural Development Programmes and how it will be implemented. **Strategic Driver 11:** Progress in the implementation of Recognition of Prior Learning. **Strategic Driver 13:** Number of Public FET Colleges and University students placed in companies to obtain work experience. **Strategic Driver 14:** Facilitating the exposure and placement of FET College lecturers to industry.	
5. CATHSSETA programmes and interventions are continuously assessed and enhanced in terms of their	Stakeholder confidence in the SETA is enhanced through effective full value-chain analysis and evaluation of the quality and soundness of the implementation of learning interventions, and transparent benchmarking with	▪ Education and Training Quality Assurance provided to qualifications under CATHSSETA scope to both public and private training providers. ▪ Monitoring and Evaluation strengthens the contract management capabilities of CATHSSETA. ▪ Full-value chain monitoring and evaluation informs the continuous enhancement of CATHSSETA programmes and interventions.

CATHSSETA STRATEGIC GOAL	GOAL STATEMENT (Description)	CATHSSETA PROGRAMMATIC FOCUS OF THE GOAL
relevance, quality and effectiveness .	applicable norms and standards.	
	SUPPORTING NATIONAL OUTCOME 5. **SUPPORTING NSDS III GOALS:** **Goal 1:** Establishing a credible institutional mechanism for skills planning. **Goal 7:** Increasing public sector capacity for improved service delivery and supporting the building of a developmental state.	
	SUPPORTING SLA OBLIGATION: **Strategic Driver 7:** Targets as reflected in the Strategic Plan and Annual Performance Plan must be credible and linked to a "Baseline".	
6. An accountable, well governed and optimally resourced organisation.	To promote public accountability and achieve high standards of corporate governance and efficient resource utilisation so as to ensure optimal organizational performance and service delivery.	▪ Financial management, control and reporting and master budget management. ▪ A transparent, cost effective and efficient supply chain management and procurement system. ▪ Adherence to policies and legislative frameworks and compliance with relevant statutory requirements. ▪ Governance, risk management and compliance. ▪ Accountability and reporting. ▪ Internal business excellence and system and process optimisation. ▪ Effective knowledge management systems and institutional memory. ▪ An optimally capacitated and capable organisation. ▪ A high performance culture underpinned by an effective performance management and development system and approach.
	SUPPORTING NATIONAL OUTCOME 5; and Outcome 12: Good Governance and an Effective Public Service. **SUPPORTING NSDS III GOALS:** Governance and corporate services in support of all 8 NSDS III goals.	
	SUPPORTING SLA OBLIGATION: Governance and corporate services in support of all obligations of the Service Level Agreement.	

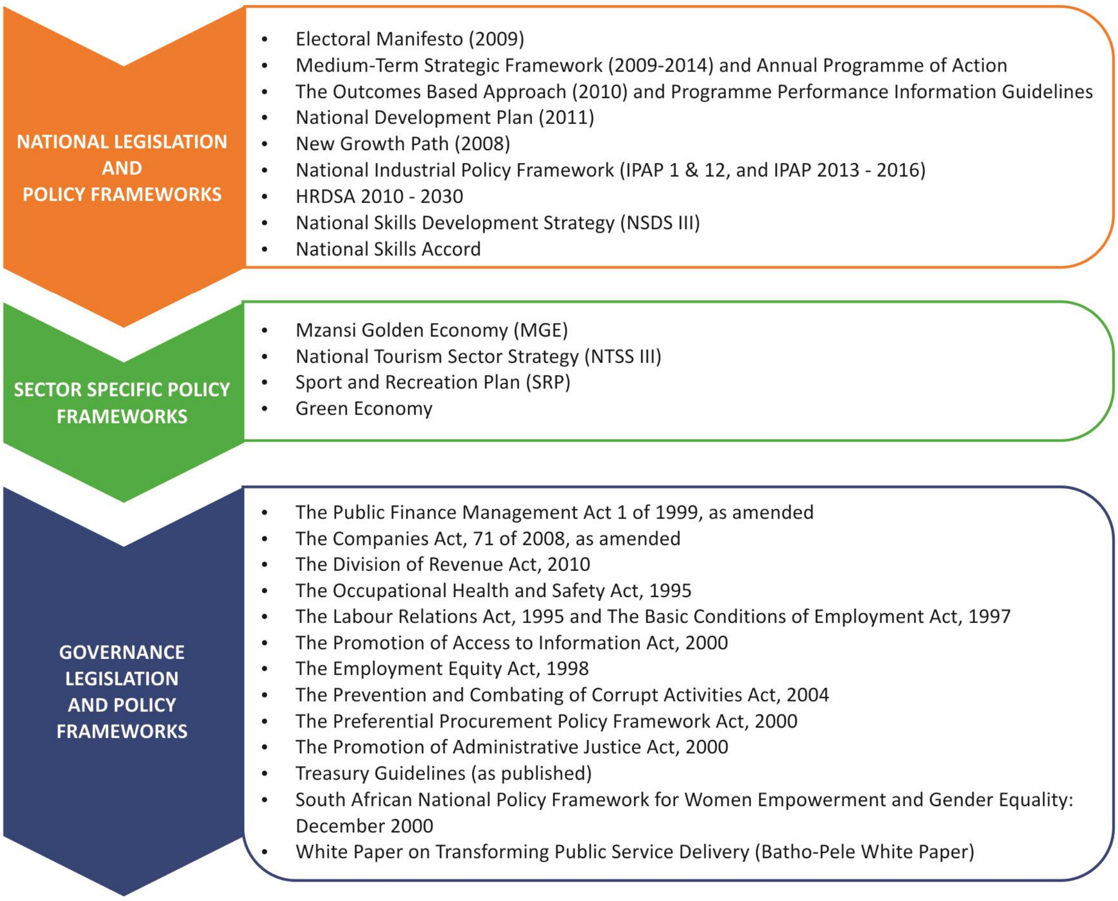
CATHSSETA conducted a comprehensive situational analysis during the 2014/15 strategic planning process, which informed the development of the revised strategic goals and aligned performance data.

3. SITUATIONAL ANALYSIS INFORMING THE 2014-2015 ANNUAL PERFORMANCE PLAN

The full and comprehensive situational analysis, including a detailed PESTEL, SWOT and Stakeholder Analysis, is captured in the CATHSSETA Strategic Plan 2014/15 to 2016/17. The salient points, applicable to the 2014/15 performance year, are reflected below.

When analysing the status quo of CATHSSETA, it is important to understand the SETA within the strategic context of the relevant policies and strategies of the different spheres of government, the sector strategies that have been developed in response to the national strategic framework; and the political, socio-economic, geographical and environmental characteristics of the sector it serves. The Policy and Strategy context of CATHSSETA broadly, is represented in the below figure:

Figure 1: The High Level Policy and Strategic Framework of CATHSSETA



Both the **New Growth Path (2008)** and the **National Development Plan (2011)** acknowledge that unemployment is the main cause of the high levels of inequality and poverty evident in South African society. They argue that addressing poverty and inequality through job creation remains an agreed and urgent priority for the country. The **National Development Plan (Vision 2030)** recognises the critical role of the CATHSSETA sub-sectors as labour-absorbing sectors in the economy.

The **2009-2014 Medium-term Strategic Framework (MTSF) and aligned Country Outcomes** present the strategic intent of decent employment through inclusive growth and closely related skills development for the economy – outcomes 4 and 5. They discuss a focus on faster sustainable growth, which in turn requires a coherent growth strategy (the New Growth Path), including a range of macro-economic and micro-economic policy reforms.

In support of outcome 5, Government committed itself to increasing the labour-absorptive nature of growth; to addressing the challenge of unemployment, and particularly youth unemployment; and to ensure a demand driven skills development approach to addressing skills gaps and shortages, to improve the employability of our people.

Specific government-wide outputs under outcome 5 are identified as:

- Establish a credible institutional mechanism for skills planning;
- Increase access to programmes leading to intermediate and high level learning;
- Increase access to occupationally-directed programmes in needed areas; thereby expand the availability of intermediate level skills (with special focus on Artisan Skills);
- Increase access to high level occupationally directed programmes in needed areas;
- Enhance research development and innovation in human capital for growing a knowledge economy.

The **HRDSA 2010-2030** and the **National Skills Development Strategy (NSDSIII)** provide a framework for the CATHSSETA **to align its work to the New Growth Path (NGP), the Industrial Policy Action Plan (IPAPII), the National Skills Accord, and other mandates such as Broad Based Black Economic Empowerment (BBBEE) and other provisions relating to employment equity and the Charter processes,** insofar as they impact on the sector.

The Culture, Arts and Heritage; Conservation; Gaming & Lotteries; Hospitality; Sport, Recreation and Fitness and Tourism and Travel sub-sectors have been identified, in a number of policy frameworks, as priority sectors with both excellent growth and employment creation opportunities, which are further articulated in the sector specific strategic frameworks such as **the Mzansi Golden Economy Strategy (MGE), New Growth Path (NGP), National Tourism Sector Strategy (NTSS III) and the National Sport and Recreation Plan.**

3.1. PERFORMANCE DELIVERY ENVIRONMENT

CATHSSETA conducts its activities within the tourism, hospitality, arts, culture, heritage and sport economic sector, which comprises the following sub-sectors

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

The Sector Skills Plan, that this Annual Performance Plan is based on, profiles the status of the sector and identifies key areas that require attention through various skills development initiatives. The following are salient points reflected in the 2014/15 Sector Skills Plan:

- There are currently **61% of the estimated employer population registered with CATHSSETA** - 25 626 enterprises out of an estimated population of 41 740 enterprises reported in the Tourism and Sports Skills Audit Report.

- **Only 5.2% of the registered enterprises participate in the Levy Grant system** by submitting Workplace Skills Plans and Annual Training Reports - 1 336 of the 25 626 registered enterprises.

- This low participation in the Levy Grant system is attributed to the fact that **96%** of the sector are Small, Medium and Micro Enterprises **(SMMEs) who are exempt from registering for and paying the skills development levy** -24 579 of the 25 626 registered enterprises (SMMEs employ between 0 – 49 employees and have a payroll of less than R500k per annum).

- In 2013, the **1 336 Levy Paying enterprises employed 195 280 employees**. An **increase of 6.1%** on the previous year employment figures of 184 048 employees.

- Of the 195280 employees who are employed in the sector, **72% (140 161) are African, 11% (22 299) are Coloured 3% (6 016) are Indian and 14% (26 804) are White.**

- Of the 140 161 African employees **5.44% (7 621) are Managers**, **3.09% (4 335) are Professionals, 12.55% (17590) are Technicians and Associate Professionals**, 12.62% (17 683) are Clerical Support Workers, 36.47% (51 119) are Service and Sales Workers, 1.05% (1 475) are Skilled Agricultural, Forestry Fishery and Related Trades Workers, 2.21% (3 102) are Plant and Machine Operators and Assemblers and 26.57% (37236) are Elementary Occupations.

- A dismal 0.47% (912) disabled people is employed in the sector.

The latest Tourism Satellite Account which has been released by Statistics SA, for the period ending December 2011 confirms direct tourism contribution to the GDP went up by 5% to 84.3 billion rand in 2011.

The National Department of Tourism (NDT) also predicts an increase in foreign arrivals and expects an increase from 9 933 966 in 2009 to 15 million in 2020. The national tourism sector strategy seeks to increase tourism's total direct and indirect contribution to the economy from R189.4 billion in 2009 to R318.2 billion in 2015 and R499 billion in 2020.

Direct employment in the sector as a percentage of overall employment in the country went up from 4.3% to 4.5% between 2010 and 2011. This resulted from the increase of about 31 000 direct jobs in the sector from 2010 to a total direct employment of 598,432 in 2011.

One of the biggest challenges faced by the sector is the low remuneration paid to entry and intermediate level employees in the sector. This will need to be addressed by the sector if it wishes to capitalise on its predicted growth. For as long as the sector is seen to be a low payer, the sector will be challenged to attract school leavers and work seekers.

Scarce and critical skills have been identified for 153 occupations on the OFO and 16 008 learners will need to be trained over the next 3years to address these scarce and critical skills. Of particular interest in the **need for professionals in the Conservation sub-sector** as most are due to replacement demand in terms of retirement. These skills are at high levels, very specific and require a combination of Masters and PhD graduates as well as post-doctoral research.

The five relevant National Departments': Arts and Culture, Environmental Affairs, Tourism, Trade & Industry and Sport & Recreation, Medium Term Strategic Framework skills development targets have all been incorporated into the Sector Skills Plan. It is envisaged that CATHSSETA will sign both MOUs and MOAs with these departments for the implementation of appropriate projects to address these targets.

