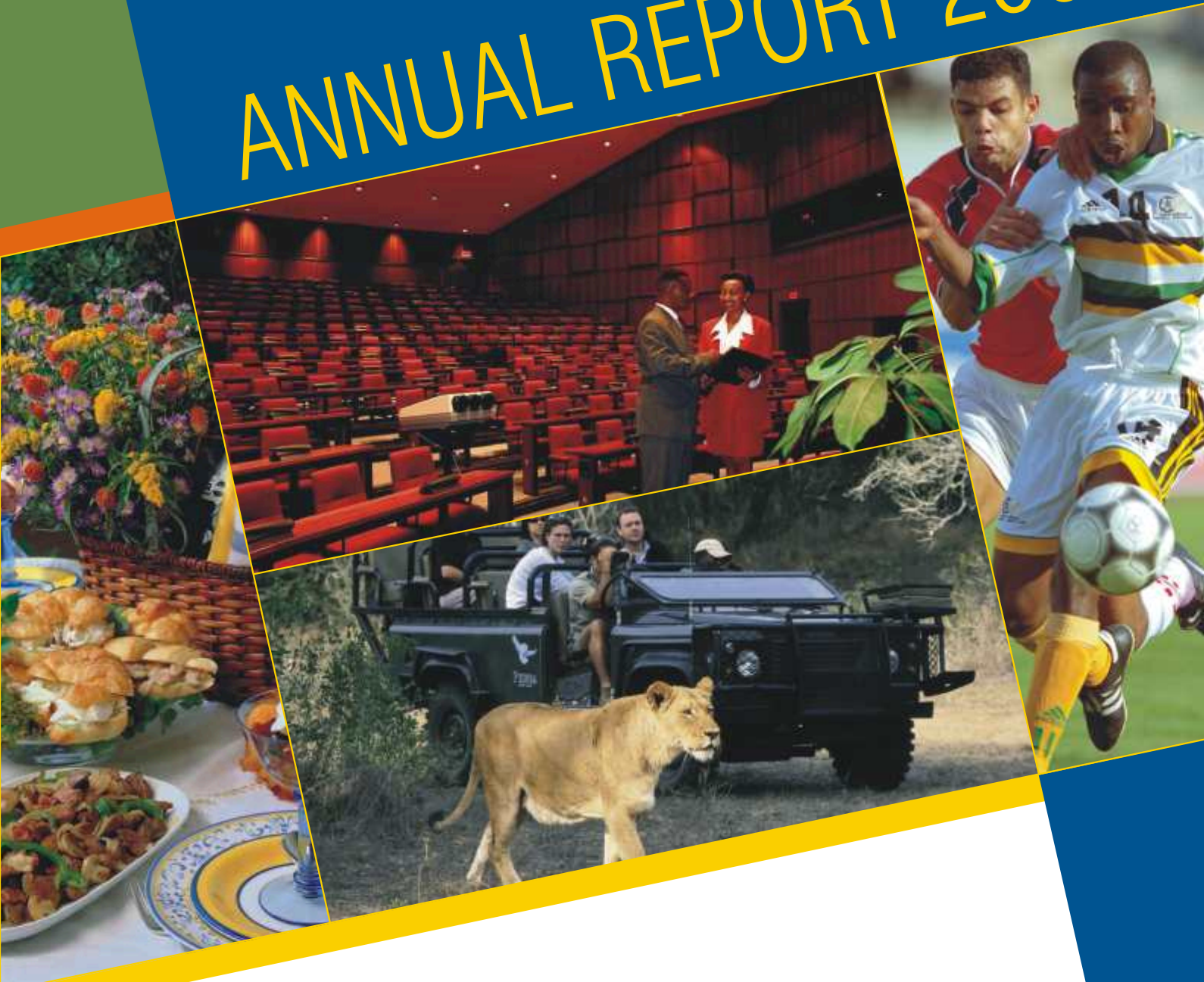




**theta**

TOURISM, HOSPITALITY & SPORT  
EDUCATION & TRAINING AUTHORITY

# ANNUAL REPORT 2009



**labour**

Department:  
Labour  
REPUBLIC OF SOUTH AFRICA

## Our vision

Our people skilled for a sustainable future

## Our mission

To facilitate the achievement of excellent standards and growth through the development and recognition of people

## Our values

Service excellence • Efficiency • Equity • Integrity • Partnership • Quality • Accessibility



**theta**

TOURISM, HOSPITALITY & SPORT  
EDUCATION & TRAINING AUTHORITY

# ANNUAL REPORT 2009



It is my pleasure and privilege to present to you the Annual Report of Theta for the financial year ended 31 March 2009.

Minister MMS Mdladlana, MP  
Minister of Labour  
Department of Labour, Pretoria



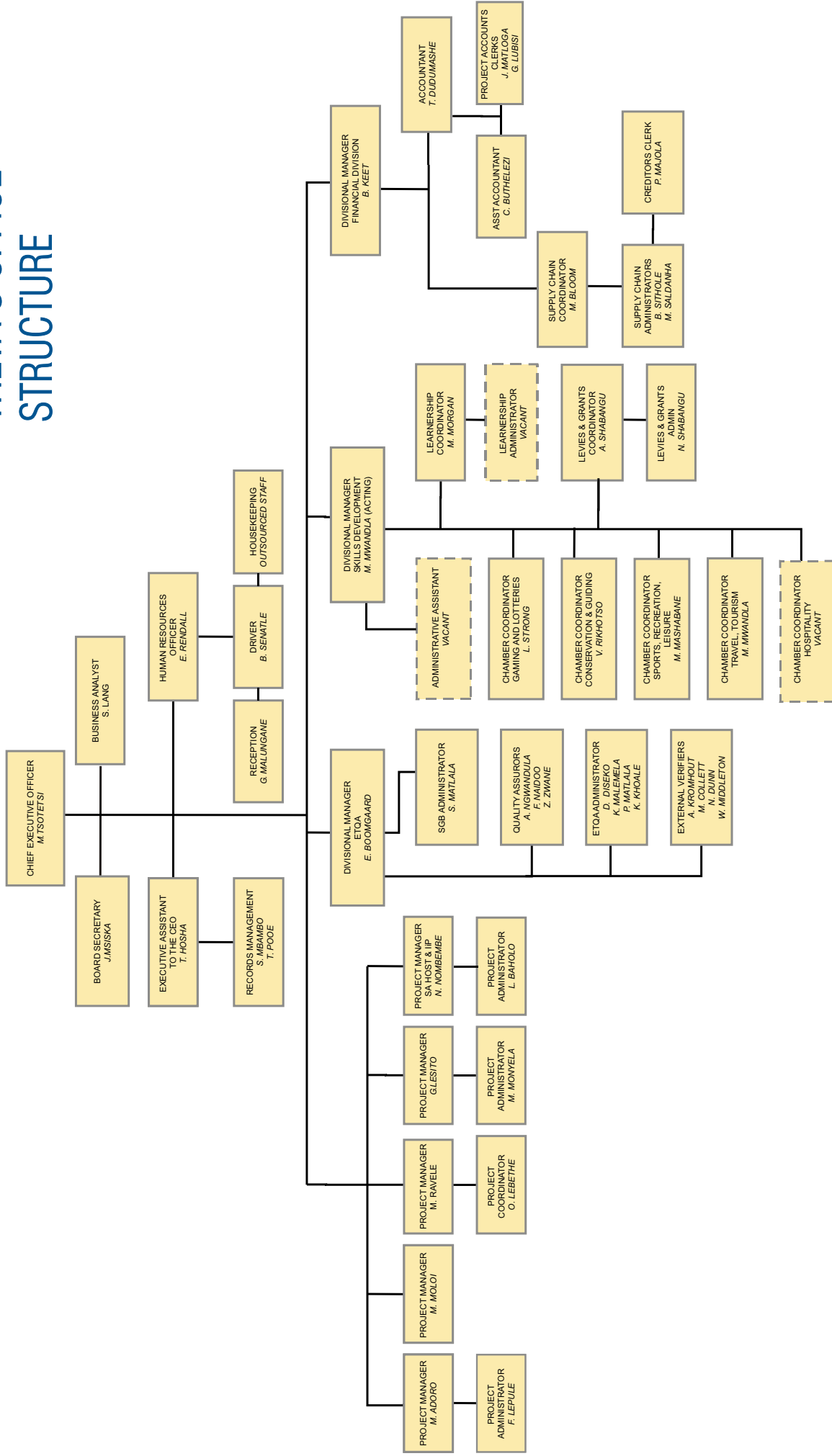
Mike Tsotetsi  
CEO, Theta  
Sandton  
July 2009



**labour**

Department:  
Labour  
REPUBLIC OF SOUTH AFRICA

# THETA'S OFFICE STRUCTURE



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Annual Report 2009 of the Tourism, Hospitality & Sport Education & Training Authority (Theta)  
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Photographs courtesy of Theta and South African Tourism



# CHAIRMAN'S REPORT

31 March 2009

Fellow Board Members and Stakeholders in Tourism, Hospitality and Sport economic Sectors,

As one year ends, I am reminded that another is just around the corner. A year filled with possibilities and despair, affirming of others – a year in which we have to justify our purpose and the reasons we should be re-established for the next 5 years.

It gives me considerable pleasure to review the ups and downs of the past year. With the honour of serving as the Theta's Chairman, also comes the immense responsibility of leading Theta with energy, determination and a relentless focus on building the organisation that is so necessary to develop the much-needed skills in our sectors.

We meet these challenges in the same economic climate faced by everyone. We are in many respects appreciative of those who have stepped up – stakeholders and staff at large – to contribute to the significant progress we have made.

Working together as a team over the last 6 months, we have moved aggressively towards reaching our goals for the current year. I am grateful to our stakeholders and staff members who organised both their labour and business activities in a way that aided our progress and helped turn our goals into reality.

All of our learners stand to benefit from what we have already achieved, and what is yet to come.

I must mention though, that as Theta weathered the storms of 2008, the Board guided us into calmer waters where we were given the time and opportunity to reflect on the objectives of the Seta. As we look back at all the achievements in our sectors, we can proudly say that we have most certainly excelled in the task set before us.

## Corporate Governance

The Board and management continue to have a strong commitment to transparency and good corporate governance. Theta has a rigorous corporate governance framework and we continue to refine our practices in this area each year. Our approach to corporate governance is detailed in the CEO's Corporate Governance Report on page 6 of this report.

## Communication

The committee has recognised the need to improve our communication – be it on branding, website, the newsletter or advertising. Mike Tsotetsi took on this responsibility towards the end of the year under review. This is a particularly strategic initiative given Theta's aspirations in growing the levy-paying companies market.

## Welcome to Edwin Bennet and thanks to Doctor Nkosi And Sydney Zimba

Administratively, it was a tough year with both Doctor Nkosi and Sydney Zimba resigning to further pursue their professions. Our stakeholder Sascoc seconded the appointment of Edwin Bennet to the Board, who is a great asset to Theta and who has already taken on his responsibilities with much enthusiasm. A big thank you to Charms!

At the same time, Theta was in the process of reviewing its registration and administration systems, which has not only served to complicate certain matters but also gave rise to some distressing inefficiencies. The Board grasped the nettle earlier this year and appointed Ms Boniswa Mbovana, the Board member heading up the Mokopane Sub-Committee for the Youth Talent Development project, to lead the Committee investigation in this regard.

## Financial

Theta's Chief Financial Officer, Ben Keet, once again provided solid leadership in this area – while our income statement took some strain, the balance sheet remains healthy. Theta has for the fourth year running received an unqualified audit report.



# CHAIRMAN'S REPORT

31 March 2009

## Employees

One of Theta's strengths is its enthusiastic staff complement. 2009 has been a very busy and demanding year for our employees, with ongoing organisational changes, project launches and management of broad-based improvement programmes taking place throughout the organisation.

On behalf of the Board, I thank my fellow Board member and Theta CEO Mike Tsotetsi and his management team, as well as all Theta employees for their outstanding contribution and dedicated efforts during the year.

## Theta's re-establishment

Having submitted the required application to the Department of Labour (DoL) for the re-establishment of Theta for the next 5 years and having been supported by the majority of the stakeholders and the pending public hearings, I hope Theta will pass the test.

## Acknowledgment

In conclusion, I would like to thank my colleagues on the Theta Board for their support and hard work over the past year. Working with them has been a pleasurable and a rewarding experience.

Finally, I would like to extend a big thank you to every stakeholder out there for your camaraderie and friendship. Serving as Chairman of Theta and being associated with such wonderful guys and gals has been an enormous privilege.

**Joseph Maqhekeni**  
Theta Chairman



# BOARD REPORT

## Corporate Governance and Accountability

**Corporate governance is the system by which our organisation is managed, directed and held accountable.**

Sound corporate governance means:

- achieving our strategic goals and objectives
- being accountable for our actions
- fulfilling legal requirements
- managing risks
- monitoring, reporting on and evaluating our corporate performance
- meeting government and community expectations.

### **Our corporate governance framework**

Our corporate governance framework guides the way we manage our strategic and operational programmes. The framework ensures we deliver efficient and effective services with due diligence and accountability.

The people we deal with, whether stakeholders, learners, partners or others in our universe, guide our efforts in delivering services to them. These stakeholders are, therefore, always at the forefront of our governance framework. The framework ensures that management teams and committees have clear accountabilities and responsibilities to deliver high-quality services.

### **Board**

The Board is responsible for managing Theta and ensuring the organisation achieves its objectives. The Board decides the organisation's priorities and strategies, leads policy direction and ensures sound and prudent financial management.

The Board and CEO guide the organisation to achieve the goals we have defined. Effective management is supported by governance and control mechanisms, organisational culture and communication, and management standards – all based on sound policy and procedures.

The Board is our organisation's governing body and is responsible to the general. We are managed by a chief executive officer (CEO) who is also an ex-officio board member. The CEO is appointed by the Board at the recommendation of our executive Committee.

The Board has 24 members. Each member has specific knowledge or experience that helps in the organisation's management. The areas of expertise include commerce, economics, financial management, and law and legal services provision.

The Board is headed by a chairman, who is appointed by the Annual General Meeting. The current chairman is Joseph Maqhekeni. Board members are appointed by the individual member organisation and confirmed at the Annual General Meeting for 5 years.

The Board meets quarterly or more often if needed (there are 4 standard board meetings each year).

During 2009, Sydney Zimba, Siphon Ndzuvo, and Doctor Nkosi resigned from their position on the Board for various reasons to pursue other interests. We thank them for their invaluable contribution to Theta. Thulaganyo Gaoshubelwe was appointed to the Board in 21 July 2008.





# BOARD REPORT

## Corporate Governance and Accountability

The Board's key achievements in 2009 included:

- overseeing the development of our Strategic Plan 2005-2010
- strengthening our corporate governance function by supporting a new governance committee structure and overseeing the Audit and Risk Committee
- strengthening our records management practices by approving a Strategic Recordkeeping Implementation Plan and a records management position.

### Executive Management Team

The Executive Management Team supports and advises the Chief Executive Officer in the organisation's administration.

The team's functions are to:

- monitor our strategies and activities to ensure skills development assistance is provided to levy paying stakeholders in the most effective, efficient and economical way
- review and approve policies and standards and ensure these are implemented so we meet our statutory obligations
- ensure management systems and practices are effective and reflect our ethics obligations and the Code of Conduct
- oversee our budget and monitor financial performance
- promote and develop a culture of risk management, service delivery improvement
- ensure an organisational culture and environment that attracts and retains high-performing employees
- consider and make decisions on significant issues affecting the organisation
- communicate important information to staff.

The team meets fortnightly and comprises the:

- Chief Executive Officer
- Chief Financial Officer
- Skills Development Manager
- ETQA Manager.

### Audit and Risk Committee

The Audit and Risk Committee provides independent advice and assistance to the CEO on our risk, control and compliance framework, and our external accountability responsibilities as prescribed in the Public Finance Management Act 1998.

The Committee met 4 times during the year and called on key staff members for reports and presentations in accordance with its charter. The Committee comprises 2 organised labour and 2 organised business, the Chief Executive Officer, the Chief Financial Officer and independents, external members, internal auditors and the Auditor-General.

In 2009, we reviewed our compliance and risk management practices.

A charter for the new committee has been drafted using Treasury Regulations Guidelines as the basis. The charter includes the committee's composition (although appointments had not been made as at 30 June 2008). The charter includes functions and powers that guide financial performance assessment and audits, including internal audits.

### Forward thinking...

**In 2010, we will continue to commit ourselves to sound risk practices and a culture of risk awareness.**



# BOARD REPORT

## Corporate Governance and Accountability

Table 1: Board Attendance Register for the Financial Year 1 April 2008 to 31 March 2009

NAME & SURNAME	Representing	27-May-08	12-Jun-08	21-Jul-08	5-Sep-08	29-Oct-08	19-Nov-08	18-Dec-08	12-Jan-09
Alison Burchell	Government	Apology	Present	Present	Apology	Present	Apology	Present	Present
Boniswa Mbovane	Independent	Present	Present	Present	Present	Present	Apology	Present	Present
Brian Magqaza	Independent	Present	Present	Present	Present	Present	Present	Present	Present
Brian Ward	Business	Present	Present	Present	Present	Present	Present	Present	Present
Bulelwa Seti	Government	Absent	Present	Present	Present	Apology	Present	Present	Present
Caleb Mabaso	Business	Present	Present	Present	Absent	Present	Present	Present	Present
Chris Johnson	Business	Apology	Present	Present	Present	Present	Present	Present	Present
Doctor Nkosi	Business	Present	Present	Present	Apology	Present	Present	Absent	Present
Donald Chiloane	Independent	Apology	Present	Present	Present	Apology	Present	Present	Present
Donald Graham	Business	Apology	Apology	Present	Absent	Absent	Absent	Apology	Absent
Joseph Maqhekeni	Labour	Apology	Present	Apology	Present	Present	Present	Present	Present
Leela Reddy	Labour	Present	Present	Present	Present	Present	Present	Present	Present
Michael Tsotetsi	CEO	Present	Present	Present	Present	Present	Present	Present	Present
Mmatsatsi Marobe	Business	Apology	Apology	Present	Present	Apology	Absent	Present	Apology
Peter Kirchoffs	Labour	Apology	Present	Apology	Present	Present	Out	Out	Out
Phillemon Sito	Labour	Present	Apology	Present	Present	Absent	Present	Present	Present
Robyn Christie	Business	Apology	Present	Present	Present	Present	Apology	Present	Present
Rudi Rashama	Business	Absent	Absent	Present	Present	Present	Absent	Present	Absent
Sipho Ndzuzo	Labour	Present	Present	Present	Out	Out	Out	Out	Out
Steve Pila	Independent	Absent	Absent	Present	Apology	Present	Apology	Absent	Present
Sydney Zimba	Business	Present	Present	Present	Present	Present	Absent	Apology	VACANT
Tempele Machili	Labour	Present	Present	Present	Present	Present	Present	Present	Present
Thabo Mahlangu	Labour	Apology	Present	Present	Present	Present	Present	Present	Present
Themba Zulu	Labour	Present	Present	Present	Absent	Present	Apology	Present	Apology
Thulaganyo Gaoshubelwe	Labour	N/A	N/A	N/A	Present	Present	Present	Present	Present

	Represents Apologies
	Represents Absent
	Represents Replacements
	Represents, not yet appointed



## CEO'S OVERVIEW

This report covers the full year of the Tourism Hospitality and Sport Education and Training Authority (Theta). It also details an important year for Theta, with a renewed emphasis on providing policy and organisational support for our stakeholders.

To ensure a strategic direction for the country, Theta works towards the 5 priorities of the National Skills Development Strategy (NSDS II) announced in March 2005 by the Minister of Labour. The 5 priorities of government are outlined on page 36 of this report. They have been embedded into the operational and planning cycles of Theta through the Managing for Outcomes (MFO) framework that now underpins the budget cycle. In future, all Theta's departments are required to report their achievements and outcomes against these priorities. The Board will also be able to test a proposal for new spending, or for maintaining an existing programme, against the stated priorities.

For Theta, the Chief Executive Officer and Board, the 5 priorities have become the basis for a new strategic plan based on the MFO framework. The Strategic Plan 2010-2015 is the first to adopt the MFO framework.

However, I also take this opportunity to reflect on activities that took place during this year under review.

Theta is currently faced with an increased demand for training across all its sub-sectors. Learnerships and internships have become a preferred recruitment strategy by most employers as these provide on-the-job-training, whilst also lending themselves as induction processes for new recruits. A further advantage is that learnerships and internships come at subsidised costs since Setas pay stipends to the learners. There is no doubt that as we approach the 2010 FIFA Soccer World Cup, there is a greater need for suitable qualified personnel. In the past 3 years, Theta has been inundated with over 10 000 applications for learnerships per year, although this demand could not be met due to limited funds. In the year under review, over 3 000 learnerships were granted at a

cost of R72 million and this is placing enormous strain on Theta's capacity and available resources, including surplus and discretionary funds. The reality is that close to 90 percent of the Theta population are SMMEs and this landscape translates to the small size of levies available to Theta.

Despite these challenges, Theta has managed to flourish undeterred to achieve above-average scores in almost all the Key Performance Areas, ranging from career guidance, employed and unemployed learnerships, internships, to new venture creation and Adult Basic Education. Various programmes and projects were implemented in the last 3 years and most of them are beginning to yield a positive impact. Short and long-term projects in the sport, tourism, travel, hospitality, gambling and conservation sectors were implemented through the 5 chambers across the country. The Sector Skills Plan (SSP) continues to be the underpinning strategic plan to inform conceptualisation of training interventions required by the industry. The process of producing the SSP provides a conducive platform to involve key stakeholders in identifying scarce and critical skills required in the sector. Theta has over 500 Skills Development Facilitators (SDFs) that serve over 3 000 companies that submit Workplace Skills Plans and Annual Training Reports. The SDFs play a vital role in linking Theta and levy-payers. It is through the SDFs that Theta reaches out to the approximately 40 000 employers and 400 000 employees within the Theta universe.

The Skills Development Department is the mainstay and the cornerstone of Theta as it performs the core business of the organisation. The department is responsible for research, developing the SSP, administration of mandatory and discretionary grants covering levies and grants, learnerships and chambers that consist of committees representing both organised labour and business. The achievements and successes presented in the succeeding sections substantiate the commitment of this department in uplifting and sustaining skills development in the sector.



## CEO'S OVERVIEW

Theta has worked closely with line government departments both at national and provincial level, including line agencies, to build and strengthen Theta's provincial presence. This includes ensuring that private and public projects move efficiently through the approval process, are properly managed and efficiently delivered. Our contribution focuses on coordination, bringing together agencies and interests around particular projects.

The full details are reflected in the Skills Development Department Report on page 16 and the Performance Report page 36 of this annual report.

All areas of Theta make a contribution to delivering the government's stated priorities. Theta maintains best practice standards in the timeliness of its accounts and the quality of its internal audit services. It manages a corporate affairs portfolio that extends to servicing the Theta. Significant organisational capacity and skill has been honed through the development of a new strategic plan setting out values, aspirations and goals.

The professional support provided to the Chief Executive Officer and the government is only possible through the continued dedication and commitment of staff. It is the collective wisdom and skill of some 35 people which make these achievements possible. Our ability to contribute to the quality of life for all in the Tourism Hospitality and Sport economic sectors is shaped by the combined intellectual capital of our people, the systems they develop, the advice they provide and our capacity to coordinate across all sectors in the interests of shared objectives.

So it is important to close with an acknowledgment of the extraordinary talent and dedication of the staff of Theta. Together they constitute an organisation with the highest ideals of quality, professionalism and efficiency in the interests of good public administration. As is the ethic of the public sector, their reward is knowing that our collective efforts make a difference.

**Mike Tsoetsi**  
Theta CEO



# CEO'S REPORT

## On Human Resources

### Recruitment and Terminations

Recruitment during this period saw a larger volume of staff being promoted internally compared to the previous financial year. All interviews are conducted by the Human Resources Department and the respective Department Manager.

All positions are advertised internally and, should a suitable candidate not be placed, the position is advertised externally. Three staff members were promoted following the internal recruitment process. In addition, a larger volume of terminations were experienced in this quarter compared to the previous year.

In conclusion, there were no new appointments made of external candidates, but rather promotions from the current staff complement. Two dismissals were made.

### Promotions and Transfers

From Department	To Department
ETQA Quality Assuror	Project Manager Curriculum Development
Skills Development Administrator	SGB Administrator
Chamber Coordinator	Skills Development Manager

### Terminations

Department	Position
Skills Development and Learnership Department	Skills Development and Learnership Manager
Administration	Programme Manager

### Employee Assistance Programme

Theta cares for the wellness of its employees and has invested in an Employee Assistance Programme (EAP), a service rendered by Sisters on Site Corporate Wellness (SOS). SOS Corporate Wellness is an Employee Assistance Programme that focuses on a preventative health service that helps businesses and individual workers attain one of the greatest gifts of all, that of good health. Personal gains, such as improved self-esteem and self-motivation, combined with measurable benefits, create tremendous advantages for both the employer and the employee.

The EAP is available to assist Theta employees in achieving and maintaining their highest level of wellbeing and job performance, while also providing them with the opportunity to solve a wide range of health, personal and job-related problems.

The SOS provides a confidential, personal support and information service to Theta staff. This service gives staff the opportunity for good health and wellbeing by offering them access to counselling by a qualified and experienced counsellor. Should the situation be of a serious nature, a psychologists and social worker will be provided.



# CEO'S REPORT

## On Human Resources

For example, staff members are welcome to seek advice on the following matters:

- Stress: work-related, personal
- Financial: money management, debt
- Relationships: spouses, family work, friends, partners
- Substance abuse: alcohol, drugs
- Health issues: illness, HIV and AIDS
- Bereavement: grief, loss
- Health screening
- Woman's health

Employees become more responsible for their own wellbeing and become actively involved in health maintenance and betterment.

The company benefits from improved productivity and lower health-related costs, while also getting better data and metrics to monitor return on investment.

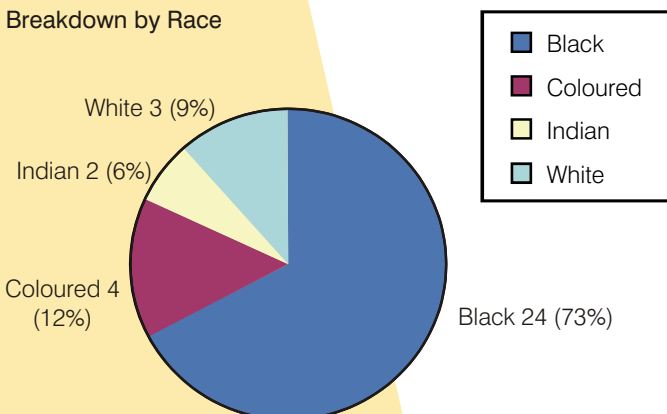
### Employment Equity

Theta views Employment Equity as a strategic priority. We regard the creation of an equitable working environment in which the dignity of all employees is respected and the diversity of employees is valued and properly managed, as a concrete base for long-term growth and competitive advantage.

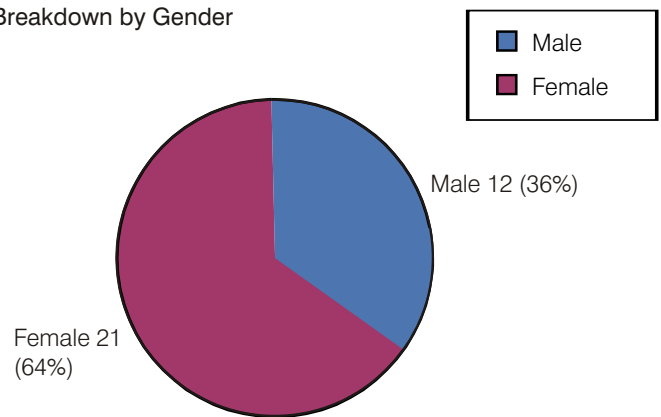
Theta recognises and commits itself to redressing the discriminatory practices of the past. Theta will continue to champion the elimination of barriers to equity and development, and will purposefully strive towards a value system that is built on respect for the human dignity of all its employees.

Our employment equity figures show that Theta is committed to providing equal opportunities for advancement within the Seta to people from historically disadvantaged groups.

Breakdown by Race



Breakdown by Gender



### Salary Benchmarking and Job Evaluation

In line with compensation practice guidelines emanating from Theta's Remuneration Policy, Theta undertakes a benchmarking exercise once a year in February before the April increases and presents its finding to the Remuneration Committee. This very necessary exercise ensures that Theta staff members are paid in line with market-related salaries based on cost to company. Theta uses the Hay Group PayNet system to benchmark salaries and grade and evaluate new or existing positions. Any anomalies picked up during this exercise are addressed and the necessary adjustments made.

### Labour Relations

#### Dismissals

Theta had two dismissals in the last financial year. They were both for poor work performance. Both employees were dismissed due to the severity of the transgression.

#### Grievances

Grievances were laid by two employees. The issues were dealt with using Theta's internal grievance procedure.



# CEO'S REPORT

## On Human Resources

### Remuneration: Annual salary brackets

Salary Bracket	Executive Management	Line and Senior Staff	Administration and Other	Total
R600 001 - R800 000	1	1		2
R401 000 - R600 000	4	12		16
R201 000 - R 400 000			1	1
R200 000 and below			14	14
	<b>5</b>	<b>13</b>	<b>15</b>	<b>33</b>

Figures are based on cost to company and do not include bonuses.



# CEO'S REPORT

## On Human Resources

### Staff Composition

EXECUTIVE MANAGEMENT	Male	Female	Total
Blacks			
Africans	3		3
Coloureds	1		
Indians			
Whites	1		1
	5		5

LINE AND JUNIOR STAFF	Male	Female	Total
Blacks			
Africans	2	8	10
Coloureds		2	2
Indians			
Whites	1		1
	3	10	13

ADMINISTRATION & OTHER	Male	Female	Total
Blacks			
Africans	5	9	14
Coloureds		1	1
Indians			
Whites			
	5	10	15
<b>TOTAL</b>	<b>13</b>	<b>20</b>	<b>33</b>





# CEO'S REPORT

## On Human Resources

### Staff Training and Development and Bursaries 2008 - 2009

Training		Male				Female				Total
		African	Coloured	Indian	White	African	Coloured	Indian	White	
BOARD	Project Management for the Public Sector	5				1				6
Executive Management	PC Skills	1								1
	Project Management for the Public Sector							1		1
	Financial Reporting				1					1
	Personal Money Management	1			1				1	3
Line & Senior Staff	PC Skills	1			1	2			1	5
	Financial Reporting	1				1				2
	Personal Money Management					3	2		1	6
Administration & Other	PC Skills	4				18				22
	Financial Reporting	1				1				2
	Mastering Minutes and Meeting Protocol					10	1			11
	Personal Money Management	6	1			9	1			17
<b>Bursaries</b>										
Line & Senior Staff	MBA	1								1
	CIMA Professional Qualification					1				1
	Human Resources Management						1			1
	B Com Accounts						1			1
	CIS					1				1
Administration & Other	B Com Business Management						1			1
	B Com Honours	1								1
	Financial Management	1								1
	Procurement and Supply Chain					2				2
	CIS					1				1



# CEO'S REPORT

## On Skills Development

### Core Function

The key purpose of the Skills Development Department is to facilitate the development of learning programmes, as well as the implementation and management of effective skills development strategies within the sector.

### Objectives of Skills Development Department:

1. Develop and review Sector Skills Plans within the framework of the National Skills Development Strategy (NSDS)
2. Implement the Sector Skills Plan (SSP) by:
  - a. facilitating the establishment of learning programmes
  - b. approving workplace skills plans and annual training reports
  - c. allocating grants in the prescribed manner and in accordance with any prescribed standards and criteria to employers, skills development providers and workers, and
  - d. monitoring the quality of occupation-based learning in the Tourism, Hospitality, Sport and Environment Sector
3. Facilitate research, monitoring and impact studies
4. Promote the benefits of workplace education and training in the sector
5. Assist large and medium companies through mandatory grant criteria to align development to employment equity
6. Increase the participation of small businesses through Theta-driven skills development initiatives
7. Advocate to companies for the benefits of acquiring skills and qualifications through structured learning
8. Ascertain and address the skills development needs of Theta's 5 sub-sectors.
9. Facilitate the acquisition of high-quality and relevant professional, technical and production-related required skills
10. Collect and disburse the skills development levies allocated to it in terms of Sections 8 and 9 of the Skills Development Levies Act, in its sector
11. Liaise with the provincial offices and labour centres of the Department of Labour, provincial skills development forums and any relevant education bodies established under any law regulating education and training in the Republic to improve information about placement opportunities, and Between skills development providers and the labour market

### Priorities and Targets for the Period April 2008 – March 2009

The following priorities and targets have been set to achieve the department's objectives:

1. Review and annual update of Sector Skills Planning
2. Review and annual update of the scarce and critical skills lists, including the sector Organising Framework for Occupations (OFOs)
3. Providing career guidance to counsellors and sector specialists
4. 80% of large firms' and 60% of medium firms' employment equity targets supported by skills development
5. Provide ongoing capacity building for Skills Development Facilitators (SDFs)
6. Enhance National Skills Development Strategy (NSDS) objectives through the advocacy of discretionary grants available for Adult Basic Education and Training (ABET), experiential training and Black Economic Empowerment (BEE) support
7. Enhance the development of partnerships to address strategic issues within regions/provinces in order to increase the number of companies participating in skills development
8. Accelerate the development and implementation of an integrated advocacy strategy in conjunction with communications to promote the benefits of workplace education and training
9. Make quarterly grant payments
10. Conduct ongoing research

### The Skills Development Department Divisions

The Department has the following integrated divisions that drive the implementation of NSDS and form the basis of the execution of the Departmental business plan:

1. Research and Sector Skills Planning Division
2. Levies and Grants Division
3. Learnership Division
4. Chambers Division



# CEO'S REPORT

## On Skills Development

Theta employees driving these divisions multitask across various positions as demonstrated in the following portfolios allocation and shared responsibilities:

### 1. Research and Sector Skills Planning Division

This division is led by the Skills Development Manager and consists of Chamber Coordinators of the following sectors:

Hospitality Chamber  
Travel and Tourism Services Chamber  
Gambling and Lotteries Chamber  
Conservation and Tourism Guiding Chamber  
Sport, Recreation and Fitness Chamber

### 2. Levies and Grants Division

The Levies and Grants Division is led by the Skills Development Manager and consists of 1 Coordinator and 1 Administrator.