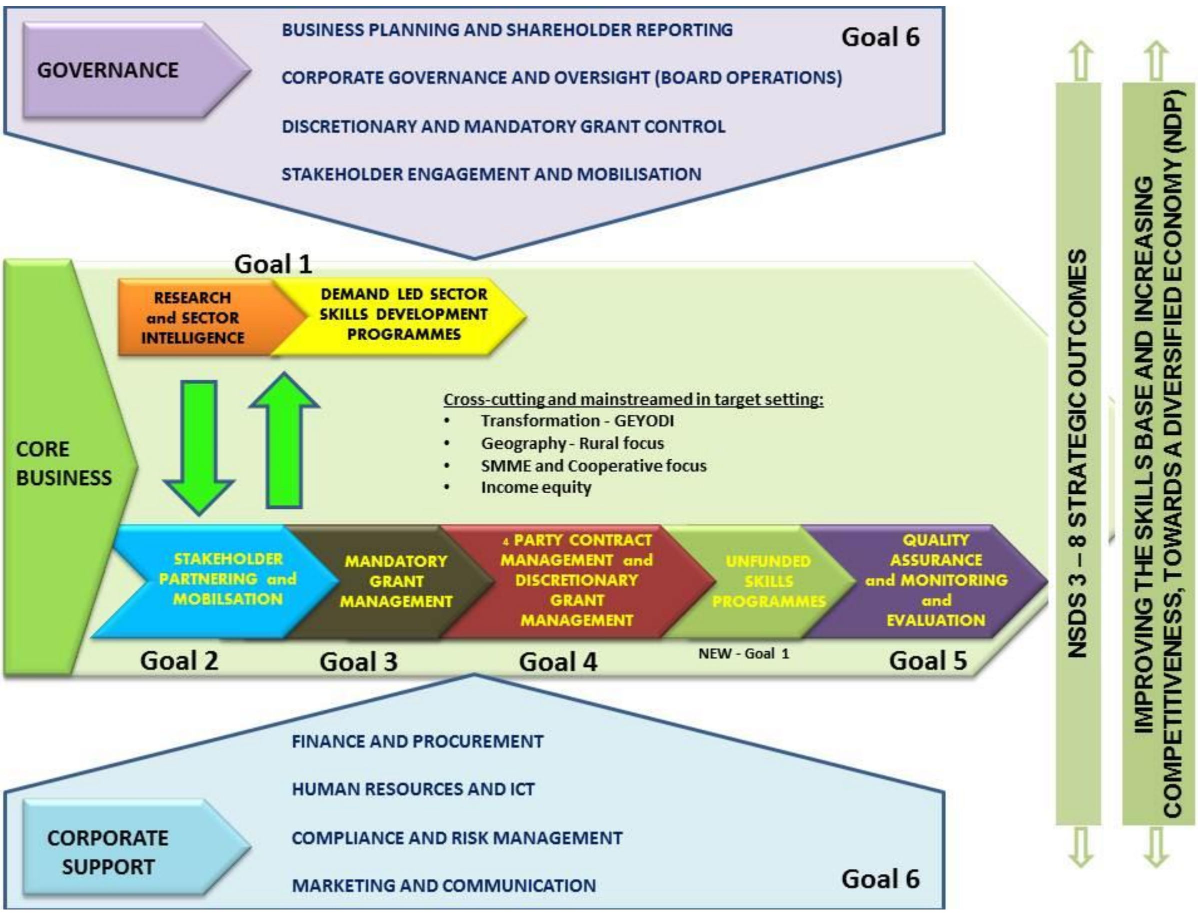
There is an urgent need for curriculum review in the sector as it would seem that there is a lack of congruency between what is provided by both private and public providers and what industry requires (the example of travel and tourism graduates not having the necessary computer training in Global Distribution Systems (GDS) is a typical example and results in these graduates being unemployable).

3.2. ORGANISATIONAL ENVIRONMENT

During the strategic planning process a CATHSSETA business model was developed to guide the unpacking of the focus and resultant goals of the organisation throughout the CATHSSETA value chain.

The following diagram outlines the integrated delivery model and /or value chain of the CATHSSETA, as it pursues its strategic intent and performs its mandated functions:

Figure 2: CATHSSETA Delivery Model and Value-Chain



The "core business" of the CATHSSETA is orientated on two levels towards sound sector research and ensuring stakeholder partnerships

Table 4: Core Business Value Chains and Implications for CATHSSETA in 2014/15

CORE BUSINESS VALUE CHAINS	IMPLICATIONS FOR CATHSSETA IN 2014/15
Ensuring sound sector research and intelligence**, and that the required** institutional mechanisms **are in place, to inform** demand led sectoral skills development and learning interventions**, that are fully aligned to and meet sector needs.**	▪ It is imperative that the CATHSSETA delivery model is focused on meeting the needs of employers in the six sub-sectors – Solutions must be demand driven and the means and frequency of obtaining credible, sound, evidence-based and comprehensive information from employers in the sub-sectors must be improved. ▪ CATHSSETA to continue to award bursaries to Masters and Doctoral students to conduct valuable sector research studies to inform the sector skills plan. ▪ The CATHSSETA funded interventions must be focused on closing the critical and scarce skills gaps in the sector as a priority.

CORE BUSINESS VALUE CHAINS	IMPLICATIONS FOR CATHSSETA IN 2014/15
Ensuring that stakeholder engagement and partnering **(via chamber structures) is the** foundation for the delivery of the programmes and functions **of the CATHSSETA, culminating in the** quality assurance and monitoring and evaluation of implemented programmes **to ensure that such programmes indeed met their transformational and developmental intent**	▪ CATHSSETA to develop a chamber stakeholder analysis strategy and approach and identify specific partnerships to target for the 14/15 year. ▪ M&E capacity needs to be improved to measure and evaluate true impact and return on investment on sub-sector skills development interventions and programmes. ▪ CATHSSETA policies and procedures are crafted to be more than simply paper policies - member employers need to buy in to the policies and their implementation. ▪ The CATHSSETA is seeking to take project management back from providers and labour brokers: project managing programme implementation means building new capacity in the CATHSSETA. ▪ CATHSSETA is seeking to no longer fund intermediaries to then contract providers and "place learners in workplaces" – CATHSSETA seeks to deal directly with employers at their workplaces. This entails a change from a "tender" approach to an approach which seeks to help employers to access defined researched and funded programmes. ▪ Education and capacity building to better understand implications of amended grant regulations and implement procedures to enable a smooth transition.

The "enabling value chains" of the CATHSSETA are orientated towards sound strategic support and governance and enhanced organisational effectiveness through a strengthened institutional arrangement.

Table 5: Enabling Value Chains and Implications for CATHSSETA in 2014/15

ENABLING VALUE CHAINS	IMPLICATIONS FOR CATHSSETA IN 2014/15
Governance	▪ Enhanced governance oversight and public accountability. ▪ Improved Strategic Planning and improved internal M&E to measure performance against revised targets. ▪ Lobbying and advocacy for issues pertaining to the CATHSSETA and the sector through relevant forums and structures.
Organisational Effectiveness	▪ CATHSSETA needs to approve organisational structure that is aligned and best enables the achievement of the revised Strategic goals. ▪ CATHSSETA needs to position itself as a leader in skills development in the sector and needs to focus on building credibility with the sector as a SETA that adds value to the sector and is recognised for its expertise and its key role in facilitating improved skills development in the sector

ENABLING VALUE CHAINS	IMPLICATIONS FOR CATHSSETA IN 2014/15
	▪ Internal policies, processes and procedures need to facilitate a willingness from the sector to partake in SD beyond the legislative prescripts and incentives.

THE CATHSSETA ORGANISATIONAL STRUCTURE

In the current structure, the span of control of the Chief Operations Officer, in terms of direct reports, is within an acceptable level, however the scope of the accountability is far reaching and across a very broad scope of professional disciplines and value chains. It is recommended, in alignment with best practice design principles, that the core business functions are separated from the organisational effectiveness functions.

The introduction of another executive to lead and oversee the Corporate Services functions will serve to strengthen the executive team and will allow the COO to focus on leading the core business of the CATHSSETA to new heights.

Following are business requirements that need to be catered for in the organisational structure review:

a) An enhanced Research and Knowledge Management capacity to ensure a demand driven SSP;

b) The enhancement and strategic focus of stakeholder relationship management capacity through the Chambers as a mechanism;

c) The establishment of internal and external Monitoring and Evaluation capacity to ensure improved governance and reporting and impact of skills development in the sector as a result of seta funded skills development initiatives;

d) The elevated focus on developing, implementing and managing Discretionary Grant frameworks, policies, processes and procedures to achieve the objectives of the SSP; and

e) A strategic focus on unfunded programmes and the mobilisation and potential unblocking of alternative funds to drive unfunded programmes.

The Board has approved a comprehensive organisational design process to strengthen the institutional capacity to optimise business results in fulfilling its mandate. Findings from the organisational design process will begin to be implemented in the 2014/15 financial year.

3.3. KEY RISKS FOR 2014/15

In order to maximise the CATHSSETA's ability to achieve its strategic goals, it is very important to mitigate different categories of risks in order to maintain a healthy risk profile and appetite in accordance with the approval of the Accounting Authority. The following key risks are anticipated for the 2014/15 performance year:

a) **Financial Risks:**

The AG's report listed two financial matters of emphasis that need to be addressed – should these matters not be addressed adequately, CATHSSETA risks getting a qualified audit at the end of the financial year. These are

i) The Financial Statements do not comply with PFMA regulations; and

ii) The SETA did not take the necessary steps to collect all money due i.t.o. PFMA and Treasury Regulations. The CFO, together with all cost centre managers is accountable to adopt sound financial governance practices in the day-to-day running of the CATHSSETA.

b) **Policy & Strategic Risks:**

CATHSSETA's biggest strategic risk is the incorrect cascading of strategic objectives into operational plans. It remains a challenge to create a planned, co-ordinated, controlled and monitored business environment with the potential risk of not being able to optimise organisational results. The Auditor General noted the insufficient achievement of targets (38%) as a matter of emphasis in the last audit report.

Recruitment is a high risk process and determining the quality of the personnel before employment requires specialised screening to ensure that CATHSSETA does not end up with employees who are not fit for positions they have been appointed in – this will have a negative effect on the SETA's ability to deliver high performance. The retention of good business and technical skills remains a challenge for CATHSSETA.

c) **Legal Compliance**:

The lack of contract administration procedures and capacity to manage contracts effectively poses a key risk to the CATHSSETA at this time. The Auditor General has further listed compliance with laws and regulations as a matter of emphasis in the Audit Report.

d) **Marketing & Communication Risks:**

CATHSSETA must be sensitive to the needs of the stakeholders (employers, employees, government, community, unions, etc.). It must create a favourable climate for business with participating and non-participating stakeholders. The following potential risks exist:

i) Insufficient Market Intelligence can lead to the adoption of incorrect business strategies.

ii) An ineffective communication strategy can lead to market confusion and a lack of clarity as to the role of the SETA.

iii) The corporate image of CATHSSETA determines how CATHSSETA is recognised in the sector as a key role player in skills development and provides the organisation with an ability to attract highly skilled people.

e) **Business Risks:**

The most important business risk is the continued insufficient internal capacity to monitor and evaluate performance against APP targets and to report thereon.

f) **Operations Risks:**

CATHSSETA has a shortage of technical skills – internal capacity building remains a priority. One of the key operational risks is an inability to develop and implement effective grant payment policies aligned to the amended grant regulations and educating staff and stakeholders on the grant application and payment processes and procedures to streamline the administration process.

3.4. A SUMMARY OF KEY ISSUES THAT INFORM THE DEVELOPMENT OF 2014/15 APP

In summary and based on the situational analysis, the following key considerations require management intervention for the 2014/2015 performance year:

- To build credibility in the sector through active partnerships and to be recognised as a lead SETA in addressing critical and scarce skills.
- Capacitating the CATHSSETA organisation with the right level and quality of skilled and experienced staff members.
- Improved capacity and enhanced ability to obtain real-time, accurate and credible information to better understand the true skills development needs of the sub-sectors. This means moving beyond the reliance on non-SMME organisations' WSP and ATR information and becoming creative with involving SMMEs in the research phase.
- Balancing the supply of and demand for employable people in the sector through building stakeholder partnerships and supporting a coordinated approach to bridge the skills gaps in the sector.
- Capacitating CATHSSETA Staff and the sector stakeholders to implement policies, processes and procedures to enable the effective management of mandatory, discretionary and pivotal grants.
- Driving the largely transformational agenda of the CATHSSETA in sectors that are not the highest levy paying sectors.
- Strengthening the CATHSSETAs M&E capacity to ensure a sustainable return on investment and to ensure that the right impact is achieved through the CATHSSETA programmes.
- Promoting and facilitating skills development initiatives for previously disadvantaged groups, including Disabled people.

4. REVISION TO LEGISLATIVE AND OTHER MANDATES

The revised Strategic Plan 2014/15 to 2016/17 fully discusses the legislative, regulatory and policy mandate of the CATHSSETA and is fully up to date.

The most significant shift identified was the amended Grant Regulations, which the revised strategy has responded to accordingly. Even though the amendment was passed and became active during the previous financial year, CATHSSETA needs to align internal policies, systems, processes and procedures to align with the key amendments to the regulations to allow for a smooth administrative transition within this period of performance.

5. OVERVIEW OF THE 2014/15 BUDGETS AND MTEF ESTIMATES

The CATHSSETA Business Model and approach reflected in the 2014/15 – 20167/17 Strategic Plan has then informed the CATHSSETA budget and MTEF projections outlined below.

In analysing the income and expenditure trends of the Seta it is important to realise that all expenditure of the SETA, irrespective of the strategies and plans of the executive authority and the prescripts of the National Skills Development Strategy, links through relevant Acts and Regulations directly to the actual income of the SETA.

5.1. INCOME ESTIMATES

In order to better understand the income base of CATHSSETA, we need to analyse the relevant prescripts in the Skills Development Act and regulations regarding: Monies received, Administration Expenditure and Employer Grants. (As revised in 2013; Active from 1 April 2013).

MONIES RECEIVED BY THE SETA

All SETA monies are regulated and should be expensed as follows:

Total levies received	= 100%
NSF	= 20%
Administration Expenses	= 10.50%
Mandatory Grants	= 20%
Discretionary Grants and Projects	= 49.50%

Further to this, Mandatory Grants (20%) is only payable to employers who submit, on a yearly basis by the deadline set by the Minister, a Workplace Skills Plan and an Annual Training Report, in the instance where an employer does not submit the WSP and ATR this part of the levies are transferred to the Discretionary Reserve. Any surplus funds made on the administration expenses (where the total administration expenses does not exceed the 10% threshold) is also transferred to the Discretionary Reserve and any other monies received (Penalties & interest on late payments; investment income or donor funding) is also utilised for Discretionary funding.

It is through these prescripts that the budgetary process and calculations of the SETA is applied: only two items need to be researched, analysed and calculated namely Total Levy Income and Mandatory Grants, as the regulations will then prescribe the calculations of all other income and expenses.

CATHSSETA LEVY INCOME ANALYSIS

Table 6: CATHSSETA Levy Income Analysis

FINANCIAL YEARS	2009/10-2010/11	2010/11-2011/12	2011/12-2012/13	2013-14	2014-15	2015-16
% Change	6.15%	19.81%	12.45%	14.72%	13.00%	13.00%

In analysing the trend over the period of total Levy Income, a discrepancy appears in the increase from the 2010 financial year to the 2011 financial year as well as from the 2011 financial year to the 2012 financial year. The sudden lowering of the levy income levels in the 2010/2011 financial year can be associated with the soccer world cup and the international financial economic crisis. The larger than normal increase in levy income in the 2011/2012 financial year is because of the takeover by CATHSSETA of the Arts & Culture employers from the now defunct MAPPPSETA.

If these two outliers are corrected, an average growth of 13% in levy income over the last five years has been achieved. Combined with this the excellent growth in tourism in South Africa reinforces the estimate that this trend would continue and is then applied to the MTEF.

Notwithstanding this analysis, National Treasury has, through the Minister of Finance, informed the Department of Higher Education to limit all SETA budgets to certain levels - the levels for CATHSSETA are as follows:

Table 7: SETA Budget Levels for CATHSSETA

	R'000
2013/2014	R 257 757
2014/2015	**R 287 734**
2015/2016	R 301 545

In the light of these instructions the total expenditure is limited to:

Table 8: SETA Total Expenditure Limit

	R'000
2013/2014	R 257 730
2014/2015	**R 287 657**
2015/2016	R 301 544
2016/2017	R 316 620

The growth rate from 2015/16 to 2016/17 is limited to 5% as per the fixed limits as prescribed by National Treasury.

EMPLOYER GRANT ANALYSIS

Table 9: Employer Grants as a Percentage of Mandatory Grant Income.

2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
70.27%	53.88%	63.91%	66.00%	66.00%	66.00%	66.00%

Once the income is calculated, it now becomes a matter of applying the regulated prescripts to calculate all the other income and expenses. Flowing from this, Employer Grant income would be 20% of total levy income. It is then necessary only to analyse the trend in Employer Grant payments over the historic period under review, to be able to quite accurately calculate the amount needed for employer Grants.

The analysis indicates that an average of 66% of Employer Grant Income is expended as Employer Grants; and this average is applied throughout. This trend may now change with the change in percentage of levies received to be allocated to mandatory grants and the further emphasis on quality and PIVOTAL training - but at this stage, we have to assume that the trend will continue. This calculation also indicates the amount that would be left in the Employer Grant reserve that would be transferred to the Discretionary Reserve and available for Discretionary Grants and projects.

Finally it is imperative to realise that the funding model of the SETA is unique not only in the way income and expenditure is regulated, but also in how the funds are applied to the prescribed programmes in the National Skills Development Strategy. The programmes as listed in 3.1 above are derived directly from the NSDS III strategy and the funds allocated to each Programme can be analysed as follows:

Table 10: Analysis of Funds Allocated to Each Programme in the National Skills Development Strategy

	FUNDED FROM MANDATORY GRANT INCOME	FUNDED FROM ADMIN INCOME	FUNDED FROM DISCRETIONARY INCOME (PIVOTAL TRAINING)	FUNDED FROM DISCRETIONARY INCOME (NON-PIVOTAL INTERVENTIONS)
Programme 1: Research and Skills Planning			X	
Programme 2 : Address Sector Middle Level Skills			X	
Programme 3: Artisan Development			X	
Programme 4: Marketing, Communication and Stakeholder Relations Management				X

	FUNDED FROM MANDATORY GRANT INCOME	FUNDED FROM ADMIN INCOME	FUNDED FROM DISCRETIONARY INCOME (PIVOTAL TRAINING)	FUNDED FROM DISCRETIONARY INCOME (NON-PIVOTAL INTERVENTIONS)
Programme 5 : Addressing High Level Scarce Skills			X	
Programme 6 : Research, Development and Generation of New Knowledge			X	
Programme 7 : NCV and N-Course Review				X
Programme 8 : Quality Assurance				X
Programme 9 : FET Capacity Building				X
Programme 10 : Skills Development for low level literacy and numeracy			X	
Programme 11: Employer Grants	X			
Programme 12 : Cooperative Skills Development Support			X	
Programme 13 : Skills Development Support for Small and Emerging Businesses			X	
Programme 14 : Trade Unions, NGOs and CBOs skills development Support			X	
Programme 15: Public Sector Education and Training			X	
Programme 16 : Career Guidance				X
Programme 17: SETA Administration		X		

A further analysis of the allocation of these funds to the relevant programmes reveals the following:

Mandatory Grant Training	= 16% of total funding & 1/16	Targets = 6%
Pivotal Training	= 53% of total funding & 10/16	Targets = 63%
Non- Pivotal Interventions	= 5% of total funding & 5/16	Targets = 31%

5.2. EXPENDITURE ESTIMATES

Table 11: Medium Term Revenue/ Expenditure Estimates with Amounts in R'000 (excluding Catalytic Grants)

STATEMENT OF FINANCIAL PERF	AUDITED OUTCOME			REVISED ESTIMATE	MEDIUM-TERM ESTIMATE		
R THOUSAND	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Administration	19 691	25 735	27 663	32 970	36 855	38 431	40 564
Mandatory Grants	67 375	78 959	94 620	41 448	46 332	48 567	50 995
PIVOTAL Grants	–	–	–	235 710	163 576	171 450	181 147
Discretionary Grants	56 400	62 100	107 679	38 124	40 894	43 096	43 914
Total Expense	**143 466**	**166 794**	**229 962**	**348 252**	**287 657**	**301 544**	**316 620**

STATEMENT OF FINANCIAL PERFORMANCE	AUDITED OUTCOME			REVISED ESTIMATE	MEDIUM-TERM ESTIMATE		
R THOUSAND	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	–	–	–	–	–	–	–
Non-tax revenue	**3 162**	**5 938**	**7 632**	**97 052**	**6 857**	**7 199**	**7 559**
Other non-tax revenue	3 162	5 938	7 632	97 052	6 857	7 199	7 559
Transfers received	**166 030**	**205 269**	**224 399**	**251 200**	**280 800**	**294 344**	**309 061**
Total revenue	**169 192**	**211 207**	**232 031**	**348 252**	**287 657**	**301 543**	**316 620**
Expenses							
Current expenses	**19 691**	**33 279**	**43 416**	**46 733**	**52 190**	**54 507**	**57 444**
Compensation	9 394	21 670	28 643	32 519	34 144	35 838	37 844

STATEMENT OF FINANCIAL PERFORMANCE	AUDITED OUTCOME			REVISED ESTIMATE	MEDIUM-TERM ESTIMATE		
R THOUSAND	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
of employees							
Goods and services	9 943	11 436	13 458	12 820	16 569	17 103	17 940
Depreciation	205	170	1 315	1 394	1 478	1 566	1 660
Interest, dividends and rent on land	149	3	–	–	–	–	–
Transfers and subsidies	**123 775**	**133 515**	**186 546**	**301519**	**235 467**	**247 037**	**259 176**
Total expenses	**143 466**	**166 794**	**229 962**	**348252**	**287 657**	**301 544**	**316 620**
Surplus/(Deficit)	**25 726**	**44 413**	**2 069**	**–**	**–**	**–**	**–**

5.3. LINKS BETWEEN REVISED CATHSSETA STRATEGIC GOALS AND BUDGET PROGRAMMES

The following table outlines how the revised strategic goals link with the budget programmes and will allow the reader more clarity when interpreting the programme budgets provided below.

Table 12: Link between Revised CATTHSSETA Strategic Goals and the Budget Programmes

CATHSSETA STRATEGIC GOAL	FOCUS AREAS OF THE GOAL	LINK TO BUDGET PROGRAMME	NSDS III GOAL SUPPORTED
1. **Demand led sector skills development programmes informed by sector research and intelligence.**	▪ Sound sector knowledge informing sectoral strategy and plans. ▪ Support the sector through conducted research to addressing skilling needs - Needs in relation to skills development are researched, documented and communicated. ▪ Scarce and critical skills are escalated to Chamber Strategies, which are sub-sector specific and form the basis from which discretionary grant projects are developed and implemented. ▪ Qualifications identified to address sector needs and sources of education and training supply identified. ▪ Enhanced data, information and knowledge management systems – Collection, Compilation, Storage, Analysis, Reporting –	**SSP Programme 1:** Research and Skills Planning. **SSP Programme 2:** Address Sector Middle Level Skills. **SSP Programme 3:** Development of Artisans. **SSP Programme 5:** Address Sector High Levels Skills. **SSP Programme 6:** Research, Development and Generation of New Knowledge. **SSP Programme 7:** NCV & N-Courses Review. **SSP Programme 8:** Quality Assurance. **SSP Programme 10:** Skills Development for Low Level Literacy and Numeracy. **SSP Programme 12:** Cooperatives Skills Development. **SSP Programme 13:** Skills Development Support for Small and Emerging Businesses. **SSP Programme 14:** Trade Unions, NGOs and	**GOAL 1:** Establishing a credible institutional mechanism for skills planning.

CATHSSETA STRATEGIC GOAL	FOCUS AREAS OF THE GOAL	LINK TO BUDGET PROGRAMME	NSDS III GOAL SUPPORTED
	CREDIBILITY requires VERIFICATION. ▪ Establish MoU's to fund and capacitate research projects by Masters, PhD and post-doctoral students.	CBOs Skills Development Support.	
2. **Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet** Sectoral **skills needs.**	▪ Interacting and partnering with stakeholders to address sector needs. ▪ Oversight and coordination of effective Chamber structures. ▪ Strategic partnerships with other SETAs and Government Entities to monitor and evaluate all learning interventions within the scope of the CATHSSETA. ▪ Enhance the experience of stakeholders and customers interacting with CATHSSETA. ▪ Effectively communicate and promote the work and programmes of CATHSSETA.	**SSP Programme 1:** Research and Skills Planning. **SSP Programme 2:** Address Sector Middle Level Skills. **SSP Programme 3:** Development of Artisans. **SSP Programme 4:** Marketing, Communication and Stakeholder Management. **SSP Programme 6:** Research, Development and Generation of New Knowledge. **SSP Programme 9:** FET Capacity Building. **SSP Programme 15:** Public Sector Education and Training.	**GOAL 5:** Stakeholder engagement and partnership in support of all 8 NSDS III goals.
3. **Employers participating in the Mandatory Grant process provide quality information regarding the training of employed workers.**	▪ Capacitating employers for an increase in the quality of labour market information submitted, received and analysed through the Mandatory Grant process. ▪ Evaluate and verify to ensure plans and reports meet CATHSSETA requirements. ▪ Effective management of the Mandatory Grant process.	**SSP Programme 11:** Employer Grants.	**GOAL 5:** Encouraging better use of workplace-based skills development.