### 3. Learnership Division

The Learnership Division is led by the Skills Development Manager and consists of 1 Coordinator and 1 Administrator.

### 4. Chambers Division

The Chambers are led by the Skills Development Department, each of which has its own Chamber Coordinator.

Each division has to achieve specific objectives and annual priorities. These are presented in the following sections:

### Research and Sector Skills Planning Division – Core Function

Conduct research and develop a Sector Skills Plan (SSP) that covers all sub-sectors of Theta.

#### Priorities and Targets for the Period April 2008 – March 2009

To achieve this purpose, the following priorities and targets have been highlighted:

- Review and update the SSP
- Develop and update the scarce and critical skills list for the sector
- Review and update the Organising Framework for Occupations (OFO)
- Ensure submission of the SSP, Scarce Skills List and OFO to the Department of Labour
- Compile and disseminate the Career Guide document to relevant stakeholders

These objectives were achieved by the Skills Development Manager and Coordinators in line with the NSDS.



# CEO'S REPORT

## On Skills Development

### Learnership Division – Core Function

Facilitation and implementation of learning interventions, including learnerships and skills programmes for all sub-sectors of Theta.

#### Priorities and Targets for the Period April 2008 – March 2009

To achieve this purpose, the following priorities and targets have been highlighted:

- Raise awareness on skills development interventions
- Develop and implement learnerships within the Theta sector
- Increase employer and learner uptake of Theta learnership interventions
- Support training interventions within the Theta sector
- Monitor, evaluate and report on learning interventions
- Provide reports for the quarterly monitoring reports

These objectives were achieved by Skills Development Manager supported by Coordinators in line with Theta's strategic objectives as described in the SSP.

### Levies and Grants Division – Core Function

Facilitation of the levies and grants implementation in all sub-sectors of Theta.

#### Priorities and Targets for the Period April 2008 – March 2009

To achieve this purpose, the following priorities and targets have been highlighted:

- Review and update the Workplace Skills Plan (WSP), the Annual Training Report (ATR) and Discretionary Grant forms
- Update and maintain the WSP/ATR and Discretionary Grant forms on the Seta Management System (SMS)
- Support Skills Development Facilitators (SDFs) in the process of completing the WSP/ATR and Discretionary Grant forms
- Review and update the SDF guideline document and provide capacity building
- Maintain communication with SDFs and the sector at large on the submission requirements of Discretionary and Mandatory Grants
- Facilitate the change of Seta jurisdiction and registration of new levy payers and SDFs
- Maintain a database of levy payers, non-levy payers, government departments paying and not paying the 10% administration fee
- Encourage line function government departments to pay the 10% administration to Theta
- Provide reports for the quarterly monitoring reports

These objectives were achieved by the Skills Development Manager and Coordinators in line with the NSDS II.



# CEO'S REPORT

## On Skills Development

### Chambers Division – Core Function

Manage stakeholder dynamics within chambers.

#### Priorities and Targets for the Period April 2008 – March 2009

To achieve this purpose, the following priorities and targets have been highlighted:

- Raise awareness on skills development interventions
- Develop and implement learning interventions within the Theta sector
- Increase employer and learner uptake of Theta learning interventions
- Support training interventions within the Theta sector
- Monitor, evaluate and report on learning interventions
- Ensure effective ongoing management of chamber processes and provincial linkages
- Coordinate and manage quarterly chamber meetings
- Maintain provincial linkages via provincial Skills Development Forums and Regional Committees
- Identify critical skills and scarce skills in sub-sectors
- Develop learnerships and skills programmes where required
- Identify areas for new learnerships and Skills Programmes
- Set up working groups and prepare work schedules to drive the development of learnerships
- Liaise with ETQA/QCTO on issues of accreditation of sites and assessor training
- Monitor the implementation process of programmes
- Ensure that companies are capacitated for implementing programmes, as well as sustaining learners on learnerships
- Liaise with relevant government departments
- Convene provincial SSP workshops so that the Theta SSP strategy is cascaded to provinces in accordance with their needs

These objectives were achieved by Skills Development Manager and the Chamber Coordinators in line with Theta's strategic objectives as described in the Theta constitution.

### 1. Hospitality Chamber

#### Activities

The Hospitality Chamber has had a challenging but successful year, participating in numerous sub-sector related functions, exhibitions and road shows.

Highlights include facilitation and participation in the Federated Hospitality Association (FEDHASA) Inland Region's Road Shows in Limpopo, Mpumalanga and North West Province during April and May. These road shows were hugely successful and a wide variety of both hospitality and skills development issues and topics were debated. The Hospitality Chamber also sponsored the FEDHASA Inland Region's Annual Golf Day held at the Dainfern Estate Golf Club. Theta entered a fourball in the golf day, comprising board members and staff. By all accounts, the day provided great competition, fun and networking for all.

The Hospitality Chamber also participated in both the HOSTEX (Hospitality & Catering Exhibitions) at the Cape Town International Convention Centre in May and at the Durban Exhibition Centre in September. The chamber compiled and distributed sub-sector specific skills development information packs along with generic skills development brochures at a dedicated Theta stand. The demand for this information was overwhelming and feedback from visitors to the stand was very positive. There is a definite demand for Theta to be present at such industry exhibitions – not only to answer questions, but also to disseminate relevant information and promote skills development within the hospitality sector.

The National Tourism Careers Expo held at the Durban Exhibition Centre in October was definitely one of the year's highlights, showcasing the many career opportunities available within the hospitality sector. Numerous hospitality stakeholders contributed to the success of this event by either facilitating at the industry-specific educator workshops, hosting wonderful stands or sponsoring drinks, meals and snacks for visitors.



# CEO'S REPORT

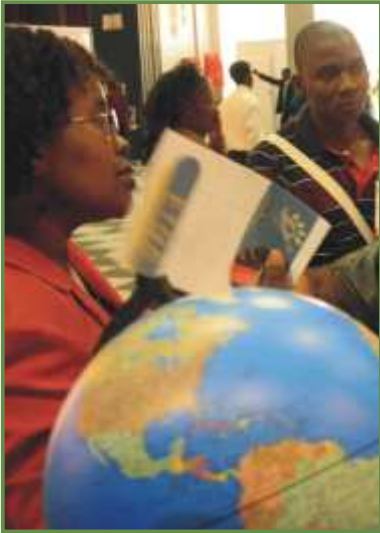
## On Skills Development

### Committee

The Hospitality Chamber Committee had 3 meetings during the year. These meetings were moderately attended and the chamber will need to address future attendance as not all members attended regularly. While both the Travel and Tourism and the Gaming and Lotteries Chamber Coordinators assisted by acting as Hospitality Chamber Coordinators, a dedicated hospitality sector specialist is needed for the hospitality sector to rally around and engage with. It is a pleasure to report that the issue of recruiting a Hospitality Chamber Coordinator has been addressed. Hopefully this will be resolved shortly and a dedicated and knowledgeable sector specialist will soon be driving the chamber.

### Hospitality Chamber Committee members and their attendance

NAME	SURNAME	ORGANISATION	EQUITY	DISABILITY	8 APRIL 2008	23 MAY 2008	16 FEB 2009
Nikki	Akanbi	FEDHASA	Black Female	None	Yes	Yes	No
Wendy	Alberts	RASA	White Female	None	N/a	Yes	Yes
Abram	Chego	DEAT	Black Male	None	N/a	Yes	Yes
Graham	Donet	SACA	White Male	None	N/a	N/a	No
Simon	Khobotlo	Saxon Hotel	Black Male	None	N/a	Yes	Yes
Simone	Lobetti	HASA	White Female	None	Yes	No	No
Caleb	Mabaso	Theta Board	Black Male	None	Yes	No	No
Brian	Magqaza	Theta Board	Black Male	None	Yes	No	No
Phillip	Nkosi	SACCAWU	Black Male	None	Yes	No	No
Alfred	Plaatjie	HOTELLICA	Black Male	None	Yes	No	No
Barry	Ross	Legacy Hotels	White Male	None	N/a	Yes	No
Cedrick	Shezi	HIAWU	Black Male	None	Yes	Yes	Yes
Annemarie	Stilwell	NAASA	White Female	None	Yes	No	Yes



# CEO'S REPORT

## On Skills Development

### 2. Travel and Tourism Chamber

#### Activities

The Travel and Tourism Chamber has had an exciting and productive year, participating in travel and tourism-related award functions, exhibitions and road shows.

The Travel and Tourism Chamber worked very closely with the Association of South African Travel Agents (ASATA) throughout the year and some of the highlights of this collaboration were the ASATA Travel Showcase and the ASATA Awards. The ASATA Travel Showcase is part of the ASATA Professional Programme which stages country-wide workshops aimed at promoting the products and destination offerings of its members and partners to industry consultants, since good destination knowledge and confidence in selling these products to customers is vital. The Travel Showcase proved to be a perfect vehicle to share this industry and product knowledge. Workshops were successfully conducted in Bloemfontein, East London, Durban, Johannesburg, Tshwane, Port Elizabeth, Wilderness and Cape Town during July and April. The Travel and Tourism Chamber had a stand at all the workshops in order to inform consultants about Theta's various skills development initiatives and funding opportunities, and also compiled and distributed sub-sector specific skills development information packs along with generic skills development brochures.

The revamped ASATA Awards could easily be described as the jewel in the crown of the ASATA Professional Programme. The aim of the awards is to acknowledge people in the travel industry for their contribution to the industry and their tireless efforts to make the industry in our country as professional as possible. The 2008 ASATA Awards ceremony was part of the ASATA conference held in Egypt. Theta and the Travel and Tourism Chamber supported both the awards and the conference by, firstly, sponsoring the Theta Award of Excellence for Tomorrow's Leader (which was won by Tibor Zsandanyi of Travel with Flair) and, secondly, sending a

delegation consisting of a board member, chamber member and project manager to attend both the conference and awards ceremony. The Travel and Tourism Chamber hopes to build on its relationship with ASATA and continue to drive skills development in the travel and tourism sector.

The Chamber also worked closely with the South African Vehicle Renting and Leasing Association (SAVRALA) during the year and, from the meetings and deliberations, an important project was born, i.e. the SAVRALA Mobility Services Skills Programme Project. The aim of the SAVRALA Mobility Services Skills Programme Project is to establish a training and development programme under the auspices of SAVRALA, and in association with Theta, to address the shortage of fully trained chauffeurs and professional passenger transport during the 2010 Soccer World Cup event and beyond. Mobility services problems were identified during the World Summit held in Gauteng in 2002. During this event, the need for fully trained chauffeurs and professional passenger transport became evident as qualified drivers had to be brought in from across South Africa to operate as chauffeurs in Gauteng. These drivers were not familiar with the surroundings and were also not fully trained to operate as chauffeurs, which led to many tourist complaints. This project is currently in a pilot phase and, upon completion of this phase, plans will be put into place to further expand the project to address the needs of this sub-sector.

The National Tourism Careers Expo held at the Durban Exhibition Centre in October was definitely one of the year's highlights, showcasing the many career opportunities available within the travel and tourism sector. Many travel and tourism stakeholders contributed to the success of this event by either facilitating at the industry-specific educator workshops or hosting wonderful stands. The Department of Environmental Affairs and Tourism (DEAT) played a pivotal role in working closely with Theta and, more specifically, the Travel and Tourism Chamber to both plan and successfully run and stage the event, which now looks set to become an annual event.



# CEO'S REPORT

## On Skills Development

### Committee

The Travel and Tourism Chamber Committee had 4 meetings during the year which were well attended. Committee member participation was excellent and the successful chamber activities outlined above are a testament to their commitment and insight.

### Travel and Tourism Chamber Committee members and their attendance

NAME	SURNAME	ORGANISATION	EQUITY	DISABILITY	10 APRIL 2008	21 MAY 2008	1 DEC 2008	18 FEB 2009
Robyn	Christie	Theta Board	White Female	None	N/a	N/a	No	No
Thabo	Mahlangu	Theta Board	Black Male	None	Yes	No	N/a	N/a
Paki	Mathebula	DEAT	Black Male	None	Yes	Yes	Yes	Yes
Thulani	Mbatha	SACCAWU	Black Male	None	Yes	Yes	Yes	No
Jackie	McKnight	ASATA	White Female	None	Yes	Yes	Yes	Yes
Jacqueline	Obando	TBCSA	Coloured Female	None	No	No	N/a	N/a
Steve	Rakolle	SACCAWU	Black Male	None	Yes	No	No	Yes
Chris	Ramoshaba	Limpopo Tourism	Black Male	None	Yes	Yes	Yes	Yes
Dimitri	Tassiopoulos	SGB Theta	White Male	None	Yes	Yes	Yes	Yes
Peta	Thomas	SAACI	White Female	None	No	No	No	No
Val	vd Berg	SAVRALA	White Female	None	Yes	Yes	Yes	Yes





# CEO'S REPORT

## On Skills Development

### 3. Sport, Recreation and Fitness Chamber

#### Activities

Theta participated and sponsored 241 underprivileged athletes at the Annual Comrades Marathon held in Pietermaritzburg on 16 June 2008. This event was coordinated with the Comrades Marathon Association (CMA). As a result, Theta received exposure in the Official Comrades Spectator guide and the Official Comrades Results Brochure that is distributed directly to 12 000 runners. Through this event, Theta also provided a learning opportunity to 37 physiotherapy students from the University of KwaZulu-Natal to put some of their skills into practice.

Theta participated in a conference hosted by the Nelson Mandela Metropolitan University in Port Elizabeth from 5 to 27 June 2008. Convened under the theme "Mass Participation and a Winning Nation", the conference was aimed at bringing together researchers and practitioners in sport, and to provide a platform for researchers to present and share results of their most recent research projects. Theta also exhibited its products and services that are of interest to the sport community.

Following the Sport and Recreation South Africa (SRSA) Conference, held on 12 February 2008, it was resolved to establish the National Quality Forum to serve as an advisory body on issues pertaining to education and training within the sport sector. Four

members of the Sport, Recreation and Fitness Chamber form part of this committee. To date, 2 meetings have been held and the discussions centered on identification of gaps in skills development within the sport sector and ways to systems. The Forum will meet quarterly. The purpose of the colloquium was to provide an opportunity for women involved in South African Sport and Recreation to discuss their unique challenges and explore possible solutions. Theta delivered a presentation outlining its mandate on skills development, its current and future projects at a seminar that took place in Boksburg from 29 to 30 August 2008.

Theta participated in the annual Indaba held in Durban from 9 to 11 October 2008. The Indaba focused on 3 strategic areas, namely Progress since Unity (1992); Sport Development and Transformation; High Performance and the role of Science. A number of recommendations and key resolutions emanated from this event that will be implemented by stakeholders in SA Sport.

The Sport, Recreation and Fitness Chamber participated in the Skills Programmes rescoping initiative. The process involved the formation of a Task Team to look at skills programmes that may be of benefit to the sport, recreation and fitness sectors. The Task Team reviewed 4 qualifications registered on the South African Qualifications Authority (SAQA) database, looking specifically at unit standards that might be clustered to form relevant skills programmes.



# CEO'S REPORT

## On Skills Development

### Committee

A Chamber Committee was reconstituted on 30 July 2007, with a mandate of representing the views, interests and expertise of the SRF sector.

Sport, Recreation and Fitness Chamber Committee members and their attendance

NAME	SURNAME	ORGANISATION	EQUITY	DISABILITY	22 MAY 2008	9 JUNE 2008	17 SEP 2008	17 FEB 2009
Ntombise	Mene	Sport and Recreation South Africa	Black Female	None	Yes	Yes	Yes	Yes
Denise	Arendse	Western Province Rugby	Coloured Female	None	Yes	Yes	Yes	Yes
Nkosi	Molala	70/80 Soccer Legends	Black Male	Yes	Yes	Yes	Yes	Yes
Alfred	Mzizi	Technogym	Black Male	None	No	Yes	No	No
Franciska	Venter	Virgin Active	White Female	None	No	No	Yes	Yes
Thulaganyo	Gaoshubelwe	Theta Board	Black Male	None	Yes	Yes	Yes	Yes
Beryl	Acres	Club Management Association of Southern Africa	White Female	None	Yes	No	Yes	Yes
Tebogo	Mophaleng	South African Football Players Union	Black Male	None	No	No	Yes	Yes
Hennie	Le Roux	South African Rugby Players Association	White Male	None	Yes	No	Yes	No
Gronie	Hluyo	South African Football Association	Black Male	None	No	Yes	No	No
Lynne	Lourens	Theta Standard Generating Body	White Female	None	Yes	Yes	Yes	Yes
Marti	Heri	South African Gymnastics Federation	White Female	None	Yes	No	No	Yes
Simphiwe	Valela	South African Commercial Catering and Allied Workers Union	Black Male	None	Yes	Yes	Yes	No



# CEO'S REPORT

## On Skills Development

### 4. Gaming and Lotteries Chamber

#### Activities

The Gaming and Lotteries Chamber had a busy and successful year, participating in numerous sub-sector related functions. One of the highlights was the Chamber's exhibition and participation in the first ever Racing South Africa Thoroughbred Careers Expo held at Greyville Racecourse in the first week of August. The aim of the Expo was to introduce scholars and educators to career opportunities in the horseracing industry. Examples of potential careers presented were Bloodstock and Breeding, Bookmaking, Gaming and Betting, Jockeys, Racing Administration, Racing Publication and Television Broadcasting and Production. The Expo also offered an interactive component where a farrier set up a small blacksmith shop at the racecourse giving scholars a hands-on demonstration of the skills required to shoe racehorses. Mock races were also held for the children to watch and understand how various components are combined to produce a horse race. Over 1 000 scholars from KwaZulu-Natal attended. The Expo was not only a good learning opportunity for scholars, but also for members of the Gaming and Lotteries Chamber and the Theta staff who attended as it gave them hands-on experience of what exactly a career expo entails, which proved invaluable for the National Tourism Careers Expo which was held later in the year.

The Gaming and Lotteries Chamber was also instrumental in

scoping and implementing 2 very important interventions in the sub-sector. These were the Gaming Regulators Programme and the Black Racing Managers Acceleration Programme. The Gaming Regulators Programme was designed to provide staff working at Provincial Gambling Boards with generic gaming auditing skills and, in this way, address a major skills gap resulting from the need to send staff to the USA to receive this training. The Black Racing Managers Acceleration Programme provided black supervisory staff in the horseracing industry with both generic and racing-specific management skills programmes that would allow them to accelerate from being supervisors to managers and, in this way, address a scarce and critical skill.

The National Tourism Careers Expo held at the Durban Exhibition Centre in October was a learning curve for members of the Gaming and Lotteries Chamber. They attended this event in order to prepare themselves to host stands at next year's Expos. What was rewarding to see was those training providers who were accredited to offer gaming qualifications, showcasing career opportunities that learners could pursue if they completed these qualifications.

#### Committee

The Gaming and Lotteries Chamber Committee had 4 meetings during the year. These were reasonably well attended, with all members contributing to debates and discussions from their gaming perspectives.

#### Gaming and Lotteries Chamber Committee members and their attendance

NAME	SURNAME	ORGANISATION	EQUITY	DISABILITY	27 MAY 2008	4 SEP 2008	20 NOV 2008	20 FEB 2009
Sandra	Falkner	Tsogo Sun	White Female	None	Yes	Yes	No	No
Olga	Hadebe	GGB	Black Female	None	Yes	No	Yes	Yes
Phumla	Mnganga	Gold Circle	Black Female	None	No	Yes	Yes	No
Stephen	Quinn	Sun International	White Male	None	Yes	Yes	Yes	No
Elaine	Sampson	Lotto	Coloured Female	None	N/a	Yes	No	No
Megan	Thulukanam	Gold Reef	Indian Male	None	Yes	Yes	No	Yes
Sydney	Zimba	Theta Board	Black Male	None	No	No	No	No
Sandra	Falkner	Tsogo Sun	White Female	None	Yes	Yes	No	No
Olga	Hadebe	GGB	Black Female	None	Yes	No	Yes	Yes
Phumla	Mnganga	Gold Circle	Black Female	None	No	Yes	Yes	No
Stephen	Quinn	Sun International	White Male	None	Yes	Yes	Yes	No



# CEO'S REPORT

## On Skills Development

### 5. Conservation and Tourist Guiding Chamber

#### Activities

The Conservation and Tourist Guiding Chamber had a very focused year, prioritising and addressing a key skills gap in the sub-sector, while at the same time attending and participating in various exhibitions and trade shows. The key activity of the Conservation and Tourism Guiding Chamber has been to focus on the Adult Basic Education and Training (ABET) skills gap in the conservation and tourist guiding sector. From the onset of the year, the Chamber's deliberations have focused on the dire need of thousands of workers in this sub-sector to receive an ABET intervention. This intervention would not only allow these workers to be able to communicate more effectively with colleagues, co-workers and customers, but to also overcome a major stumbling block that has prevented them from participating in other skills development initiatives, such as learnerships and skills programmes.

However, ABET interventions are costly both in time and monetary terms and therefore a special intervention would be required to address this skills gap. Through the collective work and planning of both the Conservation and Tourist Guiding Chamber Committee and the Theta Projects Department, the Theta ABET Project was born. Conservation and Tourist Guiding Chamber employers were aggressively targeted to participate in this project, where free ABET training was provided to workers who required it. Many Conservation and Tourist Guiding Chamber employers have become part of this project and placed their workers in the ABET training interventions. South African National Parks and Ezemvelo KZN Wildlife are just two examples of the many sub-sector

employers whose workers have and still are benefiting from this project.

The highlight of the Conservation and Tourist Guiding Chamber's participation in the Theta ABET Grant Project was the official project launch, hosted by the Kruger National Park in July. This was an auspicious function that focused on the need for this project and how its interventions were addressing this need, and was attended by key role players in the sub-sector, Chamber members and Theta board members. The Deputy President of South Africa, Phumzile Mlambo-Ngcuka, was the guest of honour. In her inspiring speech, she highlighted the massive need for ABET training interventions in all sectors of our economy, but more specifically expressed her gratitude for the excellent work being done by the Theta ABET Grant Project in addressing this sector's ABET needs. She also challenged the Theta Board, CEO and Conservation and Tourist Guiding Chamber to continue with this ABET intervention until the skills gap in this sub-sector was closed.

The Conservation and Tourist Guiding Chamber also attended and participated in various exhibitions and trade shows, engaging in robust debates on various conservation and tourist guiding topics while at the same time distributing relevant information and promoting skills development within the sector. Some examples of the exhibitions and trade shows the Chamber attended are World Tourist Guide Day celebrations and events, Tourism Indaba, National Marine Day celebrations and events, Gauteng Outdoor Adventure Experience Expo, World Environment Day celebrations and events, SCUBA Diving Expo, National Tourism Month celebrations and events in all 9 provinces and the National Tourism Careers Expo.



# CEO'S REPORT

## On Skills Development

### Committee

The Conservation and Tourist Guiding Chamber Committee had 3 meetings during the year. These meetings were moderately attended, but as previously mentioned, the main priority of Committee members was focusing on the Theta ABET Programme and encouraging employers in the sub-sector to participate in this programme. This accounts for only 3 meetings being held during the year and for the large gap between the first and second meeting, as there was a lot of behind-the-scenes work and canvassing being done by Committee members.

Conservation and Tourist Guiding Chamber Committee members and their attendance

NAME	SURNAME	ORGANISATION	EQUITY	DISABILITY	6 MAY 2008	4 DEC 2008	18 DEC 2008
Coral	Bijoux	Isimangaliso Wetland Park Authority	Coloured Female	None	N/a	Yes	No
Boyce	Dabula	SANParks	Black Male	None	No	Yes	No
Nigel	Daniels	Robben Island	White Male	None	Yes	Yes	No
Grant	Hine	FGASA	White Male	None	Yes	No	No
Arrie	Horn	Areyeng Africa	White Male	None	Yes	Yes	Yes
Parks	Leshabane	National Zoological Gardens	Black Male	None	N/a	Yes	Yes
Marianna	Lourens	PHASA	White Female	None	Yes	No	No
Tempele	Machili	Theta Board	Black Male	None	N/a	Yes	Yes
Samuel	Monama	SACCAWU	Black Male	None	N/a	N/a	Yes
Chris	Nghenabo	LEDET	Black Male	None	Yes	Yes	Yes
Arno	Smit	Explore	White Male	None	Yes	Yes	No
Lulamile	Stuurman	DEAT	Black Male	None	Yes	Yes	Yes
Sinegugu	Zukulu	EWT	Black Male	None	Yes	Yes	Yes

## VALUES

- Service Excellence
- Efficiency
- Equity
- Integrity
- Partnership
- Quality
- Accessibility

# CEO'S REPORT

## ETQA

(Education and Training Quality Assurance)

The financial year 2008/9 was again a successful year for Theta's ETQA with further improvements and developments ensuring that the ETQA was better able to serve its clients, the training providers in our sector, thus ensuring that our main focus, namely learners wanting to complete qualifications, skills programmes and unit standards registered with SAQA (South African Qualifications Authority) by Theta, were able to do so. The learners were able to learn at institutions where the focus on quality provision is a priority as they have met the standard to be awarded accreditation.

The year saw numerous highlights punctuated by various challenges which necessitated that the ETQA rise to these challenges to ensure that the system continued to work for the sector.

*The major highlight of the year for the ETQA is the fact that SAQA (South African Qualifications Authority) awarded Theta re-accreditation as an ETQA for 3 years from September 2008 to September 2011.*

The re-accreditation decision was based on the results Theta achieved from the SAQA performance audits conducted in 2007/8 where Theta achieved a rating of meeting the requirements with a score of 1,95 out of 3. SAQA awarded the ETQA Full Accreditation status as a result of our rating, indicating that we were performing the tasks assigned to us at the required level and in a manner consistent with SAQA'S approach in terms of being effective, efficient and economical.

Whilst SAQA do not publish results and rankings, we have established that the Theta ETQA was ranked in the top 6 ETQAs in South Africa after the audits. It should be noted that all ETQAs in South Africa were audited including the statutory body ETQAs, so Theta thus ranked in the top 6 out of 32 ETQAs. This would not have been possible without the sterling efforts of the ETQA staff, Theta management and staff and most importantly our levy-paying companies and training providers who have the commitment to the development of their human resource. Theta acknowledges the role played by all the above in ensuring our success. In terms of data integrity and uploads to the National Learner Records Database (NLRD) Theta achieved Green status on both the compliance and performance league tables. Green is the highest status achievable.

In August 2009, Theta will announce the successful Institutes of Service Excellence, also known as Centres of Excellence. The application process started in March 2009 and we look forward to this announcement which will reward institutions who excel in our sector in the skills development arena.

Theta and the ETQA faced a variety of challenges during the financial year with the planning and development of the QCTO (Quality Council for Trades and Occupations) being the biggest challenge. The reason for this is that the QCTO will bring with it a change to the way Quality Assurance is performed in South Africa for providers of vocational education and training and as is the case with change generally, it has brought with it anxiety and uncertainty. The QCTO as a concept and progress to date is discussed later in this report.

Others challenges faced by the ETQA included delays in the registration of the new Theta qualifications, the delay in completion of the training provider capacity building project due to re-alignment of priorities linked to finances available, the loss of a quality assessor midway through the financial year meant that those left behind had more to do. The quality of submissions of especially learning programmes whilst showing improvement remains the biggest hurdle to accreditation for training providers.

It should be noted that even though there were challenges, the Theta ETQA was able to provide guidance and assistance to providers in our sector, increased our numbers of accredited training providers by 30%, saw an increase in approved learning programmes of 45%, registered 380 assessors and 60 moderators, implemented the second phase of the training provider capacity building project and registered 26 new qualifications which as per the inputs of the industry via our standards generating bodies and the associated working groups will better serve the needs of industry.

Another highlight is the commitment Theta showed to the development of training providers in our sector focusing especially on SMME businesses with the training provider capacity building project and the learning programme and material development project. The combined spend on these two projects is R30 million.



# CEO'S REPORT

## ETQA (Education and Training Quality Assurance)

In terms of the Skills Development Act, every Seta must be accredited as an ETQA (Education Training Quality Assurance body).

The main function of the Seta as an ETQA is to ensure quality of provision through compliance to the ETQA Regulatory provisions 1127. To ensure that this function is carried out effectively, Theta is required to:

- accredit providers,
- register assessors and moderators,
- evaluate programmes aligned to the National Qualifications Framework (NQF) registered qualifications
- monitor and audit providers
- certificate learners
- maintain a database
- facilitate standard setting and qualification scoping.

To ensure that the above functions are carried out in accordance with legal requirements, but still add value to the tourism sector and related sub-sectors at large, the ETQA has performed the various functions required of it over the past year.

The rest of this report looks at the various functions which the ETQA must perform and gives updates on the achievements for the year 2008/9.

### Capacity Building and Accreditation

In order to assist emerging training providers to meet the requirements of accreditation as legislated, Theta continued to implement the provider capacity building project.

The Provider Capacity Building Phase Two took into account the lessons learnt from the first phase of this project in the 2007/8 financial year and the entire second phase has taken a different approach.

- o The tender process allocated the project to different training providers to ensure that the risk is spread and that we are not dependant on only one supplier for such a big intervention.
- o A due diligence and selection process was followed to ensure that those companies selected to participate in the capacity building project interventions have the requisite expertise in terms of relevant subject matter expertise as well as some ability as

education and training development exponents.

- o Selected companies had to sign a commitment contract that the requirements of the project would be completed. This refers to individual learner portfolios as well as the Phase B application portfolio.

- o Time allocated for the learning programme design and development intervention was increased to allow for in depth facilitation as well as sufficient time and opportunity for learners to develop capacity in this area which is often seen as the most difficult facet of accreditation.

- o It should be noted that with the design and development aspect of the project a further series of workshops will be held with learners who have attained a level of competence due to the difficulty learners are having with developing a learning programme against a qualification or skills programme rather than just a single unit standard which the actual learning intervention would require as per the relevant ETQA's requirements.

The project deliverable initially required that 150 companies and a minimum of 300 individuals on each of the interventions (assessor, facilitator, coach, mentor, quality management system design and development, learning programme design and development as well as computer skills development) receive facilitation and be found competent. It was decided in the year that we would rather have fewer people spend more time on the learning programme design and development intervention and the target here was reduced to 150 persons to be trained over 10 days rather than 300 over 5 days. The reason for this is, as indicated previously, that this aspect is the most difficult aspect of accreditation and there are very few individuals who have the ability to design and develop learning programmes. It should be noted that this is a scarce skill in all economic sectors and Theta is not unique in this matter as other Seta ETQAs indicate that in their sectors this remains a serious challenge.

Every effort is being made to meet this deliverable and we hope that by the end of the intervention we will indeed have an extra 150 accredited training providers which will allow for the Theta vision and targets to be realised.

The intervention was delayed for 3 months at the start of 2009 and due to this it is anticipated that it will be concluded by end July 2009.



# CEO'S REPORT

## ETQA

(Education and Training Quality Assurance)

It is unfortunate that a few of the companies who attended the training interventions have not as yet completed the process by completing the Phase B portfolio required to become an accredited training provider and in some cases individuals have also not completed the required portfolio of evidence for the different training modules. This remains a major concern to Theta as we often get criticized, by those wanting to become accredited, that the system is too cumbersome and that Theta makes it difficult for SMME companies to attain accreditation. The reality is that we operate within a legislated framework and have to adhere to the requirements. These capacity building projects are aimed at assisting potential training providers to meet the requirements by actually taking them through formalised training interventions. The advantage of this system is that should the person not meet the requirements or decide that being a training provider is not what they want to do, they can still offer their services as an assessor, moderator, facilitator, coach or mentor to training providers or companies. We thus enhance their job prospects.

The statistics for this project to date appear under the Projects Section of the Annual Report.

### Accreditation of Providers

135 Phase A applications for accreditation were received and these were mostly providers who were registering to attend the Capacity Building Project.

82 Phase B applications were received and reviewed.

The practice of scope transfer where a potential training provider purchases a learning programme from a provider who already has approval for it under a licence agreement which clearly states roles and responsibilities and the conditions of the sale continued in the 2008/9 year, but the ETQA ensured that this practice was regulated to ensure that the quality issues were strictly adhered to. It must be noted that whilst this has become an option to become accredited, Theta does not in any way become involved in the negotiations between the buyer and seller other than ensuring that the contract is clear and includes what it should. This trend of transferring scope has not taken off and remains limited. This is more than likely due to the cost factor of purchasing the scope.

Many providers would rather develop their own learning programmes as they then have better control over the end product and it also costs less. With the capacity building project focusing so intensely on design and development of learning programmes, a number of providers also would rather learn the skill of design and development as it gives them more opportunity to become specialists in this area of scarce supply.

At this time Theta has 96 providers, who have Full Accreditation, 7 are Provisionally Accredited and there are 52 registered providers who have accreditation with another ETQA but have applied for and received approval to offer learning programmes in the Theta scope. These numbers compare favourably with the target which required that Theta have 135 training providers who can offer learning programmes in our sector by the end of the financial year 2008/9.

### Assessor Registration

In the period under review 300 assessors were registered and a further 145 assessors whose registration had expired, were re-registered after submitting the required information.

The re registration process will continue this year as more assessors reach the end of their current 3-year registration period.

With the Provider Capacity Building Project now completed, there will be a number of assessors wanting to register.

Statistics indicate that of the 320 assessors trained, 220 have been found competent and these will add a significant increase to our pool of registered assessors which currently stands at 1 845. We are happy to indicate that assessor registrations showed a 20% increase for the year.

In the period 80 moderators were also registered. Here too the capacity building project will hopefully increase this number significantly as we are training 300 moderators and hope that between 130 and 150 will ultimately be found competent and register. When it is noted that we currently have 325 registered moderators this will show an increase of between 40-46% which is a fantastic achievement. It is really satisfying that we can report a 40% increase in moderator registrations for this year.