CATHSSETA STRATEGIC GOAL	FOCUS AREAS OF THE GOAL	LINK TO BUDGET PROGRAMME	NSDS III GOAL SUPPORTED
4. **Appropriately targeted programmes and funding that address current and emerging skills requirements and improved learner employability.**	▪ PIVOTAL Programme Implementation. ▪ Discretionary Grant disbursements to be managed effectively and informed by the critical and scarce needs of the industry. ▪ Quality career guidance and learner support programmes implemented. ▪ Effective contract and four party management. ▪ Effective Skills Development Facilitators support. ▪ Effective management of Inter-SETA transfers. ▪ Use Skills Development as a tool to advance and transform the small business sector (SMME's, NGO's and Cooperatives).	**SSP Programme 2:** Address Sector Middle Level Skills. **SSP Programme 3:** Development of Artisans. **SSP Programme 5:** Address Sector High Levels Skills. **SSP Programme 9:** FET Capacity Building. **SSP Programme 10:** Skills Development for Low Level Literacy and Numeracy. **SSP Programme 11:** Employer Grants. **SSP Programme 12:** Cooperatives Skills Development. **SSP Programme 13:** Skills Development Support for Small and Emerging Businesses. **SSP Programme 14:** Trade Unions, NGOs and CBOs Skills Development Support. **SSP Programme 16:** Career Guidance.	**Goal 2:** Increasing access to occupationally-directed programmes **Goal 3:** Promoting the growth of a public FET college system that is responsive to sector, local, regional and national skills needs and priorities. **Goal 4:** Addressing the low level of youth and adult language and numeracy skills to enable additional training. **Goal 6:** Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives. **Goal 7:** Increasing public sector capacity for improved service delivery and supporting the building of a developmental state. **Goal 8:** Building career and vocational guidance.

CATHSSETA STRATEGIC GOAL	FOCUS AREAS OF THE GOAL	LINK TO BUDGET PROGRAMME	NSDS III GOAL SUPPORTED
5. **CATHSSETA programmes and interventions are continuously assessed and enhanced in terms of their relevance, quality and effectiveness.**	▪ Education and Training Quality Assurance provided to qualifications under CATHSSETA scope to both public and private training providers. ▪ Monitoring and Evaluation strengthens the contract management capabilities of CATHSSETA. ▪ Full-value chain monitoring and evaluation informs the continuous enhancement of CATHSSETA programmes and interventions.	**SSP Programme 1:** Research and Skills Planning. **SSP Programme 6:** Research, Development and Generation of New Knowledge. **SSP Programme 8:** Quality Assurance.	**Goal 1:** Establishing a credible institutional mechanism for skills planning. **Goal 7:** Increasing public sector capacity for improved service delivery and supporting the building of a developmental state.
6. **An accountable, well governed and optimally resourced organisation.**	▪ Financial management, control and reporting and master budget management. ▪ A transparent, cost effective and efficient supply chain management and procurement system. ▪ Adherence to policies and legislative frameworks and compliance with relevant statutory requirements. ▪ Governance, risk management and compliance. ▪ Accountability and reporting. ▪ Internal business excellence and system and process optimisation. ▪ Effective knowledge management systems	**SSP Programme 17:** SETA Administration.	**GOALS:** Governance and corporate services in support of all 8 NSDS III goals.

CATHSSETA STRATEGIC GOAL	FOCUS AREAS OF THE GOAL	LINK TO BUDGET PROGRAMME	NSDS III GOAL SUPPORTED
	and institutional memory. ▪ An optimally capacitated and capable organisation. ▪ A high performance culture underpinned by an effective performance management and development system and approach.		

In light of the link between the strategic goals and the budget programmes, the table below then details the budget per programme and the reconciliation of the programme performance targets with the Budget and MTEF.

Table 13: Budgets per CATHSSETA Programme

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Programme 1: Research and Skills Planning				
Administration Expenses	831 123	148 741	707 992	499 989
Salaries and staff related costs	863 205	1 131 300	1 076 068	1 442 960
Direct Salary Expenses	681 968	657 305	705 151	559 546
Direct Project Expenses	20 214 747	15 136 398	21 298 252	23 403 488
Committed Surplus Expenditure	4312875			
Total	26 903 919	17 073 744	18 481 056	20 600 386
Programme 2 : Address Sector Middle Level Skills				
Administration Expenses	1 462 118	2 006 342	1 749 395	3 044 989
Salaries and staff related costs	2 864 112	3 383 931	3 509 136	3 518 423
Direct Salary Expenses	454 886	513 576	470 349	417 398
Direct Project Expenses	52 901 949	67 232 151	70 250 825	76 473 403
Committed Surplus Expenditure	51636404			
Total	109 319 468	73 136 000	75 979 706	83 454 212
Programme 3: Artisan Development				
Administration Expenses	101 698	243 915	101 739	194 106
Salaries and staff related costs	193 842	612 952	363 855	368 909
Direct Salary	118 347	310 936	122 370	110 596

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Expenses				
Direct Project Expenses	3 526 652	10 256 198	5 619 962	6 833 255
Committed Surplus Expenditure	1067500			
Total	5 008 040	11 424 001	6 207 926	7 506 866
Programme 4: Marketing, Communication and Stakeholder Relations Management				
Administration Expenses	179 742	133 363	211 573	211 658
Salaries and staff related costs	0	0	0	0
Direct Salary Expenses	0	0	0	0
Direct Project Expenses	2 216 820	1 644 806	2 609 401	2 610 453
Total	2 396 562	1 778 168	2 820 974	2 822 111
Programme 5 : Addressing High Level Scarce Skills				
Administration Expenses	546 515	355 398	254 559	316 111
Salaries and staff related costs	536 948	812 131	887 293	813 328
Direct Salary Expenses	400 242	529 537	413 847	382 224
Direct Project Expenses	12 962 463	13 870 935	13 670 062	13 547 369
Total	14 446 168	15 568 000	15 225 761	15 059 033
Programme 6 : Research , Development and Generation of New Knowledge				
Administration Expenses	412 025	505 656	330 435	485 563
Salaries and staff related costs	311 694	338 544	572 373	358 910
Direct Salary Expenses	157 924	177 372	163 293	150 938
Direct Project	8 767 950	10 234 428	10 971 342	10 264 236

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Expenses				
Total	9 649 593	11 256 000	12 037 444	11 259 648
Programme 7 : NCV Review and N-Course Review				
Administration Expenses	78 334	68 631	97 981	68 298
Salaries and staff related costs	76 101	65 169	85 328	115 078
Direct Salary Expenses	69 687	60 143	72 056	71 233
Direct Project Expenses	1 835 009	1 590 065	2 188 752	2 190 394
Total	2 059 131	1 784 008	2 444 116	2 445 004
Programme 8 : Quality Assurance				
Administration Expenses	469 161	481 086	586 559	704 191
Salaries and staff related costs	0	0	0	0
Direct Salary Expenses	1 450 000	1 354 792	1 691 280	1 826 582
Direct Project Expenses	4 336 320	4 578 599	5 542 950	6 858 437
Total	6 255 481	6 414 477	7 820 789	9 389 210
Programme 9 : FET Capacity Building				
Administration Expenses	114 838	1 021 088	142 031	129 246
Salaries and staff related costs	147 047	151 648	152 502	282 784
Direct Salary Expenses	48 661	53 757	50 314	69 557
Direct Project Expenses	3 181 258	14 409 946	3 582 264	5 012 144
Committed Surplus Funds Expenses	96 6000			
Total	4 457 804	15 719 565	15 719 565	17 286 797

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Programme 10 : Skills Development for Low Level Literacy and Numeracy				
Administration Expenses	281 741	126 507	242 132	256 499
Salaries and staff related costs	549 398	543 971	685 519	612 828
Direct Salary Expenses	662 264	655 875	684 777	634 143
Direct Project Expenses	9 588 449	7 314 597	10 756 247	10 087 562
Committed Surplus Funds Expenses	645 3076			
Total	17 534 928	8 640 950	10 476 805	9 698 958
Programme 11 : Employer Grants				
Total	41 448 000	46 332 000	48 567 000	50 995 000
Programme 12 : Cooperative Skills Development Support				
Administration Expenses	67 869	74 831	88 456	107 442
Salaries and staff related costs	93 997	103 380	116 923	98 011
Direct Salary Expenses	145 141	160 371	150 075	148 362
Direct Project Expenses	1 851 204	2 037 566	2 382 932	2 385 558
Committed Surplus Funds Expenses	645 3076			
Total	2 558 211	2 376 147	2 738 385	2 739 373
Programme 13 : Skills Development Support for Small and Emerging Businesses				
Administration Expenses	868 458	599 914	616 777	370 951
Salaries and staff related costs	1 387 323	1 031 792	1 185 331	1 273 780
Direct Salary Expenses	1 237 107	1 137 963	1 279 160	1 205 181

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Direct Project Expenses	26 584 185	18 978 097	20 934 769	19 084 733
Committed Surplus Funds Expenses	14 073 500			
Total	44 150 573	21 747 766	24 016 037	21 934 646
Programme 14 : Trade Unions, NGOs, CBOs skills development support				
Administration Expenses	57 889	69 201	78 745	62 714
Salaries and staff related costs	154 227	164 330	217 571	374 225
Direct Salary Expenses	86 508	95 585	89 449	82 862
Direct Project Expenses	2 529 588	2 784 635	3 565 112	5 306 047
Committed Surplus Funds Expenses	1 060 000			
Total	3 888 212	3 113 751	3 950 877	5 825 848
Programme 15: Public Sector Education and Training				
Administration Expenses	68 793	54 598	75 211	130 111
Salaries and staff related costs	100 000	75 814	100 000	100 000
Direct Salary Expenses	0	0	0	0
Direct Project Expenses	2 081 660	1 608 406	2 160 937	2 838 035
Total	2 250 453	1 738 818	2 336 148	3 068 146
Programme 16 : Career Guidance				
Administration Expenses	225 069	88 841	0	0
Salaries and staff related costs	657 434	845 537	1 033 713	898 125
Direct Salary Expenses	547 642	605 107	566 257	1 722 937

BUDGETS PER PROGRAMME	2013/2014	2014/2015	2015/2016	2016/2017
Direct Project Expenses	10 972 667	11 241 237	12 690 202	9 350 000
Committed Surplus Funds Expenses	10 552 645			
Total	22 955 457	12 780 722	14 290 172	11 971 062
TOTAL	**315 282 000**	**250 801 000**	**263 112 761**	**276 056 300**
Programme 17 : SETA Administration				
Administration Expenses	12 858 000	13 509 000	11 354 000	9 805 011
Salaries and staff related costs	20 112 000	23 346 000	26 778 000	30 258 588
Total	32 970 000	36 855 000	38 132 000	40 063 599
Grand Total	**348 252 000**	**287 656 000**	**301 543 760**	**316 619 900**

Table 14: Reconciling Performance with Budgets and MTEF

	2013/2014	2014/2015	2015/2016	2016/2017
Programme 1: Research and Skills Planning				
Total	**26 903 919**	**17 073 744**	**18 481 056**	**20 600 386**
Research is key for Cathsseta strategy development, as such at least 5% of the budget for discretionary projects was allocated to the target, 2011/2012 was used as a planning year and therefore less was expended during this year. This trend will reverse and research should expend the total allocated to it.				
Programme 2 : Address Sector Middle Level Skills				
Total	**109 319 468**	**73 136 000**	**75 979 706**	**83 454 212**
This programme was a continuation of similar programmes during NSDFS ii and as such no change period was necessary, continuation therefore ensured expenditure trends. The large difference during the 11/12 and 12/13 years to the balance if the years were due to surplus funds transferred from previous periods. This trend will reverse in future years.				