# CEO'S REPORT

## ETQA (Education and Training Quality Assurance)

### Programme Evaluation

The ETQA Department received and evaluated 283 learning programmes in the financial year. Of these submissions we were able to award 78 full approvals, meaning that the applicants are able to offer these learning programmes to learners and if the requirements are adhered to certification will be issued.

75 of the programmes received were not auditable and were returned to providers with extensive recommendations on the areas which were outstanding and also with offers of capacity building from the External Verifiers. The rest (130) received a conditional approval, meaning that some of the requirements have been met but there remain requirements which have not been met and the programme requires remediation. Clear concise recommendations on the areas to be remediated are included in the evaluation report sent to the applicant.

As previously indicated this remains the most difficult area of accreditation and Theta is constantly seeking ways to assist training providers in this area. The assistance afforded is in the form of capacity building done by the Theta programme evaluators and, to this end, 50 sessions were held with training providers or via the training provider capacity building project or Theta also decided to assist by providing to the training provider the completely developed learning programme for some of the fundamental unit standards contained in the newly registered Theta qualifications. Providers can access the material if they meet the requirements of the policy which regulates the use of this material and have signed and completed the accompanying contract of agreement.

Further details and the actual unit standards developed appear in the report on this project under the Projects Section of this Annual Report. A total of 65 additional information submissions were received, against programmes that did not previously meet the requirements. These were reviewed and feedback sent to applicants.

Unlike in previous years, the Theta ETQA can proudly announce that there are no backlogs in the programme department and providers receive feedback well within the 90-day turnaround time. The ETQA has internally reduced the turnaround time to 60 days

for all evaluations due to its ability to evaluate programmes and accreditation applications.

### Provider Monitoring and Auditing

The Theta ETQA team was very busy during this year conducting site visits to ensure that our training providers adhered to the quality requirements as prescribed in the Regulations.

The team also attended the Capacity Building Project Sessions to assist where required and, at the beginning of 2009, the ETQA team assisted the Theta Learnerships department with conducting monitoring and evaluation visits to companies who have been awarded learnerships for the 2008/9 and 2009/10 financial years to ensure that the regulations were adhered to and that the intervention would result in the quality learning experience for the learner as is the intention of a learnership.

A total of 90 site visits for monitoring, auditing, accreditation and learnership monitoring were conducted. The ETQA team also attended 40 capacity building sessions conducted by the service providers on the Provider Capacity Building Project.

### Certificate Learners

A total of 7 100 learner certificates were issued to providers across the Theta constituency to distribute to learners during this period and the Theta total to date stands at an impressive 37 159 certificates issued to learners in the Theta sector. The challenge in this area remains the capturing of learner achievements onto the system by training providers. Achievements are not captured timeously or are captured incorrectly thus causing delays in the creation and printing of certificates. We regularly receive requests for reprints due to errors made with the loading of data. This simply causes further delays as it means a duplication of effort. Theta certificates issued from March 2009 also carry the new SAQA logo thus ensuring that learners have the latest trademarks on their certificates.

Theta will be conducting refresher database training sessions across the country in the 2009/10 financial year to ensure that the delays and incorrect loading is addressed. During these training



# CEO'S REPORT

## ETQA

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sessions, the administrators at training providers will be shown how to load and we will also leave with them guideline documents for reference purposes. To deal with the challenge of historical data which Theta inherited from the HITB database, and which has now been imported to our database, training providers were requested to supply and update information so we could print certificates where the requirements were met or at least know what we had to do with the data. The information has not been forthcoming more than likely due to this information not being readily available at the provider and this issue remains a matter to be dealt with.

The ETQA has decided to keep the information on our system and we will respond to individual requests as they are made to us.

### Maintain a Database

The Theta database continues to be fully operational and providers are actively using the system and provide constant feedback to Theta on the system. Updates and changes to enhance the efficiency of the database are constantly sought and the contracted service provider is constantly challenged to deliver a better service to the end user, our clients. The Theta database provides uploads to the National Learner Registration Database (NLRD) and Theta has maintained the Green Status in this regard which is the highest status possible. Theta announces that SAQA has also awarded Theta green status for performance which means we are uploading data against qualifications at the level which is 75% and above, indicating that we are active and correctly so. Theta will seek to ensure that this status is maintained and improved upon going forward. As previously indicated to deal with the problem of data uploads not happening as required, Theta will be conducting refresher courses across the country to assist training providers with using the database. It should be noted that staff turnover at companies happens and new people need to be properly trained to ensure the task is performed. As indicated, guideline documents will be printed and left with the training providers as reference documents and to ensure any new staff have guidelines to assist them.

### SGB and Qualifications Framework Project

Theta is happy to advise our stakeholders that we have to date registered 29 new qualifications with SAQA. Whilst the progress has been really slow with this area, we note that within the period April 2008 to March 2009 there has been significant progress by SAQA as well as the contracted consultants who have facilitated the development and registration of these new qualifications.

Theta wishes to record its sincere thanks and gratitude to the SGBs (Standard Generating Bodies) who took charge of ensuring that Theta qualifications meet the requirements of the industries which make up the Theta sector as well as adhere to the requirements of SAQA. Theta acknowledges the support and efforts of the members of the 5 SGBs, as well as the various working groups who served under the SGBs. Your contribution is valued and highly appreciated.

SGBs will no longer operate going forward as the QCTO will follow a slightly different process. It is very likely that persons who served on SGBs will be requested to assist the QCTO in this area, but the parameters of the involvement have not been decided finally as yet.

Theta is hopeful that the outstanding qualifications will be registered speedily to ensure our sector has up-to-date qualifications to offer to the learners. It is now the training providers who need to develop and submit for approval the learning programmes which align to the new qualifications to ensure that when the qualifications which have been replaced by the new ones are no longer open to registration and eventually achievement, our sector has learning programmes which can be completed. Table 1.1 on the following page lists the new Theta qualifications registered to date.



# CEO'S REPORT

## ETQA (Education and Training Quality Assurance)

Table 1.1: Qualifications Registered

NO	TITLE	LEVEL	SAQA ID	COMMENTS
1	FETC Professional Hunting	4	58930	New
2	FETC Sport Administration	4	58009	New
3	FETC Community Recreation	4	58163	New
4	FETC Hospitality Reception	4	59790	Re-registered with Fundamentals
5	FETC Gaming Operations	4	59098	Replaces old Qualification
6	National Certificate: Conservation Guardianship	2	59389	Replaces old Qualification
7	Generic Management - Adventure Based Learning	5	60278	Learning Programme
8	Generic Management - Sport Management	5	60277	Learning Programme
9	Generic Management - Sport Federations Financial Management	5	60275	Learning Programme
10	Generic Management - Sport Events	5	60276	Learning Programme
11	Generic Management: Sport and Fitness Facilities	4	57712	Learning Programme
12	Generic Management: Sport Administration	4	57712	Reg. Gen Man 57712
13	Generic Management: Sport Entrepreneurship	4	57712	Reg. Gen Man 57712
14	Generic Management: Sport Development	4	57712	Reg. Gen Man 57712
15	Generic Management: Physical Activities	4	57712	Reg. Gen Man 57712
16	Generic Management: Golf Management	4	58343	Learning Programme
17	FETC Food and Beverage Services	4	58393	Re-registered with Fundamentals
18	National Certificate: Sport Management	5	60309	New
19	National Certificate: Community Recreation	5	60289	New
20	National Certificate: Nature Conservation - Natural Resources Management (Terrestrial)	5	59949	Replaces Old Qualification
21	FETC Volunteer Services	4	61609	New
22	FETC Life Guarding	4	61509	New
23	NC Gaming Operations	3	63269	New
24	FETC Nature Conservation: Natural Resource Guardianship (Terrestrial)	4	63109	New
25	FETC Event Support	4	67461	Replaces old qualification
26	FETC Fitness	4	63669	Replaces old qualification
27	FETC Sport Coaching	4	64369	Replaces old qualification
28	FETC Adventure Based Learning	4	65569	New
29	ND Club Professional Golfing	5	50017	New



# CEO'S REPORT

## ETQA

(Education and Training Quality Assurance)

### Governance Matters

Further to the already signed Memoranda of Understanding Theta has concluded with other ETQAs, Provincial Education Departments and stakeholder Representative Bodies, e.g. South African Football Association and Boxing South Africa, we have continued to investigate the need to sign Memorandums of Understanding (MoUs) with relevant partners for the benefit of the industry we serve.

During the 2008/9 year Theta initiated the signing of an MoU with the BankSeta as there are Theta providers who wish to extend their scope to this sector. The PSeta which deals with Public/Government Departments approached Theta to sign an MoU which is currently being finalised as is the case with Bankseta.

In 2008 SAQA concluded an agreement with City & Guilds (C&G) where C&G qualifications would be registered on the NQF and the relevant Seta ETQA would be requested to add the qualifications to their accreditation scope and C&G providers would then be required to adhere to the Seta ETQA criteria and would then have learners receive both Seta certification as well as the C&G certificates. Theta is affected by this agreement as C&G have 7 qualifications which fall within our mandate. We are currently discussing with SAQA and C&G the most effective way of working through this process as there is some resistance from C&G as they understand only too well that the quality requirements of the SAQA/Seta ETQA system is much higher than what they require.

Theta has had meetings with various other awarding bodies from outside of South Africa who have expressed an interest in working with Theta for qualifications falling within their scope to be offered locally. The interest either comes from the actual awarding body themselves or due to local training providers expressing an interest in offering the qualification or skills programme. One of these bodies is the Central YMCA Qualifications (CYQ) who offer learning programmes in fitness and have various affiliations with EU and international fitness associations. Links with such bodies allow for benchmarking and also afford the learner recognition should he/she wish to work in countries outside of South Africa. Theta are proud to advise that when we looked at systems and qualifications we found that what we offer in South Africa is at the same level, if not higher, than what is offered in EU and

Australasian countries. We feel confident that this body will eventually request Theta to do the quality assurance of providers in South Africa for their qualifications should this be possible. We have also had talks with Confederation of Tourism and Hospitality based in the UK as well as with the SA Chefs Association and the hunting fraternity to see how best we can serve our industry by maintaining the high standards of education and training.

### SAQA/Theta and the QCTO

In 2007, the Department of Labour (DoL) advised that they were considering a new Quality Assurance system to be implemented across the Setas.

The Quality Council for Trades and Occupations (QCTO) is based on research done by DoL in 2002/3 and the aim is to regulate all quality assurance functions under the QCTO meaning that South Africa will in future have three Quality Councils, being QCTO, Umalusi which looks after schools and institutions offering learning at NQF levels 1-4, and the HEQC (Higher Education Quality Council) which looks after institutions offering education from NQF 5-10 (The NQF will in future have 10 levels which is different from the current 8 levels). The QCTO would be responsible for all vocational training institutions from level 1-10.

The QCTO therefore would take over the functions of 23 ETQAs. One of the criticisms leveled at QCTO was that it would make things even more difficult as it wanted to create one body to do the work that 23 were struggling to do. QCTO advised that it would delegate various functions to the Seta's but that the function of accreditation, qualification development and certification would be centrally located under QCTO. The work under this system will actually be done through CEPs (Communities of Expert Practitioners) not dissimilar to the SGB structures which were used previously. The CEPs will however not be gazetted structures and will be called in to perform a task and when completed they would go away and continue with their day-to-day activities. Qualifications developed under the QCTO system will also have an associated curriculum registered with it and the aim here is to afford more guidance to the training provider on how to offer the qualification. It is hoped that this will assist training providers to design and develop learning programme strategies and material much easier with the curriculum attached. Assessment



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## ETQA

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specifications will also be improved on to make the assessment of qualifications or skills programmes more structured and regulated. It is envisaged that this too will help the process. Assessment under the QCTO system will be conducted externally and the idea is that training and final assessment will happen in dependently of each other. This means that the training provider will transfer the skills, do formative assessments and prepare the learner for an external final assessment similar to what happens with the matric examinations. Whether a training provider can also be an assessment centre if they meet the requirements is still currently under discussion.

Setas will be responsible for monitoring training providers and workplaces to ensure that the transfer of skills is happening as it should. Setas will also be tasked with facilitating the process of setting up databases of experts who can be included in the CEPs for that sector. A Seta will also have to assist in setting up the Quality Assessment Partner (QAP) model for its sector. The QAP will be tasked with facilitating and monitoring the assessments which happen at the external assessment centres. The QAP can be a combination of Seta people and industry experts and will function as moderating bodies function currently, but will be able to make recommendations in terms of external assessment partners and how they are operating. As previously indicated, the QCTO is still under discussion and whilst the NQF Act has been promulgated, the regulations which will give effect to the Act and regulate the functioning of the QCTO will only be finalised towards the end of 2009. It is only once this is done that any measure of certainty around the modus operandi of the QCTO will be available.

Stakeholders are requested to keep updated on developments in this regard by contacting Theta or DoL. At the time of writing the annual report there is talk of Setas being utilised elsewhere, so keep up to date as far as possible, but please be patient as the information is made available. It is a process which is being followed. Stakeholders are reminded that until such time as the QCTO and its functioning is finalised, the status quo remains and SAQA and the ETQAs remain responsible for the implementation of quality assurance in the sectors we have mandate for.



# CEO'S REPORT

## On Key Performance Indicators

### Indicator 1.1

**Skills development supports national and sectoral growth development and equity priorities.**

The Sector Skills Plan Workshops were conducted in 6 provinces and input was incorporated into the Sector Skills Plan (SSP). The purpose for convening provincial SSP workshops was to ensure that the Theta SSP captures the training needs identified at provincial level. The process of conducting SSP workshops was not a significant success because of lack of understanding of the process and its value by stakeholders despite having launched the SSP in all provinces. In future these will be arranged in conjunction with provincial authorities. The 2009/10 Sector Skills Plan was completed and submitted to the Department of Labour (DoL) on 31 August 2008. About 5 000 copies of the Plan were distributed in various Theta workshops, seminars and exhibitions.

It is pleasing to report that Theta's Sector Skills Plan (SSP) submitted to the Department of Labour (DoL) on 31 August 2008 was approved as per the acceptance letter dated 27 January 2009 received from DoL. In terms of the score Theta gets a total of 5 out of 5 for having complied with this requirement. The most important part of the SSP is the chapter on Scarce and Critical skills. The scarce and critical skills list is revised and monitored on annual basis to ascertain if the numbers indicated against the scarce skill are increasing or decreasing. The movement can be attributed to various factors, but in our case we have interest in seeing those figures decreasing due to increase in numbers trained and therefore reducing the economic impact of scarce skills in the sector. The SSP provides an intensive analysis of the drivers of change and their impact on skills development and economic growth. The Sector Skills Plan is available on the Theta website and hard copies are supplied on requests.

### Indicator 1.2

**Information on critical and scarce skills is widely available to learners. Impact of information dissemination researched, measured and communicated in terms of rising entry, completion and placement of learners.**

The Scarce and Critical Skills List was updated and submitted to the Department of Labour in January 2009. The Scarce and Critical Skills list is used to plan for the allocation of Learnerships. Compiling the scarce skills list requires intensive research and consultation process. This is achieved on a limited scale using information from the WSPs and ATRs. The Scarce and Critical Skills Career Guide is

updated based on the Sector Skills Plan. This document was updated and distributed at relevant events such as the National Tourism Careers Expo, and other Career Fairs held across the country. The guide is gaining popularity amongst career guidance counselors and it helps provide information to learners in high schools as well as in higher education institutions.

In order to achieve this target Theta trained 606 Skills Development Facilitators and Sector Specialists who are active in the sector. Skills Development Facilitators are active in the workplaces and interact with the training committees, workers, employers and trade unions. Sector Specialists include educators in schools at all levels where sector-related training takes place. In order to entrench career guidance education Theta partnered with the national Department of Environmental Affairs and Tourism (DEAT), the KwaZulu-Natal Department of Arts, Culture and Tourism (DACT) in October 2008 to stage the first National Tourism Career Expo (NTCE) in Durban. This event was witnessed by over 17 000 Tourism and Hospitality learners from high schools and tertiary institutions including unemployed graduates. Over 200 sector specialists attended workshops organised by the partnership. Due to the success of this event the partners have decided to make it an annual event rotating in all nine provinces in 3- year cycles. Additional information is provided under projects report.

### Indicator 2.1

**By March 2010 at least 80% of large firms' and at least 60% of medium firms' employment equity targets are supported by skills development. Impact on overall equity profile assessed.**

Whilst Theta is required to address all 5 objectives of the National Skills Development Strategy, the support for large and medium firms becomes paramount and crucial as these firms pay large sums of levies and therefore demand more attention and service from Theta. These top levy payers provide a large percentage of the Seta income and they equally demand our full attention and in some cases to the detriment of the small firms and non-levy payers. Theta rose to the occasion by ensuring that large firms all claims are paid on time. The large firms consist of 150 plus employees and medium is 50 to 149 employees. The size is therefore directly linked to the number of employees, the increase or decrease in the number of employees therefore determines the classification of the firm. A total of 1 145 WSPs/ATRs were received by 30 June 2008 of which 185 were large firms. About 269 medium firms submitted their WSPs/ATRs. A total amount disbursed as mandatory grant to large and firms is stated in the financial statement.