	2013/2014	2014/2015	2015/2016	2016/2017
Programme 3: Artisan Development				
Total	**5 008 040**	**11 424 001**	**6 207 926**	**7 506 866**
This target was not included in the 2010/2011 financial year as no development of artisans in the Cathsseta industry was done yet, this has now been rectified and this development will take place.				
Programme 4: Marketing, Communication and Stakeholder Relations Management				
Total	**2 396 562**	**1 778 168**	**2 820 974**	**2 822 111**
This target/programme was included under administration expenses in the first two financial years, but realising the interdependence on research as well as results of other programmes is now included as an individual target.				
Programme 5 : Addressing High Level Scarce Skills				
Total	**14 446 168**	**15 568 000**	**15 225 761**	**15 059 033**
This programme was a continuation of similar programmes during NSDFS ii and as such no change period was necessary, continuation therefore ensured expenditure trends. The large difference during the 11/12 and 12/13 years to the balance of the years was due to surplus funds transferred from previous periods. This trend will reverse in future years.				
Programme 6 : Research for Innovation and Development				
Total	**9 649 593**	**11 256 000**	**12 037 444**	**11 259 648**
Research is seen as the backbone of the whole Cathsseta strategy and as such at least 5% of the budget for discretionary projects was allocated to the target, 2011/2012 was used as a planning year and therefore less was expended during this year. This trend will reverse and research should expend the total allocated to it.				
Programme 7 : NCV and N-Course Review				
Total	**2 059 131**	**1 784 008**	**2 444 116**	**2 445 004**
This programme goes hand in hand with programme 9 FET capacity building and as such budget allocations were also interdependent.				
Programme 8 : Quality Assurance				
Total	**6 255 481**	**6 414 477**	**7 592 684**	**9 142 857**
This was excluded from the NSDS iii targets in the first years as the planning cycle was being completed. The importance of monitoring and evaluation as well as certification to ensure quality skills development is recognised and included in the following three years budget.				
Programme 9 : FET Capacity Building				
Total	**4 457 804**	**15 636 449**	**15 719 565**	**17 286 797**
Seta offices at FET colleges only became a set target during the 2012/2013 financial year and as such the				

	2013/2014	2014/2015	2015/2016	2016/2017
budget was increased for this allocation.				
Programme 10 : Skills Development for Low Level Literacy and Numeracy				
Total	**17 534 928**	**8 640 950**	**10 476 805**	**9 698 958**
The first financial year was a change and planning cycle resulting in the low expenditure, but seeing the importance of this programme, budgets were allocated and surplus funds ring-fenced to ensure relevant allocation.				
Programme 12 : Cooperative Skills Development Support				
Total	**2 558 211**	**2 376 147**	**2 738 385**	**2 739 373**
This programme was a continuation of similar programmes during NSDFS ii and as such a no change period was necessary, continuation therefore ensured expenditure trends. The large difference during the 11/12 and 12/13 years to the balance of the years was due to surplus funds transferred from previous periods. This trend will reverse in future years.				
Programme 13 : Skills Development Support for Small and Emerging Businesses				
Total	**44 150 573**	**21 747 766**	**24 016 037**	**21 934 646**
The first financial year was a change and planning cycle resulting in the low expenditure, but seeing the importance of this programme, budgets were allocated and surplus funds ring-fenced to ensure relevant allocation.				
Programme 14 : Trade Unions, NGOs and CBOs Skills Development Support				
Total	**3 888 212**	**3 113 751**	**3 950 877**	**5 825 848**
This programme was a continuation of similar programmes during NSDFS ii and as such a no change period was necessary, continuation therefore ensured expenditure trends.				
Programme 15: Public Sector Education and Training				
Total	**2 250 453**	**1 738 818**	**2 336 148**	**3 068 146**
This programme relates to Cathsseta offices in all provinces to ensure a national footprint. This was only planned from year 3 during the NSDS iii period to ensure all planning and change cycles were complete.				
Programme 16 : Career Guidance for Sector Stakeholders				
Total:	**22 955 457**	**12 780 722**	**14 290 172**	**11 971 062**
This programme was a continuation of similar programmes during NSDFS ii and as such a no change period was necessary, continuation therefore ensured expenditure trends. The large difference during the 11/12 and 12/13 years to the balance of the years was due to surplus funds transferred from previous periods. This trend will reverse in future years.				

	2013/2014	2014/2015	2015/2016	2016/2017
Programme 17: SETA Administration				
Total Administration Funds	**32 970 000**	**36 855 000**	**38 431 000**	**40 563 599**
This programme was a continuation of similar programmes during NSDFS ii and as such a no change period was necessary, continuation therefore ensured expenditure trends. The historic years were under the 10% threshold and the budget projections are calculated to agreed top income.				
Programme 11: Employer Grants	**41 448 000**	**46 332 000**	**48 567 000**	**50 995 000**
This programme was a continuation of similar programmes during NSDFS ii and as such no change period was necessary continuation therefore ensured expenditure trends, the reduced amounts from 2013/14 is due to the reduction from 50% to 20% in the new Regulations.				
Reconciliation with MTEF				
Total Expenditure APP	**257 730 000**	**287 656 000**	**301 315 656**	**316 373546**
Total Expenditure MTEF	**257 730 000**	**287 656 000**	**301 315 656**	**316 373546**
Difference	**0**	**0**	**0**	**0**

PART B: CATHSSETA 2014/15 ANNUAL PERFORMANCE DATA

In turn, each of the 6 CATHSSETA Strategic Goals are unpacked into objectives (outputs), performance indicators, baselines and annual targets with corresponding quarterly targets for the 1ST, 2nd, 3rd and 4th quarters of 2014/15. The focus is on ensuring that the specified CATHSSETA goals are unpacked in such a way as to be specific and measurable, and against which the programmes and activities of the CATHSSETA might be implemented and reported upon.

The CATHSSETA seeks to adopt an organisation design which is informed by its revised 2014/15 – 2016/17 Strategic Plan; and an organisational design process is currently underway. At the point of developing this Annual Performance Plan, CATHSSETA reflects the contributions of six (6) Operating Divisions to the achievement of the targets in the annual performance data; namely:

5.4. OFFICE OF THE CEO

The purpose of the Office of the CEO is oversight, management and control of strategic support and governance services to support the CEO, the Board and Executive team to achieve the strategic objectives of CATHSSETA, by focussing on:

- Integrated Business Planning, Performance Monitoring and Reporting;
- Governance and Board Operations functions;
- Risk and Compliance Management;
- Inter-Governmental Coordination;
- Legal and contracts.

The transversal nature of the governance and strategic support services mean that, indirectly, they contribute to all CATHSSETA Strategic Goals, but the business unit cluster directly leads delivery towards the following CATHSSETA Strategic Goals:

Goal 1: Demand led sector skills development programmes informed by sector research and intelligence.

Goal 6: An accountable, well governed and optimally resourced organisation.

5.5. SKILLS DEVELOPMENT, PLANNING AND RESEARCH (SDPR)

Reporting to the Chief Operations Officer, the purpose of the SDPR operating division is to oversee and manage:

- CATHSSETA sectoral research and intelligence functions and aligned skills planning and reporting;
- The effectiveness of CATHSSETA mandatory and discretionary grant processes and related contract management;

- The implementation of CATHSSETA PIVOTAL programmes and skills development projects;
- CATHSSETA stakeholder engagement and partnership functions, including the activities of chambers;
- The planning and implementation of sectoral skills development projects.

The Business Unit is delegated as a lead delivery unit of the CATHSSETA's core mandate, and as such leads delivery towards the following CATHSSETA Strategic Goals:

Goal 1: Demand led sector skills development programmes informed by sector research and intelligence.

Goal 2: Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet sectoral skills needs.

Goal 3: Employers participating in the Mandatory Grant process provide quality information regarding the training of employed workers.

Goal 4: Appropriately targeted programmes and funding that address current and emerging skills requirements and improved learner employability.

Goal 5: CATHSSETA programmes and interventions are continuously assessed and enhanced in terms of their relevance, quality and effectiveness.

5.6. EDUCATION AND TRAINING QUALITY ASSURANCE (ETQA)

Reporting to the Chief Operations Officer the purpose of the ETQA business unit is to monitor and audit the achievement of standards by:

- Strengthening quality assurance through review, research and development of appropriate and relevant quality assurance policies and processes;
- Ensuring that all accredited providers are delivering the quality of provisioning for which they are accredited, through a comprehensive accreditation, monitoring and auditing process;
- Identifying and facilitating the generation of qualifications and unit standards in the ETD sector, and submit to SAQA for registration on the NQF;
- Accreditation of constituent education and training providers for specific standards or qualifications registered on the NQF;
- Evaluation of learning programmes;
- Quality assurance of learner achievements;
- Improving the quality and relevance of education and training in the sector;
- Establish and maintain a database by recording learner achievement;
- Registration of constituent assessors; and

- Support Provider Development.

The Business Unit is delegated as a lead delivery unit of the CATHSSETA's core mandate, and as such leads delivery towards the following CATHSSETA Strategic Goals:

Goal 1: Demand led sector skills development programmes informed by sector research and intelligence.

Goal 2: Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet sectoral skills needs.

Goal 4: Appropriately targeted programmes and funding that address current and emerging skills requirements and improved learner employability.

Goal 5: CATHSSETA programmes and interventions are continuously assessed and enhanced in terms of their relevance, quality and effectiveness.

5.7. FINANCE AND SUPPLY CHAIN MANAGEMENT

The purpose of the Finance and Supply Chain Management function is to provide strategic financial leadership and management to CATHSSETA to ensure the sustained financial health and governance of the SETA. The CFO will lead, direct and manage effective:

- Supply Chain Management Services;
- Financial Accounting Services; and
- Management Accounting Services.

The transversal nature of the Finance functions mean that indirectly, they contribute to all CATHSSETA Strategic Goals, but the Business Unit is delegated as a lead delivery unit of the CATHSSETA's financial sustainability and governance, and as such leads delivery towards the following CATHSSETA Strategic Goals:

Goal 6: An accountable, well governed and optimally resourced organisation.

5.8. CORPORATE SUPPORT / ADMINISTRATION

The purpose of this internal business unit cluster is to provide strategic and administrative support and transversal business solutions to enable the CATHSSETA Board, CEO and the Delivery Units to effectively and efficiently deliver on the mandate and strategic intent of the SETA.

The corporate support function is comprised of the following sub-functions:

- Human Resources;
- Information Technology;
- Corporate Marketing and Communications;

- Records Management.

The transversal nature of the Corporate Support functions mean that indirectly, they contribute to all CATHSSETA Strategic Goals, but the business cluster directly leads delivery towards the following Strategic Goals:

Goal 2: Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet sectoral skills needs.

Goal 6: An accountable, well governed and optimally resourced organisation.

As discussed in the CATHSSETA Delivery Model, certain transversal developmental and transformation imperatives are mainstreamed across the targets reflected in the performance data; and will be highlighted in quarterly and annual reporting.

Table 15: CATHSSETA Development and Transformation Imperatives

NO	DEVELOPMENT AND TRANSFORMATION IMPERATIVES	TARGET DESCRIPTION	ALLOCATION
1	Age	Youth – under 35years old	60%
2	Disability	All forms of disabilities	1%
3	Gender	Female	65%
4	Race	Black	85%
5	HIV/AIDS	HIV/AIDS awareness and prevention component to be included in most of training programme	100%
6	Geography	Rural and Informal settlements	45%
7	Class	Income – Less than R60k per annum (as per SARS)	55%

The annual performance data below is then deliberately positioned at a higher level to aid clear and strategic reporting, and in alignment to the Strategic Plan, and excludes operational processes and activities which will be reflected in unit business plans.

5.9 CATHSSETA 2014-2015 SLA TARGETS

Subsequent to the finalisation of the budget processes, CATHSSETA engaged the DHET in finalisation of the SETA targets for the 2014/15 financial year. The final targets have been concluded after careful consideration of the following factors:

1. CATHSSETA 2014/15 projected income and expenses;
2. Targets received from DHET linked to the ministerial performance plan;

3. Stipulations in the Grant Regulations;
4. National Treasury Regulations; and
5. Sector training.

The CATHSSETA projected income for 2014/15 is R287 734 000 with the total expenditure limit capped at R287 657 000. Of this amount, a total of R204 469 000 is budgeted for Discretionary Grants, whereas 80 percent goes to PIVOTAL funding (R146 649 000).

Projected costs based on targets received from DHET amounts to R193 000 000 for PIVOTAL funding alone, and requires additional funding exceeding R106 950 000 in order to meet these targets. The National Treasury requires that targets set in the Annual Performance Plan are linked to budgets and are achievable. If CATHSSETA were to adopt the targets from DHET as they are, CATHSSETA would be deviating from the SMART target principle.

Sector training trends indicate that over the past 5 years the industry has been using the Mandatory Grants for training and is further dependent on CATHSSETA for support in the administration of some key aspects of training, such as learner registration, qualification quality control, assessments, moderation, monitoring and certification. CATHSSETA has in the past and present reported on this training as part of its achievements. In light of the fact that CATHSSETA's mandate is to facilitate sector training, we believe that such sector training reporting is legitimate and should be included in the SETA plans.

On the basis of these considerations, the targets have been analysed as per the table below:

Table 16: CATHSSETA target analysis

LEARNING PROGRAMMES	TARGET ANALYSIS				BUDGET ANALYSIS		
	CATHSSETA TARGETS BASED ON BUDGET in APP	SECTOR TARGETS	TOTAL CATHSSETA TARGETS	TARGETS FROM DHET	BUDGET BASED ON CATHSSETA TARGETS	OVERALL BUDGET BASED ON DHET TARGETS	DIFFERENCE OF BUDGET BETWEEN CATHSSETA AND DHET TARGETS
Workers Entering Learnerships	**750**	**400**	**1150**	**2000**	**R 10,500,000**	**R 28,000,000**	**R 17,500,000**
Unemployed Entering Learnerships	**500**	**700**	**1200**	**1000**	**R 25,000,000**	**R 50,000,000**	**R 25,000,000**
FET Graduate Placement	**1000**		**1000**	**1700**	**R 12,000,000**	**R 20,400,000**	
Workers Entering Bursaries	**100**		**100**	**250**	**R 3,500,000**	**R 8,750,000**	**R 5,250,000**
Workers Entering Skills Programmes	**530**	**400**	**930**	**1800**	**R 5,300,000**	**R 18,000,000**	**R 12,700,000**

LEARNING PROGRAMMES	TARGET ANALYSIS				BUDGET ANALYSIS		
	CATHSSETA TARGETS BASED ON BUDGET in APP	SECTOR TARGETS	TOTAL CATHSSETA TARGETS	TARGETS FROM DHET	BUDGET BASED ON CATHSSETA TARGETS	OVERALL BUDGET BASED ON DHET TARGETS	DIFFERENCE OF BUDGET BETWEEN CATHSSETA AND DHET TARGETS
Artisans Entered	**204**	**0**	**204**	**204**	**R 10,200,000**		
Unemployed Entering Bursaries	**242**		**242**	**550**	**R 10,050,000**	**R 36,850,000**	**R 26,800,000**
Unemployed Entering Internships/Workplace Experience	**150**		**150**	**500**	**R 6,300,000**	**R 21,000,000**	**R 14,700,000**
Unemployed Entering Skills Programmes	**500**	**300**	**800**	**1000**	**R 5,000,000**	**R 10,000,000**	**R 5,000,000**
TOTAL	**3884**	**1800**	**5684**	**9004**	**R 87,850,000**	**R 193,000,000**	**R 106,950,000**

In the light of this background, CATHSSETA concluded the Learning Programmes targets as follows:

No.	LEARNING PROGRAMMES	TARGETS	SECTOR TARGETS	TOTAL CATHSSETA TARGETS 2014/15
1	Workers Entering Learnerships	750	400	**1150**
2	Workers Entering Bursaries	100		**100**
3	Workers Entering Skills Programmes	530	400	**930**
4	Unemployed Entering Learnerships	500	700	**1200**
5	Unemployed Entering Bursaries	242		**242**
6	Unemployed Entering Internships/Workplace Experience	150		**150**
7	Unemployed Entering Skills Programmes	500	300	**800**
8	Artisans Entered	204		**204**
9	FET Graduate Placement	1000		**1000**

5.10 THE CATHSSETA DISCRETIONARY GRANTS FUNDING FRAMEWORK

In accordance with the SETA Grant Regulations, CATHSSETA has prepared and included the Discretionary Grant funding framework in this plan to ensure national access and adequate participation of stakeholders and public in general.

PIVOTAL PROGRAMME	TARGET APPLICANTS	DATES	TARGET BENEFICIARIES	ALLOCATION PER LEARNER	CRITERIA
BURSARY	Universities UoTs FETs Employers	September 2014 *(A special window will be opened to address Bursaries)*	92 Postgraduate Learners (6 PhD, 36 Masters and 50 Honours) 100 Employed learners 150 Unemployed Learners (High level skills)	PHD: R 100,000 per Learner Masters: R 80,000 per Learner Honours: R 67,000 per Learner Employed Learners: R 35,000 per Learner Undergraduate Learner: R 67,000 per Learner	As per HET/FET Bursary Grant Policy and Guidelines
LEARNERSHIP	Employers	March to April 2014 September to October 2014	750 Employed Learners 500 Unemployed Learners	R 20,000 per Employed Learner R 50,000 per Unemployed Learner	As per Learnership Grant Policy and Guidelines
APPRENTICE-SHIP	Employers	March to April 2014 September to October 2014	204 Unemployed learners	R 50,000 per Learner	As per Learnership Grant Policy and Guidelines
WORK INTEGRATED LEARNING: *(Internships)*	Employers	March to April 2014 September to October 2014	150 Unemployed Learners	R 42,000 per Learners for a period of 12 months	As per Work Integrated Learning Grant Policy and Guidelines
WORK INTEGRATED LEARNING: *(Experiential Learning)*	Public Education and Training Institutions	March to April 2014 September to October 2014	1000 FET Learners	R 12,000 per Learner for a period of 6 months	As per Work Integrated Learning Grant Policy and Guidelines
SKILLS PROGRAMME	Levy Paying Employers submitting Mandatory Grant applications	March to April 2014 September to October 2014	530 Employed learners 500 Unemployed Learners	R150 per credit, up to 60 credits per learner	As per Learning Programmes Grant Policy and Guidelines
SKILLS PROGRAMME	SMMEs	March to April 2014 September to October 2014	2300 SMME owners and entrepreneurs	R150 per credit, up to 60 credits per learner	As per Learning Programmes Grant Policy and Guidelines
SKILLS PROGRAMME	Non-Levy Payers: NGOs, CBOs, Trade Unions,	March to April 2014 September to October 2014	Trade Unions 14 NGOs 9 CBO 3	R 96,021.89	As per Learning Programmes Grant Policy and Guidelines
SKILLS PROGRAMME	Non-Levy Payers: Co-operatives,	April 2014 October 2014	8 Co-ops	R 254,695.75 per Cooperative	As per Learning Programmes Grant Policy and Guidelines
SKILLS PROGRAMME	Non-Levy Payers: NGOs, CBOs, COOps, SMMEs	April October	100 Youth in Rural Areas	R150 per credit, up to 60 credits per learner	As per Learning Programmes Grant Policy and Guidelines

STRATEGIC GOAL 1:	Demand led sector skills development programmes informed by sector research and intelligence
GOAL STATEMENT	To position CATHSSETA as a credible and authoritative voice on skills demand and on interventions and solutions that are required to address skills needs within the sector. To build CATHSSETAs understanding of labour market issues in the sector and to document and communicate recent and emerging trends, as well as to develop solid baseline indicators for the sector so as to inform planning and guide decision making on investment in education and training provision.

LINK TO NATIONAL OUTCOME	LINK TO CATHSSETA MOU (Strategic Drivers)	LINK TO SECTOR SKILLS PLAN (SSP)	KEY FOCUS AREAS OF THE STRATEGIC GOAL (An indication of what focus areas contribute to the Goal)	STRATEGIC OBJECTIVES PER STRATEGIC GOAL (Generally stated in the form of an output)
LEAD - Outcome 5: A skilled and capable workforce to support an inclusive growth path. **Outcome 4:** Decent employment and inclusive economic growth. **Outcome 10:** Protected environmental assets and biodiversity. **Outcome 12b:** Good governance and active citizenship, nation building and social cohesion.	**Driver 1:** Assessment of skills required for each sector and the identification of scarce skills. **Driver 5:** Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved.	**Programme 1:** Research and Skills Planning. **Programme 2:** Address Sector Middle Level Skills. **Programme 3:** Development of Artisans. **Programme 5:** Address Sector High Levels Skills. **Programme 6:** Research, Development and Generation of New Knowledge. **Programme 7:** NCV & N-Courses Review. **Programme 8:** Quality Assurance. **Programme 10:** Skills Development for Low Level Literacy and Numeracy. **Programme 12:** Cooperatives Skills Development. **Programme 13:** Skills Development Support for Small and Emerging Businesses. **Programme 14:** Trade Unions, NGOs and CBOs Skills Development Support.	▪ Sound sector knowledge informing sectoral strategy and plans. ▪ Support the sector through conducted research to addressing skilling needs - Needs in relation to skills development are researched, documented and communicated. ▪ Scarce and critical skills are escalated to Chamber Strategies, which are sub-sector specific and form the basis from which discretionary grant projects are developed and implemented. ▪ Qualifications identified to address sector needs and sources of education and training supply identified. ▪ Enhanced data, information and knowledge management systems – Collection, Compilation, Storage, Analysis, Reporting – CREDIBILITY requires VERIFICATION. ▪ Establish MoU's to fund and capacitate research projects by Masters, PhD and post-doctoral students.	A sound institutional framework for Sector Skills Planning and aligned CATHSSETA Strategic and Annual Performance Planning. Appropriate sectoral plans and strategies responding to identified high, middle and low level scarce skills. Promotion of Sector driven Research and cited research publications. Relevant courses and qualifications that provide a sound foundational basis for building targeted labour market skills. Enhanced information and knowledge management systems - integrated with other departments.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
A sound institutional framework for Sector Skills Planning and aligned CATHSSETA Strategic and Annual Performance Planning	• Annually updated SSP that drives the strategy for the sector, and is a culmination of evidenced based chamber and sub-sector strategies • An APP that identifies aligned programmes, targets and budget for CATHSSETA support to the chambers as reflected in the SSP	Annually updated Sector Skills Plan informing Annual Performance Plan	Board approved Sector Skills Plan	1	1	1	1	1	Annually	Non-cumulative	-	-	-	1	Programme 1
Appropriate sectoral plans and strategies responding to identified high, middle and low level scarce skills	Mandatory Grant Application forms inform the scarce and critical skills list	Number of sector Supply and Demand modelling reports identifying scarce and critical skills	Scarce and Critical Skills Report	1	1	1	1	1	Annually	Non-cumulative	-	-	1	-	Programme 1
		Percentage of Mandatory Grant applications analysed	Mandatory Grant Analysis Report	New Indicator	90%	95%	95%	95%	Annually	Non-cumulative	-	95%	-	-	Programme 1
		Quarterly analysis of levy income and Mandatory grant disbursement	Mandatory Grant Analysis Reports	4	4	4	4	4	Quarterly	Cumulative	1	2	3	4	Programme 17

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
	Sub-sector strategies and programmes informed by critical skills research	Number of sub-sector critical skills lists updated (including SMME, Coops and related targeted issues)	Sub-sector critical skills lists	-	-	6	6	6	Annually	Non-cumulative	-	-	6	-	Programme 1
		Number of aligned sub-sector (chamber) strategies approved (including SMME, Coops and related targeted issues)	Approved chamber strategies	-	-	6	6	6	Annually	Non-cumulative	-	-	6	-	Programme 1
	CATHSSETA Artisan Training Strategy developed according to NAMB Artisan Policy	Annually updated CATHSSETA Artisan Training Strategy	Approved Artisan Training Strategy	1	1	1	1	1	Annually	Non-cumulative	-	-	-	1	Programme 3
		Monthly reports on implementation of Artisan Training Strategy	Monthly reports	12	12	12	12	12	Quarterly	Cumulative	3	6	9	12	Programme 3
	CATHSSETA Rural Development Strategy implemented	Annually updated Rural Development Strategy	Approved Rural Development Strategy	1	1	1	1	1	Annually	Non-cumulative	-	-	-	1	Programme 10
Promotion of Sector driven Research and cited research publications	Bursaries to Masters, PhD and post-doctoral students in the sector – to support sector research	Number of Masters, PhD and post-doctoral students entering bursaries through MoU with HEIs	Learner records	12	80	92	106	122	Annually	Non-cumulative	92	-	-	-	Programme 6

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
		Number of Masters, PhD and post-doctoral students completing bursaries through MoU with HEIs	Learner records	10	-	64	74	85	Annually	Non-cumulative	-	-	-	64	Programme 6
	Research Papers published and uploaded on the CATHSSETA research portal	Number of research and conference papers published	Published Research Papers	10	12	12	14	16	Quarterly	Cumulative	-	2	6	12	Programme 6
		Number of Research Articles, Documents and Reports published on the CATHSSETA research portal	Research Portal Registry	-	-	6	12	18	Quarterly	Cumulative		2	4	6	Programme 1
Relevant courses and qualifications that provide a sound foundational basis for building targeted labour market skills.	Career paths researched and developed	Number of sub-sectors (chambers) with aligned career paths	Career Path Research Report per sub-sector (chamber)	6	6	6	6	6	Quarterly	Non-cumulative	Research 6	Publish 6	-	-	Programme 1
	Career and vocational guidance to employees and prospective learners	Number of sub-sectors with developed career guides	Approved career guides per sub-sector	-	6	6	6	6	Annually	Non-cumulative	-	6	-	-	Programme 16
	Updated CATHSSETA qualifications under the QCTO process.	Number of qualifications scoped via QCTO	QCTO records on submission	2	2	4	5	6	Quarterly	Cumulative	-	-	2	4	Programme 8

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
	NCV and N - Courses and curriculum revised to ensure that they provide a sound foundational basis for building labour market relevant skills	Number of NCV& N Courses reviewed	Research Report per NCV& N Courses	-	2	-	2	-	Quarterly	Cumulative	-	-	-	-	Programme 7
		Number of NCV& N Courses approved and accepted by industry	Approved NCV&N courses	-	-	2	-	2	Quarterly	Cumulative	-	1	-	2	Programme 7
Enhanced information and knowledge management systems - integrated with other departments	Auditable and verifiable learner records	Annual verification audit (sample 10%) of learner records	Verification Audit report	-	-	1	1	1	Annually	Non-cumulative	-	-	-	1	Programme 1
	Reliable and credible data to identify and address sector needs captured on CATHSSETA databases	Percentage increase in number of registered learners categorised on learner database	Database Register	New Indicator	New indicator	+5%	+5%	+5%	Annually	Non-cumulative	-	-	-	+5%	Programme 1
		Percentage increase in number of levy and non-levy paying entities categorised on Employer database	Database Register	New Indicator	25000	+5%	+5%	+5%	Annually	Non-cumulative	-	-	-	+5%	Programme 1
		Percentage increase in number of public and private training providers categorised on Accredited Training Provider database	Database Register	New Indicator	200	+5%	+5%	+5%	Annually	Non-cumulative	-	-	-	+5%	Programme 1

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
		Number of work seeking unemployed youth captured on CATHSSETA database	Database Register	1600	2439	2804	3225	3709	Quarterly	Cumulative	625	1360	2215	2804	Programme 10

STRATEGIC GOAL 2:	Informed, empowered and actively engaged CATHSSETA stakeholders increase the capacity and capability of the SETA to meet sectoral skills needs
GOAL STATEMENT	Effective stakeholder management and partnering initiatives between the SETA, employers, private providers, government, other SETAs and sectoral bodies and relevant institutions are resulting in increased capacity to meet industry skills needs throughout the country.