## CEO'S REPORT

# On Key Performance Indicators

### Indicator 2.2

***By March 2010 skills development in at least 40% of small levy-paying firms supported and the impact of the support measured.***

Driving this target has been a challenge as these companies chose not to claim back their levies due to the costs involved. The smaller the firm the smaller are the levies paid. Theta is however in the process of exploring affordable means for these firms to benefit from their skills levies. Only 368 small levy-paying firms submitted their WSPs/ATRs in 2008.

### Indicator 2.5

***Annually increasing number of small Black Economic Empowerment (BEE) firms and BEE cooperatives supported by skills development.***

As part of the government's strategy of increasing Broad Based Black Economic Empowerment thus widening economic participation in South Africa, there has been a dramatic increase in the number of small BEE firms and cooperatives. This growth has often been coupled with support from finance institutions for initial capital investment, while lacking in support for skills development or general training and development. In recognition of this, and the role of these enterprises in broadening meaningful economic participation, Theta targets these firms and cooperatives by giving them support in skills development, ensuring their excellence and sustainability. During the year under review, 195 BEE firms were supported.

### Indicator 2.7

***By March 2010, at least 700 000 workers have achieved at least ABET Level 4.***

Theta's approved 5-year strategic plan has an ABET intervention target of 28 000 workers as a contribution towards 700 000 workers as a National Skills Development target. As indicated in the performance report, Theta has targeted 5 600 learners to enter into the Level 1 to 4 project in the current reporting year. Theta has in the past been involved in the provisioning of ABET on a small scale and as such a strategy has been adopted that will allow the Seta to reach this target within the agreed timeframe and the intended outcome. In order to fast track the process, management came up with a two-pronged approach, which will ensure that the target is achieved. In the year under review, 4 131 learners have been registered in the project, and 847 learners had completed the training. The balance of learners entered the programme very late in the financial year and Theta is fairly confident that most of them will complete this training in the next financial year.

### Indicator 2.8 and 4.1

***By March 2010, at least 125 000 workers assisted to enter and at least 50% successfully complete programmes, including Learnerships and apprenticeships, leading to basic entry, intermediate and high-level scarce skills, impact of assistance measured.***

***By March 2010 at least 125 000 unemployed people assisted to enter and at least 50% successfully complete programme, including Learnerships and apprenticeships, leading to basic entry, intermediate and high-level scarce skills. Impact of assistance measured.***

In 2008 Theta implemented Learning programmes linked to scarce and critical skills targeting 3 638 employed workers and 3 925 unemployed in 22 different qualifications including cross Seta qualifications. A total of 210 employers and 35 training providers in all 9 provinces participated in Learnership programmes. This was the biggest allocation of Learnerships since the Tourism Learnership Programme of 2001. This Learnership roll out encountered some serious challenges due to the big number of allocation not supported by adequate capacity to ensure proper administration. However, over 120 site visits were conducted to ensure proper implementation of the Learnership plans.

It becomes evident that an increasing number of employers are getting involved in Learnerships and a positive momentum has been created, as a result additional funds will be required in the next financial year to fund the increased demand for Learnerships in the sector. By the end of the financial year, 2 039 workers entered and 1 599 workers completed Learning programmes. With regard to unemployed, 2 444 entered and 1 481 completed Learning programmes.

### Indicator 3.2

***By March 2010 at least 2 000 levy-paying enterprises, NGOs, Community Based Organisations and Community Based Cooperatives supported by skills development. Impact of support on sustainability measured with a targeted 70% success rate.***

Supporting non-levy-payers remains a big challenge for Theta as their number far exceeds the number of levy-payers and this is financed from what is left over after levy payers have claimed their levies back. As much as this target was not achieved, 113 non-levy paying enterprises were supported in various training programmes. The projects report in the succeeding sections elaborates on these interventions.



# CEO'S REPORT

## On Key Performance Indicators

### Indicator 4.2

**100% of learners in critical skills programmes covered by sector agreements from Further Education and Training (FET) and Higher Education and Training (HET) institutions assisted to gain work experience locally or abroad, of whom at least 70% find placement in employment or self-employment.**

Theta further used its limited financial resources to provide work-place experience to 1 686 graduates and learners across the country. This is 112 percent achievement.

### Indicator 4.3

**By March 2010, at least 10 000 young people trained and mentored to form sustainable new ventures and at least 70% of new ventures in operation 12 months after completion of programmes.**

Training young people to become entrepreneurs is quite a challenge as most of them find it difficult to complete the programme and start their own businesses. It also proves to be difficult if not impossible for young people to enter the tourism businesses. The reported 186 all have NVC qualifications and have registered companies, but getting their businesses started and maintaining those remains a challenge.

### Indicator 5.1

**By March 2010 each Seta recognises and supports at least 5 Institutes of Sectoral or Occupational Excellence (ISOE) within public or private institutions and through Public Private Partnership (PPPs) where appropriate, spread as widely as possible geographically for the development of people to attain identified critical occupational skills, whose excellence is measured in the number of learners successfully placed in the sector and employer satisfaction ratings of their training.**

Refer to the Projects Report on page 39 in this regard..

### Indicator 5.2

**By March 2010 each province has at least 2 provider institutions accredited to manage delivery of the new venture creation qualification, 70% of new ventures still operating after 12 months will be used as a measure of the institution's success.**

Refer to the Projects report on page 39 in this regard.

### Indicator 5.3

**By March 2010 there are measurable improvement in the quality of the services delivered by skills development institutions and those institutions responsible for the implementation of the NQF in support of the NSDS.**

In this regard Theta's ETQA Department scored a 1.9 (SAQA Performance Audit) or 110% (DoL Score) and 75% in respect of compliance and performance. Overall this equals a 5 out of 5 on the DoL scorecard.

### DoL Scorecard Summary for Theta 2008-2009

Scorecard Page Description	Average Score for Current Year	Weighting of Scorecard Current Year	Weighted Score for Scorecard Page for Current Year
Indicator 1.1	5	5.0%	0.25
Indicator 1.2	5	4.0%	0.20
Indicator 2.1	5	10.0%	0.50
Indicator 2.1	5	10.0%	0.50
Indicator 2.2	1	10.0%	0.10
Indicator 2.5	3	1.0%	0.03
Indicator 2.7	3	1.0%	0.03
Indicator 2.8	5	10.0%	0.50
Indicator 3.2	1	4.0%	0.04
Indicator 4.1	5	10.0%	0.50
Indicator 4.2	3	1.0%	0.03
Indicator 4.3	4	1.0%	0.04
Indicator 5.1	1	1.0%	0.01
Indicator 5.2	1	1.0%	0.01
Indicator 5.3	5	1.0%	0.05
NSDS 2005 – 2010 Equity Principles	3	5.0%	0.17
NSDS 2005 – 2010 Governance	5	10.0%	0.50
NSDS 2005 – 2010 Funds Management	5	10.0%	0.50
NSDS 2005 – 2010 Provincial Linkages	3	5.0%	0.15
<b>Subtotal Seta quantitative score</b>		<b>100.0%</b>	<b>4.09</b>
Total percentage of scorecard pages for which Seta is verified as current			100%
<b>Total Seta score as moderated by verification</b>			<b>4.09</b>
<b>Final performance descriptor</b>			<b>ABOVE AVERAGE</b>





# CEO'S REPORT

## Projects

Theta's mission is to support transformation and people development and, through partnerships, to enable stakeholders to advance the national and global position of the broader tourism industry.

Theta derives strategic direction from the Sector Skills Plan (SSP) and the National Skills Development Strategy (NSDS) and has identified the following key objectives:

- To enable the implementation of the relevant skills development aspects of the Tourism Industry
- To stimulate and support skills development in small, medium and large businesses
- To support skills development amongst the youth, particularly through learnerships
- To promote adult literacy and numeracy
- To conduct research and benchmarking that will add to the body of knowledge available to the tourism industry.
- The following principles will guide Theta into the future:
  - To accelerate social transformation through skills development: 85% of beneficiaries will be black, 54% women and 4% disabled
  - To leverage the skills levy funds for the strategic benefit of the sector and the NSDS
  - To be cost-effective, placing value on the swift delivery of services at the lowest cost and co-source non-core delivery mechanisms
  - To conduct research and benchmarking in order to improve the sector's competitiveness through skills development
  - To be a nucleus for industry collaboration.

In the light of the above-mentioned objectives, Theta implemented the following projects:

### 1. Training Provider Capacity Building Project: Phase 2

#### 1.1 Project Summary

Theta has identified a need to increase and develop the capacity of Training Providers within its sector with a view to, amongst other objectives, ensuring that Training Providers are properly equipped to roll out qualifications and learnerships. Comprehensively and properly equipped Training Providers are particularly scarce in the travel and tourism, sports, recreation and fitness, conservation, guiding and gaming and lotteries sub-sectors of Theta's sector. In response to this, the Provider Capacity Building Project Phase 2 was launched in October 2007 with funding amounting to R13 073 298.00 from Theta discretionary funds.

The fundamental motivation of the Provider Capacity Building Project Phase 2 is the need to increase the number of accredited providers. Its main objective is to capacitate Theta constituent training providers in accreditation interventions. The underlying premise for this was the need for sufficient accredited providers across all Theta chambers.

The main emphasis of the Provider Capacity Building Project Phase 2 is to ensure that 21 000 learners from 150 emerging training providers progress through project interventions to achieve competency in each intervention with the relevant Seta; and that emerging training providers are supported with the development of a PoE for accreditation with Theta. Refer to Table 1.2 for targets and achievements as at 31 March 2009:

Table 1.2: Project Targets and Achievements as at 31 March 2009

INTERVENTION	NO. OF PROVIDERS	NO. OF LEARNERS	TRAINED AS AT 31 MARCH 2009
Assessors	150 Training Providers	300 Learners	300 Assessors
Facilitators	150 Training Providers	300 Learners	255 Facilitators
Moderators	150 Training Providers	300 Learners	131 Moderators
Coaches	150 Training Providers	300 Learners	207 Coaches
Mentors	150 Training Providers	300 Learners	207 Mentors
Computer Literacy	150 Training Providers	300 Learners	120 Learners
Programme Design & Development	150 Training Providers	150 Providers	99 Providers
Quality Management System	150 Training Providers	150 Providers	128 Providers



# CEO'S REPORT

## Projects

Although the project is divided into 4 interventions (mini projects), it is still monitored holistically. Service Level Agreements were signed for each with different deliverables and budget allocation. Each service provider is responsible for the intervention allocated to the service provider.

The Capacity Building Project is budgeted for R11 543 928 65.00; of which 75% of this amount has already been paid to service providers, 8.5% under expenditure and no over expenditure.

### 1.2 Project Background

The current Training Provider Capacity Building Project (TPCBP) is a progression of the Training Provider Capacity Building Project implemented in 2005-2006. Prior to the 2005-2006 project, Theta-ETQA was receiving a very low number of accreditation applications. The project did not only increase the awareness of a need for accredited providers, but also an understanding of the accreditation process by training providers; hence the need for a similar project. The current TPCBP will be distinguished from the first project as Phase 2. The project was launched in December 2007 with the intention to capacitate Theta constituent training providers on accreditation interventions as follows:

- Development of a quality management system
- Development of a programme,
- Training education and training development practitioners (ETDP) as well as
- Computer literacy.

The emerging providers within the travel and tourism, sports, recreation and fitness, conservation, guiding, hospitality, gaming and lottery sectors must be able to use what they have accomplished and learnt through the project to compile an accreditation PoE and submit it to Theta for evaluation. This should enable quality assurers of Theta to conduct a desktop evaluation exercise that will give an indication of whether or not the service provider is ready for an on-site accreditation audit.

### 1.3 Project Design

Based on the impact study conducted after Capacity Building Project Phase 1, the decision was taken that interventions in the current project be separated and tendered separately for the purpose of management from both Theta's side and that of the Service Provider. The project was subsequently divided into 4 main interventions. Four different Service Providers are contracted; therefore 4 Service Level Agreements (SLA) are signed, each with its own deliverables and budget. Interventions are divided as follows:

- **OD-ETD Modules:** This intervention is contracted to Abasunguli Training Specialists with the following modules included:
  - \* Assessor
  - \* Moderator
  - \* Facilitator
  - \* Coaching
  - \* Mentoring
- **Quality Management System:** This intervention is contracted to Ette: Training Edge
- **Programme Design and Development:** This intervention is contracted to Abasunguli Training Specialists
- **Computer Literacy:** This intervention is contracted to Titan Trade Technologies.

Training offered to emerging training providers are unit standard and outcomes based. Interventions; thus all learners registered in the project will receive a certificate once declared competent by the service provider and be able to compile a PoE for Theta-ETQA accreditation.

### 1.4 Project Target

The project is targeting to train:

- **150 emerging training providers** and a maximum of **300 learners** on the following ETDP modules: Assessor, Moderator, Facilitator (Train the Trainer), Coaching and Mentoring.
- **150 emerging training providers** on curriculum and assessment design as per Theta-ETQA accreditation criteria and guidelines
- **150 emerging training providers** on the unit standard design and development of ETD Quality Management Systems and Policies, as per Theta-ETQA accreditation criteria and guidelines
- **150 emerging training providers** and a maximum of **300 learners** in computer literacy (International Computer Driving License).



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### 1.5 Project Objectives

The overall objective of the Capacity Building Project is to capacitate and support emerging providers. The aim is to accredit more Training Providers who are competent with resources needed for accreditation.

#### 1.5.1 OD-ETDP Modules (Assessor, Moderator, Facilitator, Coaches and Mentors)

OD-ETDP Modules are inclusive of training in the relevant unit standards in respect of Assessors, Moderators, Facilitators, Coaches and Mentors.

##### Objectives of Assessor Training

At the conclusion of the Assessment Design and Development Workshops, learners should have:

- analysed source documents for one or more unit standard assessments
- developed an assessment strategy that reflects assessment methods and related tools/instruments; integration strategy across unit standard/competence areas; and RPL practice and process
- developed an assessment guide that reflects assessment plan and process; assessment principles; assessment methods/instruments; and assessor and moderator support.

##### Objectives of Moderator Training

At the conclusion of the Moderation Design and Development Workshops, learners should have:

- analysed source documents for one or more unit standards moderated
- developed a moderation strategy that reflects moderation methods and related tools/instruments; integration strategy across unit standard/competence areas; and RPL practice and process
- developed a moderation guide that reflects moderation plan and process; moderation principles; moderation methods/instruments; and
- tools which will be used to advise and support the assessor.

##### Objectives of Coaching and Mentoring Training

At the conclusion of the Coaching and Mentoring workshops, learners should have:

- analysed source documents for one or more unit standards moderated
- developed a coaching and mentoring strategy that reflects coaching and mentoring methods and related tools/instruments; integration strategy across unit standard/competence areas; preparation for one-to-one training on the job; conducting training sessions; monitoring and reporting on learner progress; reviewing of training; sourcing and maintenance of information to assist and support learners; and provision of assistance and support to learners.

##### Objectives of Facilitator Training

At the conclusion of the Facilitation Workshops, learners should have:

- analysed source documents for one or more unit standards moderated
- developed a facilitation strategy that reflects facilitation methods and related tools/instruments; integration strategy across unit standard/competence areas; planning and preparation for facilitation; facilitation of learning; and evaluation of learning and facilitation.

#### 1.5.2 Objectives of Programme Design and Development

At the conclusion of the Curriculum Design and Development Workshops, learners should have:

- scoped one qualification and one skills programme that are Theta unit standard based
- developed one programme strategy, facilitator guide and learner material for one learning intervention (for one or more unit standards) that reflects programme name and description; purpose and entry level requirements; unit standard alignment; articulation and workplace integration; delivery and learning strategy; media, equipment/teaching and learning aids; learner role and responsibilities; learner support; and programme evaluation strategies
- developed one curriculum for one learning intervention that reflects learner guide; facilitator guide; and workplace guide
- developed one outcomes analysis for one learning intervention that reflects the material that must be learnt
- developed one set of sample learning materials – one or more lessons that form part of the learning intervention (to include learner guide; facilitator guide; workplace guide; activities; presentation slides; and programme evaluations).



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### 1.5.3 Objectives of the Quality Management System

At the conclusion of the ETD Quality Management Systems and Policies Workshops, learners should have:

- scoped a quality management system and policy that identifies and explains the component parts of ETD practice processes;
- develops an ETD framework and approach for an organisation;
- guides and measures ETD practices;
- evaluates and reviews ETD policies and procedures;
- assists in the identification and interpretation of quality assurance;
- designs and establishes a quality management system for skills development practices;
- contains indications for skills development practices;
- and implements and improves the quality management system for skills development.

Learners will submit their quality management system and policy as scoped during the workshops to the Service Provider for evaluation prior to submission thereof to Theta's ETQA Department. The Service Provider shall provide feedback on the quality management systems and policies submitted by Learners within 14 working days of their submission.