LINK TO CATHSSETA MOU (Strategic Drivers)	LINK TO SECTOR SKILLS PLAN (SSP)	KEY FOCUS AREAS OF THE STRATEGIC GOAL (An indication of what focus areas contribute to the Goal)	STRATEGIC OBJECTIVES PER STRATEGIC GOAL (Generally stated in the form of an output)
Driver 3: Partnerships between CATHSSETA and Public FET Colleges. **Driver 6:** Number of agreements signed with Public FET Colleges, Universities and other Training Providers as well as the amount approved for each agreement which should also reflect the number of learners to be trained, types of training programmes and the programmes that are in place for the current financial year. **Driver 8:** Placement of students in industry as part of the agreement between CATHSSETA and companies. **Driver 12:** Presence of CATHSSETA in rural areas and townships, and how and by when will it be implemented.	**Programme 1:** Research and Skills Planning. **Programme 2:** Address Sector Middle Level Skills. **Programme 3:** Development of Artisans. **Programme 4:** Marketing, Communication and Stakeholder Management. **Programme 6:** Research, Development and Generation of New Knowledge. **Programme 9:** FET Capacity Building. **Programme 15:** Public Sector Education and Training.	▪ Interacting and partnering with stakeholders to address sector needs. ▪ Oversight and coordination of effective Chamber structures. ▪ Strategic partnerships with other SETAs and Government Entities to monitor and evaluate all learning interventions within the scope of the CATHSSETA. ▪ Enhance the experience of stakeholders and customers interacting with CATHSSETA. ▪ Effectively communicate and promote the work and programmes of CATHSSETA.	Broad-based partnerships that increase CATHSSETA's capacity and capability to meet industry needs. Enhanced visibility and credibility of CATHSSETA through effective marketing, communication and stakeholder management. Stakeholders informed and educated on skills development benefits and the policies and processes of the SETA.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
Broad-based partnerships that increase CATHSSETA's capacity and capability to meet industry needs	Alignment and relevance of all institutional partnership MOU's to the Labour Market Analysis and sector needs	Number of MOU annexures reviewed.	Reviewed MOU annexures	2	8	10	10	10	Quarterly	Cumulative	10	-	-	-	Programme 1
	Partnerships with employers, public FET colleges and Universities of Technology to place learners in Work Integrated Learning	Number of MOA's concluded with relevant sector employers.	Signed MOA's	-	31	35	39	43	Bi-annually	Cumulative	-	35	-	-	Programme 2
	Partnerships with PSETA and Government departments to develop programmes to capacitate public servants and improve service delivery to the sector	Number of MOU's annexures reviewed - with relevant sector Government departments and agencies	Signed MOU's	6	10	8	8	8	Quarterly	Cumulative	2	4	6	8	Programme 15
Enhanced visibility and credibility of CATHSSETA through effective marketing, communication and stakeholder management	Optimal marketing campaigns and initiatives implemented	Number of CATHSSETA marketing campaigns implemented per annum	Marketing campaign imple-mentation report	16	32	16	18	20	Quarterly	Cumulative	4	8	12	16	Programme 4
		Percentage Brand perception awareness index	Outcome of Annual Brand Survey	-	New target	1	1	1	Annually	Non-cumulative	-	1	-	1	Programme 4
	Optimal stakeholder communication	Number of online communication and information sharing channels	Online registry	3	5	5	5	5	Annually	Non-cumulative	3	5	5	5	Programme 4

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
	Improved levels of customer satisfaction	Percentage annual Customer Satisfaction index	Outcome of annual customer satisfaction survey	-	2	2	2	2	Bi annually	Non-cumulative	1	-	1	2	Programme 4
		Stakeholder management database established	Database register	-	4	4	4	4	Quarterly	Cumulative	1	2	3	4	Programme 4
Stakeholders informed and educated on skills development benefits and the policies and processes of the SETA	Sectoral institutions and bodies actively engaged in relevant CATHSSETA programmes	Number of career guidance exhibitions and mobile services	Engagement reports and attendance registers	-	-	15	15	15	Quarterly	Cumulative	-	4	9	15	Programme 16

STRATEGIC GOAL 3:	**Employers participating in the Mandatory Grant process provide quality information regarding the training of employed workers**
GOAL STATEMENT	**Assess the quality and consistency of plans and reports received so as to enhance the effectiveness of the mandatory grant processing, payment and reporting process.**

LINK TO NATIONAL OUTCOME	**LINK TO CATHSSETA MOU** **(Strategic Drivers)**	**LINK TO SECTOR SKILLS PLAN (SSP)**	**KEY FOCUS AREAS OF THE STRATEGIC GOAL** **(An indication of what focus areas contribute to the Goal)**	**STRATEGIC OBJECTIVES PER STRATEGIC GOAL** **(Generally stated in the form of an output)**
LEAD - Outcome 5: A skilled and capable workforce to support an inclusive growth path.	**Driver 5:** Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved. **Driver 9:** Placement of students in industry as part of the agreement between CATHSSETA and companies.	**Programme 11:** Employer Grants.	• Capacitating employers for an increase in the quality of labour market information submitted, received and analysed through the Mandatory Grant process. • Evaluate and verify to ensure plans and reports meet CATHSSETA requirements. • Effective management of the Mandatory Grant process.	CATHSSETA receives accurate information on the labour market for inclusion in the Sector Skills Plan. Enhanced mandatory grant processing, payment and reporting processes.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	**5-Year Expected Result / Target**	**Performance Indicators**	**Means of Verification**	**Baseline**		**Medium-term Targets**			**Reporting Period**	**Target reporting type (cumulative or non-cumulative)**	**Quarterly Targets**				**Reflected in which current Budget Programme?**
				Actual 2012/13	**Estimate 2013/14**	**2014/15**	**2015/16**	**2016/17**			**Q1 1 April - 30 June 2014**	**Q2 1 July - 30 Sept 2014**	**Q3 1 Oct - 31 Dec 2014**	**Q4 1 Jan - 31 March 2015**	
CATHSSETA receives accurate information on the labour market for inclusion in the Sector Skills Plan	Received and submitted electronic submissions of Mandatory Grant Applications	Number of Mandatory Grant Applications received.	Mandatory Grant Applications report validated by SMS system	1306	1336	1363	1390	1418	Annually	Non-cumulative	1363	-	-	-	Programme 11
	Mandatory Grant Applications meet CATHSSETA requirements	Number of submitted Mandatory Grant Applications verified	Mandatory Grants Application Evaluations Forms and Report	1306	1336	1363	1390	1418	Annually	Non-cumulative	1363	-	-	-	Programme 11

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
Enhanced mandatory grant processing, payment and reporting processes	Employers participating in the Mandatory Grant applications process are capacitated	Number of sector employed workers supported through mandatory grants	Training Reported and evidence submitted in Mandatory Grant Applications	12 500	4 750	5 225	5748	6 322	Bi-annually	Cumulative	-	3 396	5 225	-	Programme 11

STRATEGIC GOAL 4:	**Appropriately targeted programmes and funding that address current and emerging skills requirements and improved learner employability**
GOAL STATEMENT	**To ensure the effective management of four-party agreements resulting in the disbursement of Discretionary Grants for learning interventions and PIVOTAL programmes, with a specific focus on SMMEs, Cooperatives and Rural development**

LINK TO NATIONAL OUTCOME	**LINK TO CATHSSETA MOU** **(Strategic Drivers)**	**LINK TO SECTOR SKILLS PLAN (SSP)**	**KEY FOCUS AREAS OF THE STRATEGIC GOAL** **(An indication of what focus areas contribute to the Goal)**	**STRATEGIC OBJECTIVES PER STRATEGIC GOAL** **(Generally stated in the form of an output)**
LEAD - Outcome 5: A skilled and capable workforce to support an inclusive growth path. **Outcome 4:** Decent employment and inclusive economic growth. **Outcome 10:** Protected environmental assets and biodiversity. **Outcome 12b:** Good governance and active citizenship, nation building and social cohesion.	**Driver 2:** Improving and addressing the levels of education in the sector. **Driver 3:** Partnerships between CATHSSETA and Public FET Colleges. **Driver 4:** The number of bursaries awarded/to be awarded to deserving SA citizens in critical skills at the 23 Universities and 50 FET colleges. **Driver 5:** Scarce and critical skills needed in the sector, how it will be addressed, the number of learners that will be trained and placed as well as the companies that will be involved. **Driver 8:** Placement of students in industry as part of the agreement between CATHSSETA and companies. **Driver 9:** A comprehensive plan on making the public service a training space should be developed, with targets per annum to change the lives of the youth. **Driver 10:** Rural Development Programmes and how it will be implemented. **Driver 11:** Progress in the implementation of Recognition of Prior Learning. **Driver 13:** Number of Public FET Colleges and University students placed in companies to obtain work experience. **Driver 14:** Facilitating the exposure and placement of FET College lecturers to industry.	**Programme 2:** Address Sector Middle Level Skills. **Programme 3:** Development of Artisans. **Programme 5:** Address Sector High Levels Skills. **Programme 9:** FET Capacity Building. **Programme 10:** Skills Development for Low Level Literacy and Numeracy. **Programme 11:** Employer Grants. **Programme 12:** Cooperatives Skills Development. **Programme 13:** Skills Development Support for Small and Emerging Businesses. **Programme 14:** Trade Unions, NGOs and CBOs Skills Development Support. **Programme 16:** Career Guidance.	▪ PIVOTAL Programme Implementation. ▪ Discretionary Grant disbursements to be managed effectively and informed by the critical and scarce needs of the industry. ▪ Quality career guidance and learner support programmes implemented. ▪ Effective contract and four party management. ▪ Effective Skills Development Facilitators support. ▪ Effective management of Inter-SETA transfers. ▪ Use Skills Development as a tool to advance and transform the small business sector (SMME's, NGO's and Cooperatives).	Enhanced implementation of targeted learning interventions and PIVOTAL programmes for employed and unemployed workers. Implemented Artisan strategy, aligned with the Generic National Artisan Learner Grant Funding strategy. Effective FET College programmes implemented for the sector Targeted interventions supporting sectoral SMMEs, Cooperatives, NGO's, CBO's and Trade Unions.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
Enhanced implementation of targeted learning interventions and PIVOTAL programmes for employed and unemployed workers	Approved sector specific PIVOTAL projects	Number of sector specific PIVOTAL programmes approved by the Board	Board approved PIVOTAL projects	-	-	12	12	12	Annually	Non-cumulative	-	-	-	12	Programme 2
	EMPLOYED Learners completing PIVOTAL programmes	Number of employed Learners entering LEARNERSHIP programmes	Learner records		1500	750	850	950	Quarterly	Cumulative	250	500	750		Programme 2
		Number of employed Learners completing LEARNERSHIP programmes	Learner records			350	450	500	Quarterly	Cumulative		50	200	350	Programme 2
		Number of employed Learners entering BURSARY programmes	Learner records		82	100	150	200	Quarterly	Cumulative	25	50	75	100	Programme 2
		Number of employed Learners completing BURSARY programmes	Learner records			80	100	120	Quarterly	Cumulative	20	40	60	80	Programme 2
		Number of employed Learners entering EMPLOYED SKILLS programmes	Learner records		1250	530	630	730	Quarterly	Cumulative	100	250	400	530	Programme 2

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
		Number of employed Learners completing EMPLOYED SKILLS programmes	Learner records			430	530	630	Quarterly	Cumulative	70	140	340	430	Programme 2
	UNEMPLOYED Learners completing PIVOTAL programmes	Number of unemployed Learners entering LEARNERSHIP programmes	Learner records		500	500	550	600	Quarterly	Cumulative	125	250	350	500	Programme 2
		Number of unemployed Learners completing LEARNERSHIP programmes	Learner records			300	350	400	Quarterly	Cumulative	75	150	250	300	Programme 2
		Number of unemployed Learners entering BURSARY programmes	Learner records		355	150	200	250	Quarterly	Cumulative	75			150	Programme 5
		Number of unemployed Learners completing BURSARY programmes	Learner records			125	150	200	Quarterly	Cumulative				125	Programme 5
		Number of unemployed Learners entering WORK EXPERIENCE / INTERNSHIP programmes	Learner records		100	150			Quarterly	Cumulative	50	100		150	Programme 5

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
		Number of unemployed Learners completing WORK EXPERIENCE / INTERNSHIP programmes	Learner records			125	150	175	Quarterly	Cumulative	25	50	75	125	Programme 5
		Number of unemployed Learners entering SKILLS programmes	Learner records		960	500	600	700	Quarterly	Cumulative	100	250	350	500	Programme 2
		Number of unemployed Learners completing SKILLS programmes	Learner records			400	500	600	Quarterly	Cumulative	100	200	300	400	Programme 2
Implemented Artisan strategy, aligned with the Generic National Artisan Learner Grant Funding strategy	Artisans completing training programmes	Number of ARTISANS entering training programmes			104	204	224	244	Quarterly	Cumulative	50	100	150	204	Programme 3
		Number of ARTISANS completing training programmes				150	175	200	Quarterly	Cumulative			75	150	Programme 3
Effective FET College programmes implemented for the sector	Sector learners graduating from FET college	Number of Learners entering FET COLLEGE programmes	Learner records		1500	1000	1100	1200	Quarterly	Cumulative	250	500	750	1000	Programme 2

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
	programmes	Number of Learners graduating from FET COLLEGE programmes	Learner records			500	600	700	Quarterly	Cumulative	100	200	350	500	Programme 2
	ETDPSETA to fund and collaborate with CATHSSETA in assisting identified FET colleges	Number of FET STAFF completing training programmes	Learner records	20	20	20	20	20	Quarterly	Cumulative	5	13	20	-	Programme 9
Targeted interventions supporting sectoral SMMEs, Cooperatives, NGO's, CBO's and Trade Unions	Direct support to sectoral Cooperatives	Number of Cooperatives directly supported	Sectoral reports	3	7	8	9	11	Quarterly	Cumulative	2	5	8	-	Programme 12
	Direct support to sectoral SMMEs	Number of SMME owners and entrepreneurs directly supported	Sectoral reports	2000	2750	2300	2645	3041	Quarterly	Cumulative	500	1500	1600	2300	Programme 13
	Direct support to sectoral Trade Unions, NGOs and CBOs	Number of sectoral Trade Unions, NGOs and CBOs directly supported	Sectoral reports	8	25	29	33	39	Quarterly	Cumulative	-	14	29	-	Programme 14

STRATEGIC GOAL 5:	CATHSSETA programmes and interventions are continuously assessed and enhanced in terms of their relevance, quality and effectiveness
GOAL STATEMENT	Stakeholder confidence in the SETA is enhanced through effective full value-chain analysis and evaluation of the quality and soundness of the implementation of learning interventions, and transparent benchmarking with applicable norms and standards

LINK TO NATIONAL OUTCOME	LINK TO CATHSSETA MOU (Strategic Drivers)	LINK TO SECTOR SKILLS PLAN (SSP)	KEY FOCUS AREAS OF THE STRATEGIC GOAL (An indication of what focus areas contribute to the Goal)	STRATEGIC OBJECTIVES PER STRATEGIC GOAL (Generally stated in the form of an output)
LEAD - Outcome 5: A skilled and capable workforce to support an inclusive growth path.	**Driver 7:** Targets as reflected in the Sector Skills Plan, Strategic Plan and Annual Performance Plan must be credible and linked to a "Baseline".	**Programme 1:** Research and Skills Planning. **Programme 6:** Research, Development and Generation of New Knowledge. **Programme 8:** Quality Assurance.	• Education and Training Quality Assurance provided to qualifications under CATHSSETA scope to both public and private training providers. • Monitoring and Evaluation strengthens the contract management capabilities of CATHSSETA. • Full-value chain monitoring and evaluation informs the continuous enhancement of CATHSSETA programmes and interventions.	Education and Training Quality Assurance provided to qualifications under CATHSSETA scope, to both public and private training providers. Full-value chain monitoring and evaluation informing the continuous enhancement of CATHSSETA programmes and interventions.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
Education and Training Quality Assurance provided to qualifications under CATHSSETA scope, to both public and private training providers	Quality Assurance of training provision by CATHSSETA accredited providers	Number of Training Provider Verification Visits based on the accredited training providers including FET Colleges	Training Provider Verification reports	100	100	110	120	120	Quarterly	Cumulative	20	50	80	110	Programme 8
Full-value	The outcomes and impact of CATHSSETA learning	Number of quarterly monitoring reports	Monitoring reports	-	-	4	4	4	Quarterly	Cumulative	1	2	3	4	Programme 1

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
chain monitoring and evaluation informing the continuous enhancement of CATHSSETA programmes and interventions	interventions tracked and assessed	Annual CATHSSETA Impact Assessment conducted	Impact Assessment Report	-	1	1	1	1	Annually	Non-cumulative	-	-	-	1	Programme 6
		Number of full value-chain grant project analysis reports produced	Full value-chain analysis reports	-	New target	2	4	-	Quarterly	Cumulative	-	1	-	2	Programme 6

STRATEGIC GOAL 6:	**An accountable, well governed and optimally resourced organisation**
GOAL STATEMENT	**To promote public accountability and achieve high standards of corporate governance and efficient resource utilisation so as to ensure optimal organizational performance and service delivery**

LINK TO NATIONAL OUTCOME	LINK TO CATHSSETA MOU (Strategic Drivers)	LINK TO SECTOR SKILLS PLAN (SSP)	KEY FOCUS AREAS OF THE STRATEGIC GOAL (An indication of what focus areas contribute to the Goal)	STRATEGIC OBJECTIVES PER STRATEGIC GOAL (Generally stated in the form of an output)
Outcome 5: A skilled and capable workforce to support an inclusive growth path. **Outcome 12a**: An efficient, effective and development oriented Public Service.	**Governance and corporate services in support of all obligations of the Service Level Agreement.**	**Programme 17:** SETA Administration.	▪ Financial management, control and reporting and master budget management. ▪ A transparent, cost effective and efficient supply chain management and procurement system. ▪ Adherence to policies and legislative frameworks and compliance with relevant statutory requirements. ▪ Governance, risk management and compliance. ▪ Accountability and reporting. ▪ Internal business excellence and system and process optimisation. ▪ Effective knowledge management systems and institutional memory. ▪ An optimally capacitated and capable organisation. ▪ A high performance culture underpinned by an effective performance management and development system and approach.	An effective, efficient and transparent system of financial management and internal control. Compliance and sound corporate governance. Enhanced business integration and organisational effectiveness. A high performing and optimally capacitated organisation.

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
An effective, efficient and transparent system of financial management and internal control	Enhanced financial management control and performance	Percentage variance between budget & actual expenditure	Management Reports	-	--	<10%	<10%	<10%	Quarterly	Non-cumulative	<10%	<10%	<10%	<10%	Programme 17
		% Variance of administrative expenditure to regulated levels	Management Reports and AFS	-	-	<10%	<10%	<10%	Quarterly	Non-cumulative	<10%	<10%	<10%	<10%	Programme 18
	A transparent, cost effective and efficient procurement system	Number of significant/material audit findings related to adherence to procurement processes	Internal and external audit report	-	-	0	0	0	Quarterly	Non-cumulative	0	0	0	0	Programme 17
		Percentage of service providers paid within 30 days	Management Reports and Internal and external audit report	TBC	TBC	100%	100%	100%	Quarterly	Non-cumulative	100%	100%	100%	100%	Programme 17
Compliance and sound corporate governance	Unqualified audit opinion for previous year (Both Financial and Performance information)	Number of significant audit findings related to adherence to legislation	Internal and external audit report	0	0	0	0	0	Quarterly	Non-cumulative	0	0	0	0	Programme 17
		Annually approved risk register	Audit and Risk Committee Report	1	1	1	1	1	Annually	Non-cumulative	1	-	-	-	Programme 17
A high performing and optimally capacitated organisation	An optimally capacitated, capable and sustainable organisation	Percentage headcount vs. budgeted positions (% Vacancy Rate)	Human Resources Reports	83%	93%	95%	99%	97%	Quarterly	Cumulative	85%	90%	94%	97%	Programme 17

STRATEGIC OBJECTIVES PER STRATEGIC GOAL	5-Year Expected Result / Target	Performance Indicators	Means of Verification	Baseline		Medium-term Targets			Reporting Period	Target reporting type (cumulative or non-cumulative)	Quarterly Targets				Reflected in which current Budget Programme?
				Actual 2012/13	Estimate 2013/14	2014/15	2015/16	2016/17			Q1 1 April - 30 June 2014	Q2 1 July - 30 Sept 2014	Q3 1 Oct - 31 Dec 2014	Q4 1 Jan - 31 March 2015	
		Percentage women in Senior Management positions within CATHSSETA	Human Resources Reports	27%	33%	41%	50%	50%	Quarterly	Cumulative	27%	33%	33%	41%	Programme 17
		Percentage people with disabilities in CATHSSETA employment	Human Resources Reports	0%	1%	2%	2%	2%	Quarterly	Cumulative	1%	1,5%	1.7%	2%	Programme 17
	A high performance culture underpinned by an effective performance management and development approach	Percentage payroll spend on Training and Development of Staff	Training Plan Report	1%	1%	2	2%	2%	Quarterly	Cumulative	0.5%	1%	1.5%	2%	Programme 17

PART C: LINKS TO OTHER PLANS

6. LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Table 17: Strategic Integrated Projects (SIPs) 2014/15 commitment.

OFO	Occupation/discipline	Workplace		
		No.	Unit Cost	Total
Management				
134901	Environmental manager	30	R 30,000	R 900,000
Service and clerical workers				
441903	Programme or Project Administrators Assistants	10	R 20,000	R 200,000
Plant and machine operators				
733201	Truck driver	10	R 40,000	R 400,000
Elementary and Non-Trade Production Workers				
862202	Handyperson	10	R 11,000	R 110,000
TOTAL		**60**		**R 1,610,000**

7. CONDITIONAL GRANTS

The matter of conditional grants is not applicable to the CATHSSETA at this stage.

8. PUBLIC-PRIVATE PARTNERSHIPS

There are currently no Public-Private Partnerships in place.

9. PUBLIC ENTITIES

The CATHSSETA has no Public Entities.

10. MATERIALITY FRAMEWORK

In terms of Treasury Regulation 30.1.3; t is hereby stated that the CATHSSETA has a Materiality Framework in place. CATHSSETA has developed a materiality and significance framework which outlines materiality and significance as follows:

TREASURY REGULATION 28.1.5 "For purposes of "material" [sections 50(1), 55(2) and 61(1) (c) of the Act] and "significant" [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors."		
		Materiality approach adopted
Section 50 (1)	(1) The accounting authority for a public entity must - (a) Exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity; (b) Act with fidelity, honesty, integrity and in the best interest of the public entity in managing the financial affairs of the public entity; (c) On request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all **material** facts, including those reasonably discoverable, which in any way influence the decision or actions of the executive authority or that legislature; and (d) Seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state.	Appropriate systems of control and risk management are maintained as well as a corporate risk management policy which is reviewed annually for effectiveness and a high level of compliance. CATHSSETA sets high standards for good governance and ethical behaviour. The best interest of the public entity is always relevant and reflected in the business plan as approved by the Chairperson of the Council (accounting authority) and the implementation of the business plan is of the utmost importance. CATHSSETA is committed to an open and transparent culture and in revealing any relevant information to its stakeholders. Materiality can only be determined if the nature of the information which will affect the decision of the stakeholder is known. CATHSSETA employs risk management plans and reviews. Identified processes are aimed at preventing any prejudice to the financial interest of the state.

Section 55 (2)	(2) The annual report and financial statements referred to by PFMA Subsection 55 (1)(d) must – (a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against pre-determined objectives and its financial position as at the end of the financial year concerned;	CATHSSETA makes use of independent finance service providers and is involved with disclosure forums for the presentation of annual financial statements to ensure that the AFS fairly present the affairs of the SETA.
	(b) include particulars of – (i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year; (ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; (iii) Any losses recovered or written off; (iv) Any financial assistance received from the state and commitments made by the state on its behalf; and (v) Any other matters that may be prescribed; and (c) Include the financial statements of any subsidiaries.	All losses are disclosed in the AFS. All activities are disclosed in the AFS. All losses are disclosed in the AFS. All financial assistance received or committed is disclosed. CATHSSETA will apply any other matters that become prescriptive. Not applicable.
Section 54 (2)	(1) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction	Not applicable. Not applicable.

	(a) Establishment or participation in the establishment of a company; (b) Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement (c) Acquisition of disposal of a significant shareholding in a company (d) Acquisition or disposal of a significant asset (e) Commencement or cessation of a significant business activity; and (f) A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Not applicable. CATHSSETA attains the approval of AA. Not applicable. Not applicable.
Section 61(1)(c)	1. The report of an auditor appointed in terms of section 58(1)(b) must be addressed to the executive authority responsible for the public entity concerned and must state separately in respect of each of the following matters whether in the auditor's opinion – (c) The transactions that had come to the auditor's attention during auditing were in all material respects in accordance with the mandatory functions of the public entity determined by law or otherwise.	Materiality of 0.25% of the total value of the sum of the revenue received for the year is applied. See **annexure A** for consequence scale.
Section 66 (1)	(1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transaction –	CATHSSETA operates within the ambit as set by this clause and its related Act's.

	(a) Is authorised by this Act; and (b) In the case of public entities, is also authorised by other legislation not in conflict with this Act; and (c) In the case of loans by a province or a provincial government business enterprise under the ownership control of a provincial executive, is within the limits as set in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act No 48 of 1996).	

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

Culture
Arts
Tourism
Hospitality
Sport
Sector Education and Training Authority

cathsseta

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