### 1.5.4 Objectives of Computer Literacy

At the conclusion of the Computer Literacy (ICDL) Workshops, learners should be able to:

- competently apply the knowledge, techniques and skills of end-user computing applications in the workplace
- understand the impact and use of information communication and technology in an organisation and society
- improve communication by combining communication skills and end-user computing skills
- improve the application of mathematical literacy in the workplace by better utilising end-user computing applications;
- and be
- sufficiently computer literate and skilled so as to be able to upload learner registrations and achievements and other computer-generated information for the purposes of, inter alia, generating usable and quality reports and learner data.

### 1.6 Organisation and Management

Four service providers were appointed to implement the Capacity Building Project at different interventions. Although service providers are contracted separately, they worked together with in scheduling their intervention to avoid clashes. However, each contracted service provider remains responsible for the intervention they are contracted for. It is the responsibility of the project manager to ensure that Service Providers are monitored and progress is evaluated and reported constantly.

### 1.7 Risk Management

1.7.1 Learners who did not qualify to attend workshops are registered for training. Due to their lack of understanding, they pose a risk for Theta since such learners will not be able to complete and submit a PoE for assessment.

*Appropriate selection criteria were duly designed to use in the selection of learners in the remaining training.*

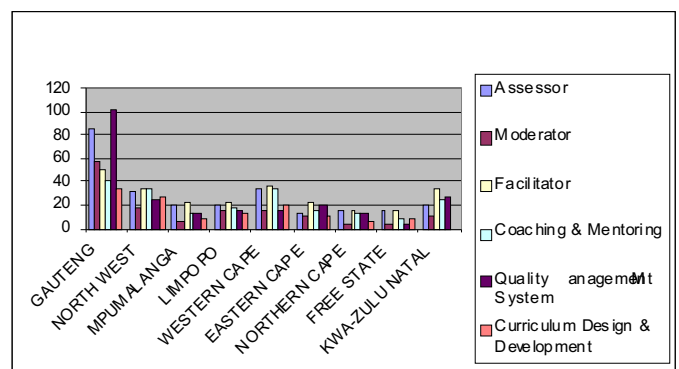
1.7.2 Most service providers in this project are SMMEs and have limited staff. As a result, one learner attended all interventions and failed to complete all PoEs. Regardless of all their efforts Service Providers are requesting these PoEs and learners are not coming forward. If most of the Training Providers are not submitting their PoEs, Theta will not achieve the project goals.

*Taking time to analyse and consolidate providers' lists will also allow Training Providers some time to complete their PoEs and submit to the Service Providers for assessment. Service Providers have agreed with the extension to accommodate Training Providers.*

### 1.8 Project Results

The chart below reflects the output of the Capacity Building Project as at 31 March 2009. Training has been conducted in all 9 provinces. To date, 371 (31%) learners are trained in Gauteng, 169 (14%) in North West, 151 (12%) in the Western Cape, 123 (10%) in KwaZulu-Natal, 103 (8%) in Limpopo, 91 (7%) in the Eastern Cape, 84 (7%) in the Northern Cape and 58 (5%) in the Free State. There are learners who still need to submit their PoE to different service providers.

#### All training per province

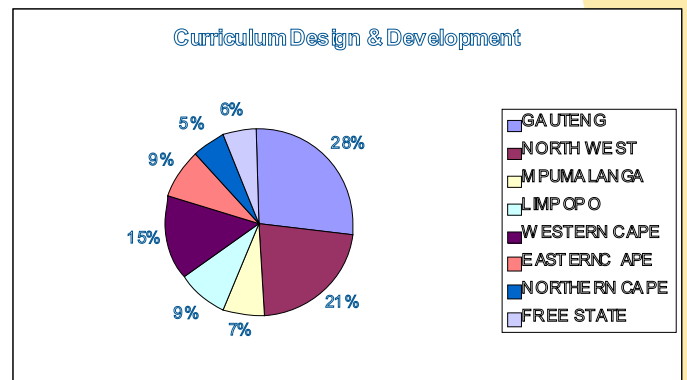
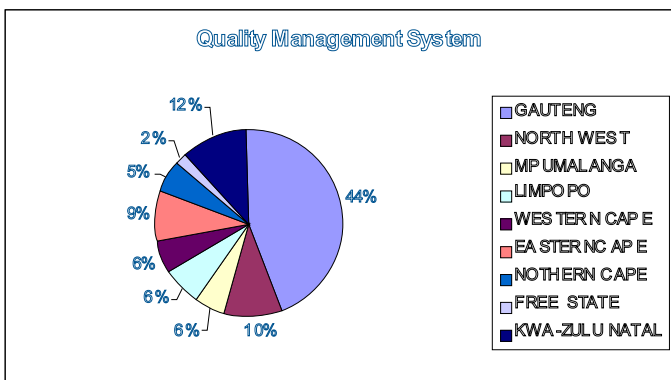
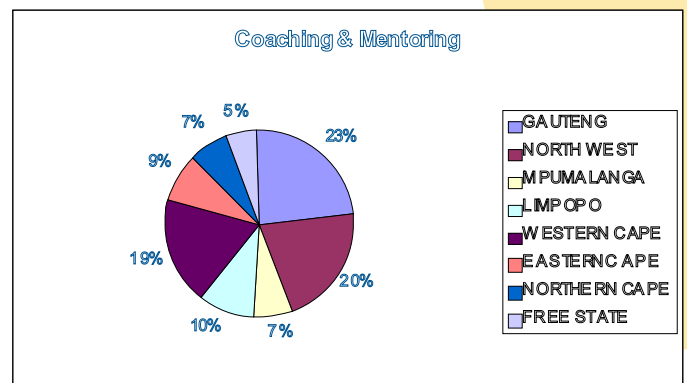
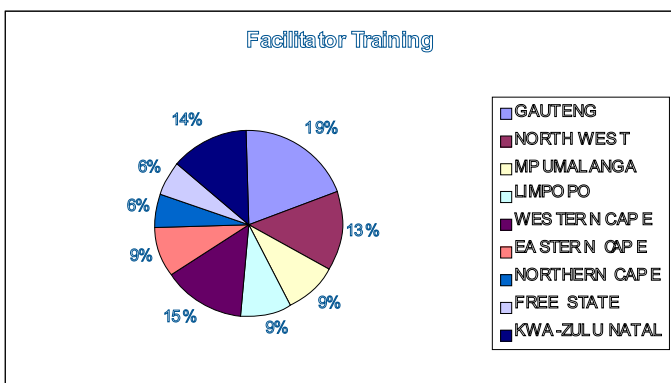
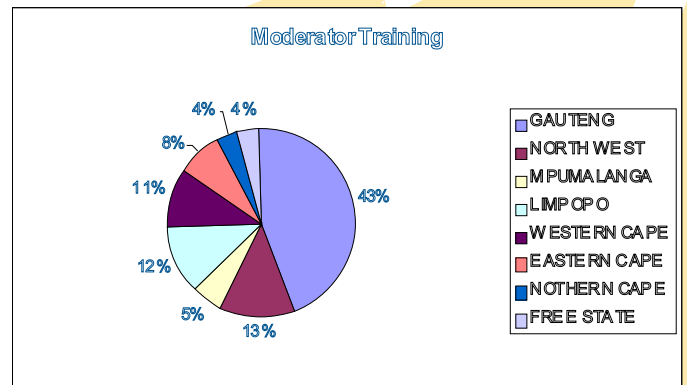
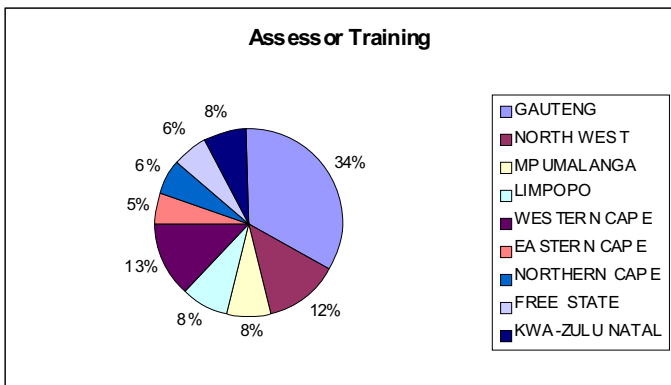




# CEO'S REPORT

## Projects

The following charts indicate learners trained per province per intervention. There are more emerging training providers in Gauteng who responded to the project than in other provinces. The Free State and Western Cape has the least service providers.





# CEO'S REPORT

## Projects

### 1.9 Project Highlights of the Year

1.9.1 Although the project has not reached its end, ETQA is experiencing a high number of providers submitting their accreditation PoE (Phase B). By March 2009, ETQA had accredited 3 Training Providers from Training Provider Capacity Building Projects; 7 Training Providers are awaiting their results after accreditation visits by ETQA; 8 accreditation visits are scheduled; 11 providers need to close the gaps after their PoEs were evaluated; 12 PoEs are scheduled for evaluation by Quality Assurors.

1.9.2 125 Providers are trained on Quality Management System; 121 of these providers have submitted their PoEs for assessment. The Service Provider is still assessing PoEs, and Theta is awaiting the outcomes of these PoEs.

### 1.12 Financial Performance

The Capacity Building Project is funded by Theta Discretionary Funds. Theta divided the project into 4 interventions and signed a Service Level Agreement for each intervention. Each Service Provider has a separate budget for each intervention contracted for. Table 2 below shows the budget per intervention, per deliverable and what has been paid as at 31 March 2009.

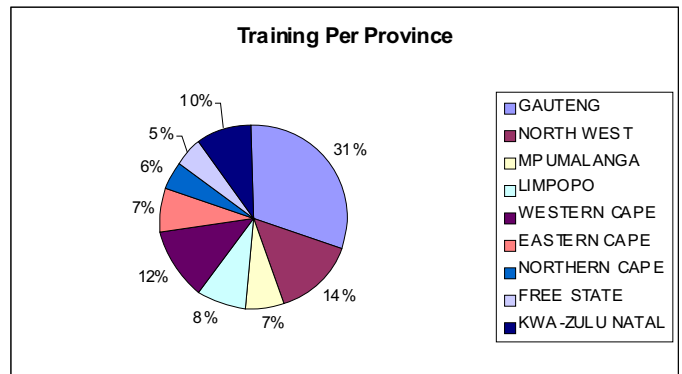
**Table 2: Budget Versus Costs – Budget Breakdown as at 31 March 2009**

PROJECT	BUDGET	ACTUAL EXPENDITURE	% OF BUDGET	OVER/UNDER EXPENDITURE
Training Provider Capacity Building Project	R2 866 500.00	R1 539 000.00	70%	10% (U)
	R2 802 348.00	R1 821 526.00	65%	15% (U)
	R1 539 000.00	R1 231 200.00	80%	10%
	R5 662 950.65	R2 831 475.85	50%	N/A
<b>TOTAL</b>	<b>R11 543 298.65</b>	<b>R8 750 701.85</b>	<b>75.8%</b>	<b>8.5%</b>

### 1.13 Conclusion

Since the final phase of the evaluation has not yet been completed, an extensive conclusion cannot be provided at this stage. Although training has commenced, none of the project targets of have been met yet.

- Assessors 300 learners trained
- Moderators 131 learners trained
- Facilitators 255 learners trained
- Coaches and Mentors 207 Learners trained
- Programme Design & Development 99 Companies trained
- Quality Management System 128 Companies trained



The statistics above indicate learners who have been trained as at 31 March 2009. Learner achievement will only be available from mid June 2009. The overall measurement of the impact of the Training Provider Capacity Building Project Phase 2 will be provided at the end of the project.



# CEO'S REPORT

## Projects

### 2. Generic Fundamental Unit Standards Project

#### 2.1 Project Summary

Theta developed Generic Fundamentals for Theta-accredited providers. The concept for this project was born from the SAQA Policy Documents on "The Quality Assurance of Fundamental Components of Qualifications". Most providers are excluded from providing full qualifications due to difficulty in presenting the fundamental unit standards. The difficulties posed by these standards result in a reduction in the number of qualifications that are offered by Theta-accredited providers, which in turn leads to a reduction in providers available to offer learnerships due to programme scope not including fundamentals. Where training providers do attempt the fundamental unit standards, they encounter serious problems in the quality of provision, resulting in the non-certification of learners. Furthermore, providers have a tendency to offer skills programmes only to avoid provision on fundamentals. This results in a continued lack of portability and credit transfer between qualifications.

In response to the above, Theta provides support to its provider base by making available pre-developed fundamental learning material for learning programmes aligned against qualifications on the National Qualification Framework (NQF), falling within the Theta quality assurance scope and mandate by adherence to the National Standard Bodies Regulation.

In addition to this, Theta found it appropriate to conduct a benchmark study of best practices across other Seta sectors on the provision and training of Generic Fundamental Unit Standards and Recognition of Prior Learning (RPL). The best practices within the Setas had to be used to compile a Generic Fundamental Unit Standard provision and programme access and utility policy for Theta. Once the study was completed, Generic Fundamental packs developed and the policy written and approved, workshops were conducted to capacitate training providers in the provision of Theta generic fundamentals, use of the policy, as well as the access system and processes. To date, Fundamental Unit Standard packs are available and providers are encouraged to apply to Theta-ETQA to obtain the right to use this material.

#### 2.2 Purpose of the Project

The purpose of this project is to conduct a benchmark study, develop programmes on generic unit standards, create a standardised policy and system of fundamental unit standard provision, and access system to fundamental standards training through selected, approved providers. The project encompasses 4 interventions and the objectives of each will be dealt with under each intervention.

#### 2.3 Project Profile

The NQF is a product of South Africa's democratic transformation. It was brought into being on the strength of an intense collaboration among South Africans in the labour movement and its political allies, organised business, academics, trainers and NGO specialists. The NQF was born basically to monitor qualifications and assure that quality was promulgated by government. This affected the way qualifications are developed. Qualification development is promulgated and governed by the following Acts:

- South African Qualifications Authority Act (Act No. 58 of 1995)
- Skills Development Act, 1998 (Act No.97 of 1998)(as amended)
- The National Education Policy Act (Act No.27 of 1996) NEPA, and
- The Further Education and Training Act (Act No. 98 of 1998)
- Education and Training Quality Assurance Bodies Regulations (Act No. R1127 of 1998)
- SAQA 2001 Quality Management Systems for Education and Training Providers
- SAQA 2001 Criteria and Guidelines for Providers



# CEO'S REPORT

## Projects

Qualifications are developed in accordance with certain rules of combinations as in the National Standard Bodies Regulations (No. R452 of 28 March 1998). Each qualification is required to contain 3 distinct categories of learning, namely:

- **Fundamental learning** – Learning that forms the grounding or basis needed to undertake the education, training or further learning required in the obtaining of the qualification. Fundamental Unit Standards deal with skills that are fundamental to learning in that particular qualification and often include aspects such as like literacy and numeracy.
- **Core learning** – Compulsory learning required in situations contextually relevant to the particular qualification. Core Unit Standards deal with skills relevant or specific to the particular qualification or field of expertise and practice.
- **Elective learning** – A selection of additional credits at the level of the National Qualifications Framework specified, from which a choice may be made to ensure that the purpose of the qualification is achieved. Elective Unit Standards deal with specialised skills or context specific skills and knowledge.

Even though current training providers have focused their initial energies on the core components of qualifications, Theta-ETQA has always encouraged its training providers to show integration of fundamental unit standards when developing programmes. However, this has imposed a serious problems in years where ETQA found itself returning most of the programmes submitted by training providers unapproved, since they did not meet ETQA requirements mainly because they could not align fundamental unit standards with the entire qualification .

### 2.4 Project Activities

This project has 5 deliverables within 1 project and some can be carried out simultaneously. The deliverables are:

- Conduct a benchmark study to determine the policy and practice of other Setas on the RPL Recognition of prior learning of fundamental unit standards
- Develop a standard programme package for literacy, numeracy and communication fundamental unit standards on NQF levels 2, 3, 4 and 5. Packages must consist of Base-line assessment, Curriculum, Learner Guide (learning material), Facilitators Guide, Assessment Strategy and battery of assessment instruments for the fundamental unit standards in the newly developed Theta qualifications framework
- Develop a policy of fundamental standards packages accessibility and utilisation
- Design an access system to assist ETQA to manage and maintain these programmes
- Conduct workshops to capacitate providers in the use of packs, awareness of the policy and processes and procedures to follow to obtain access to Generic Fundamental Unit Standard packs.

#### 2.4.1 Benchmark Study

A benchmark study was to be conducted to determine the policy and practices of other Setas on the RPL (Recognition of Prior Learning) of fundamental unit standards.

##### 2.4.1.1 Objectives of the Benchmark Study

The objective of the study is to:

- **Conduct** a cross pollination benchmark study of best practice across 5 Setas regarding the provision and training of Generic Fundamental Unit Standards
- **Determine** the RPL policy and practice of above-mentioned Setas in the provision of training of Generic Fundamental Unit Standards
- **Compile** a generic Fundamental Unit Standards provision and training policy blueprint for Theta.





# CEO'S REPORT

## Projects

### 2.4.2 Fundamental Unit Standards Programme Package

Standard programme packages were to be developed for fundamental unit standards in the new Theta qualifications framework at NQF levels 2, 3, 4 and 5. For a list of fundamental unit standards developed refer to Annexure 1 to the Projects Report on page 72.

#### 2.4.2.1 Objectives of Fundamental Learning Programme Packages

The objective of developing fundamental learning packages is to offer pre-developed material to provider in order to benefit Theta in the following way:

- Standardised Programme Package for fundamental unit standards will provide for portability across qualifications, allowing learners to gain credits towards all qualifications on a particular level through attendance of one course
- Standardised learning material and assessment in fundamental unit standards will provide a standard quality of provision and implementation across providers
- Appointment of standard providers in fundamentals will allow access to learners in all provinces
- Appointment of standard providers will allow Theta providers scope for entering into partnerships on specialised non-core provision and concentrating their own provision on their own specialist, core provision areas
- Deliberate and targeted development of FET Colleges will be able to gain access to the Theta qualifications framework
- Cross Seta recognitions for learners in fundamentals and, therefore, access to broader scope of qualifications.

#### 2.4.2.2 Fundamental Unit Standard Developed

The Programme Packages are developed for literacy, numeracy and communication fundamental unit standards on NQF levels 2, 3, 4 and 5 on Theta qualifications.

### 2.4.3 Learning Programme Access and Utility Policy

Theta is providing support to its provider base by making available pre-developed Generic Fundamental Unit Standards learning material for learning programme aligned against qualifications on the NQF, falling within the Theta quality assurance scope and mandate. On the same token, Theta-ETQA found it necessary to develop a mechanism that will assist the department with access and maintenance of the pre-developed material.

#### 2.4.3.1 Purpose Learning Programme Access and Utility Policy

The objectives of the Learning Programme Access and Utilisation Policy are as follows:

- The policy outlines criteria for access and utilisation by providers. It is basically informing providers on who can apply, how to apply and what not to do once you have such material in your possession.
- It provides guidelines to providers for Learning Programmes approval when submitting Theta-developed fundamental learning components are part of full qualifications with reference to integrated programme strategies to the Seta-ETQA. Providers are encouraged to consult with the programme Design and Development Criteria Guidelines when developing their qualifications ([www.theta.org.za](http://www.theta.org.za))
- Set rules for the Recognition of Prior Learning (RPL) and the transfer of credits against fundamental unit standards; it is indicating clearly what providers need to do to conduct RPL in their institutions.
- Establish the requirements for accountability of providers for high-quality provision of learning programmes within the Theta-ETQA scope.
- Ensure that all qualifying providers have the requisite competence and capacity to manage learning delivery and assessment of Theta-developed learning programmes through the provision of ongoing capacity building.
- It indicates all prerequisites to apply for fundamentals. There is some competency that a provider needs to display before the fundamentals can be given to the organisation.
- Ensure that programmes utilised by Providers adhere to SAQA criteria for the design of qualifications, particularly the inclusion and integration of fundamental, core and elective components, and
- Enable the setting and maintenance of quality standards of training and development for SAQA-prescribed fundamentals as incorporated into qualifications falling in the Theta scope.



# CEO'S REPORT

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Providers are strongly advised to understand this policy before they apply for the use of pre-designed programme material.

### 2.4.4 Access System

Programme packages developed are, and remain, the intellectual property of Theta; hence systems are put in place to protect them. Theta-ETQA reserves the right for providers applying for the pre-developed programmes. More information on accessibility and utilisation is reflected in the Learning Programme Access and Utilisation Policy.

#### 2.4.4.1 Objectives of Fundamental Learning Packages Access System

The objective of the access system is to:

- Ensure that the system is in place to maintain and control access to packages
- Advise on who has the access and who cannot apply
- Outline procedure and processes to follow to access the fundamental package.

### 2.4.5 Generic Fundamental Unit Standard Workshops

Workshops were held once the Fundamental Unit Standards Learning Material and Learning Programme Access and Utilisation Policy were completed.

#### 2.4.5.1 Objectives of Fundamental Workshops

- To create awareness among providers that Fundamental Unit Standards and the access policy are available.
- To capacitate training providers in the use (provision and assessment) of the programme package on the fundamental unit standards
- To capacitate training providers in the Learning Programme Access and Utilisation Policy.

#### 2.4.5.2 Target

80 accredited training providers were targeted. Workshops had to be held in provinces where there are accredited providers.

### 2.5 Service Provider

The Training Edge (ATTE) was appointed as the service provider to conduct a benchmark study, develop generic fundamental packages, write access policy and conduct fundamental workshops. The appointment was made after the tender process and due diligence were conducted.

### 2.6 Project Results

The Generic Fundamental Project had 5 deliverables in 1 project, namely; (1) The benchmark study (2) Development of learning programme packs (3) Writing of the Access and Utilisation Policy (4) Setting up the access system, and (5) Conducting workshops. All deliverables were implemented at the concurrently, thus the sequence of appearance in this report does not represent the order of implementation.

#### 2.6.1 Benchmark Study

A benchmark study was conducted. The paper was presented to Theta managers, as well as Quality Assurors. After discussions and interrogation of the paper, the service provider closed the gaps and presented the final paper to the same parties. Theta has a final study paper.

#### 2.6.2 Fundamental Programme Packs

The Programme Packages are developed for literacy, numeracy and communication fundamental unit standards on NQF levels 2, 3, 4 and 5. Fundamental unit standards were identified. The service provider designed templates that were to be used in the development of learning packs. Templates were discussed with programme evaluators. Once this was agreed upon, programmes were developed and sent to ETQA for approval. The project was delayed in this regard based on the fact that level 5 unit standards were not registered with SAQA. Once the unit standards were registered, the service provider developed packs and sent them to ETQA for approval.

In total, 27 unit standards have been developed and approved by ETQA. These packages will be accessible through formal application to the Theta-ETQA Manager.



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### 2.6.3 Access and Utility Policy

Theta has developed a Learning Programme Access and Utility Policy. This policy is developed to manage access to Fundamental Unit Standard Learning Programme Packs. The policy informs providers that the packs cannot be used as scope for accreditation, but as a fundamental part of their qualifications. Providers are to show the alignment of the fundamental unit standards they are applying for in the qualification they are intending to develop. More information on the terms and conditions of these Fundamental Learning Packs are outlined in the "Learning Programme Access and Utilisation Policy". Alternatively, the full version may be obtained from Theta-ETQA.

Like the benchmark study, the service provider drafted the access and utility policy. The policy was presented to Theta management and the ETQA Department. The policy was interrogated and suggestions and recommendations were made. The service provider made all amendments. Once Theta and the ETQA Department were satisfied with the results, the policy was endorsed. The policy is available from the ETQA Department.

The providers will have access to learning programmes in proportion to what they want to deliver and subject to monitoring by Theta-ETQA. Providers will therefore only have access to those Theta-developed learning programmes that fall within the scope of their provision as stated in their application for accreditation or letter of extension of scope of their accreditation. Qualifying providers can have access to an unlimited number of Theta learning programmes that constitute full qualifications, with the condition that they show evidence of sufficient resources as well as the capability to deliver such learning programmes. The developed programmes or part of it cannot be used as part of a non-Theta registered qualification. Providers who are interested in applying for the developed learning programmes can do so by applying to the ETQA Manager. However, they are strongly advised to read and understand the **Learning Programme Access and Utilization Policy** prior to application.

### 2.6.3.1 Who has Access?

- Fully accredited providers with Theta
- Provisionally Accredited Provider with Theta
- New applicants for Provider Accreditation with Theta
- Public FET Providers who wish to provide a full Theta Qualification

Providers need to know that even though they fall under the above-mentioned categories, there is capacity that they need to show, as well as procedures and rules to follow. The policy is very clear on this.

#### 2.6.3.1.1 Exclusions from Access

The following providers are excluded from this policy and access to the developed material:

- Private providers who were excluded elsewhere or who are registered with other Setas
- Providers not offering any of the learning programmes within the scope of Theta, and
- Providers on Memorandum of Understanding (MoU) agreements, excluding Public FET.

### 2.6.4 Fundamental Workshops

This is the only deliverable that had to come at the end of the project. Once the programmes and policy were developed, workshops were conducted to make the industry and training providers aware of their existence and how to use them. Workshops were conducted in 8 provinces. Workshop evaluation forms were completed and overall outcome of the result was positive.

### 2.7 Risk Management

The project planning process of the Generic Fundamental Project identified assumptions and risks associated with each output to be produced. There is only one risk that has been accurately identified, namely: "Limited control over the process for registration of Level 5 unit standards with SAQA". None the less, all Theta numeracy, literacy and communication unit standards are now developed and learning programme packages are accessible through application to the ETQA Manager.



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## Projects

### 2.8 Highlights of the Project

All activities that were service provider based are completed successfully; benchmark study conducted and completed; fundamental programme packages completed and ready for use, Access and Utility Policy completed and ready for use; and fundamental workshops successfully conducted.

### 2.9 Financial Performance

The Generic Fundamental Unit Standards Project cost the organisation R1 505 118.63.

### 2.10 Conclusion

It is evident in the project activities that this project was a success. Looking back to what was aimed for the project:

**Objective 1:** Conduct a benchmark study to determine the policy and practice of other Setas on the Recognition of Prior Learning (RPL) of fundamental unit standards.

**Outcomes:** A benchmark study was conducted and presented to Theta. After interrogating the paper and closing of gaps identified, the paper was approved and accepted by Theta. A study report is available from Theta for further research on the matter.

**Objective 2:** Develop a standard programme package consisting of Base-line assessment, Curriculum, Learner Guide (learning material), Facilitators Guide, Assessment strategy and battery of assessment instruments for the fundamental unit standards in the newly developed Theta qualifications framework.

**Outcomes:** Standard programme packages on 27 unit standards are developed, evaluated and approved by ETQA; final electronic copy of this material was presented to Theta. The following forms part of the programme package:

- Base-line assessment/Programme Strategy
- Curriculum
- Learner Guide (learning material)
- Facilitators Guide
- Assessment strategy and
- Battery of assessment instruments.

**Objective 3:** The Programme Packages will be developed for literacy, numeracy and communication fundamental unit standards on NQF levels 2, 3, 4 and 5.

**Outcomes:** 27 generic fundamentals on literacy, numeracy and communication are developed from level 2 to level 5.



## CEO'S REPORT

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**Objective 4:** Implement a policy of fundamental standards implementation and identify providers to implement the standard programmes.

**Outcomes:** The policy has been formulated and presented to Theta. Adjustments were made and the policy was ultimately approved by Theta. There is a call for providers to apply for Theta to comment on the policy's effectiveness.

**Objective 5:** Design an access system to assist Education and Training Quality Assurance (ETQA) to manage and maintain these programmes.

**Outcomes:** An access system, including Service Level Agreement, is available. The ETQA Department will still have to monitor their effectiveness once providers start to apply and use the pre-developed programmes.

**Objective 6:** Conduct workshops to capacitate providers in the use of packs, awareness of the policy and process and procedures to follow to obtain access to Generic Fundamental Unit Standard packs.

**Outcomes:** Workshops have been conducted in 8 provinces. According to training providers' feedback, the workshops were successful. They have shown an overwhelming appreciation of what Theta is doing for them and are happy with the programmes.

The Generic Fundamental Unit Standards Project is only addressing part of the qualification that the study identified as critical, and providers will be allowed to apply for this material and design and develop their own qualifications. Theta has decided to take a step further by designing and developing Theta-registered qualifications and license them to service providers. From that, a Curriculum Design and Development Project was scoped.



# CEO'S REPORT

## Projects

### 3. ABET Programme

**NSDS Target success indicator 2.7:** Measures the performance of Theta in ABET implementation.

#### 3.1 Programme Description

Theta's approved 5-year strategic plan has an ABET intervention target of 28 000 workers as a contribution towards 700 000 workers as a National Skills Development target. Theta targeted 3 500 learners to enter into the ABET level at either 1, 2, 3 or 4 for the 2008/09 financial year. In the past, Theta was involved in the provisioning of ABET on a small scale and, as such, a strategy has been adopted that will allow the Seta to reach this target within the agreed timeframe and the intended outcome. This ABET level 1, 2, 3 or 4 qualification is situated in the General Education and Training band and the learner will receive a General Education and Training certificate on completion. This qualification is quality assured by Umalusi.

The ABET programme delivery methodology is two fold, namely ABET grant and ABET project. The *ABET grant* is valued at R8 000.00 per learner per ABET level at either level 1, 2, 3 or 4 for the Conservation Sector only and implemented by an employer-contracted training provider and monitored by Theta. The ABET project, valued at R9 485 370.00, is a Theta-driven training intervention implemented by a Theta-contracted service provider, Media Works, for 1 935 employed learners, open to all the Theta sub-sectors with the exception of Conservation.

The ABET programme was launched at the Kruger National Park on 17 July 2008 and was attended by the then Deputy President, Ms Phumzile Mlambo Ngcuka and various tourism industry leaders who came to pledge their support for this investment in skills development, a vital component of transformation.

#### 3.2 Programme Objectives

The ABET programme was initiated to support employed ABET learners within the Theta industry for the 2008/2009 financial year. The programme aims to:

- Provide a training intervention that will increase adult literacy levels within the industry
- Identify stakeholder organisations and members that need to benefit from this training intervention
- Encourage employers to train people with disabilities and place greater emphasis on rural communities within the conservation sector.

#### 3.3 Roll-out Methodology – ABET Grant

Theta opened a funding window for the Conservation sector and invited suitably qualified organisations to apply for grants valued at R8 000.00 per employed learner per ABET level to address the sector's need to implement Adult Basic Education and Training. In response to the invitation, National and Provincial Parks are being supported to the value of R15 535 500.00.

#### 3.4 Roll-out Methodology – ABET Project

The ABET project was advertised in the Sunday Times and City Press on 28 January 2007, calling for request for proposals from Seta-accredited providers with programme approval from Umalusi. The ABET proposals were due and submitted on 28 February 2007. First and Second Phase evaluation, that is the functional and pricing evaluation of the ABET tender proposal, commenced on 5 March 2007 and was completed on 3 April 2007. The tender was awarded to Media Works on 18 December 2007.



# CEO'S REPORT

## Projects

### 3.5 ABET Programme Risks

- High learner dropout rate due to deaths, pension, loss of interest
- Lack of support from employers to release employees for purposes of the programme
- Insufficient incentives for the employed learners to remain on the programme
- Negative perceptions of ABET programmes

### 3.6 ABET Programme Highlights

91% of employed learners on the ABET programme have been declared competent in literacy and are in the process of completing numeracy at ABET level 1, 2, 3 or 4.

### 3.7 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R9 485 370.00 contract value of Training Provider (Implementing Agent)
- R948 537.00 for project administration (Support)

### 3.8 Conclusion

This has been a much needed intervention in the sector to address the low or non-literacy levels in the sector and would therefore enable Theta to reach its target of 3 500 workers as set in the Service Level Agreement between the Department of Labour and Theta for the 2008/2009 financial year.

### 3.9 Future Plans

- Graduation Ceremonies of employed learners that have completed one ABET level
- To conduct an impact study.



# CEO'S REPORT

## Projects

### 4. Graduate Development Programme

**NSDS Target success indicator 4.2:** Measures the performance of Theta in providing Work Experience Grants to employers providing work experience opportunities to students/graduates in sector relevant programmes.

#### Description of the Programme

The objective of the Graduate Development Programme is to provide workplace experience to 3 000 graduates/learners for the 2008/09 financial year, to enable them to acquire employable skills, gain workplace exposure and improve their opportunities of securing permanent employment.

Theta is utilising funds made available by the National Skills Funding window (NSF) to incentivise its constituent member-employers in providing the necessary experience and exposure required by graduates/learners. The programme enables Theta to bridge the scarce and critical skills gaps at different levels as identified in the Tourism Sector Skills Plan.

By making funding available to member-employers who provide in-service training to learners from Higher Education Institutions (HET) and Further Education and Training (FET), Theta is encouraging employers to provide workplace experience opportunities to learners who are required to complete work-integrated learning in order to complete their qualification.

Research indicates that numerous learners who study within the fields of Tourism and Hospitality do not complete their qualifications because of an inability to secure experiential learning or an internship which, in most instances, is a requirement for completion. This results in high recorded 'dropout' rates and non-completion of certain qualifications.

The aims of the Graduate Development Programme are two-fold. One is to afford unemployed graduates workplace experience (herein referred to as Graduate Internship Grant), and the other to afford tertiary students internship workplace experience in order to qualify (herein referred to as Experiential Learning Grant).

#### 4.1 Programme Objectives

- To sensitise employers to the opportunities and benefits of providing learners with experiential training and internships
- To incentivise employers to collaborate with Theta and educational institutions in achieving the goal of providing learners with appropriate, work-exposed qualifications
- To provide work-integrated learning opportunities to learners with the objective of completing the internship requirements of their qualifications
- To provide unemployed graduates with quality experiential learning opportunities, thereby increasing their opportunities for self and full-time employment
- To ensure a flow of work-ready individuals into the market place

#### 4.2 Roll-out Methodology – Graduate Internship Grant

The Graduate Internship Grant is valued at R6 000.00 per learner once off to offset employers' administration costs, and R2 000.00 per learner per month for a maximum of 12 months and a minimum of 6 months. The Graduate Internship Grant was initiated to incentivise employers to provide workplace experience to graduates, enabling them to acquire employable skills, gain workplace exposure and improve their opportunities of permanent employment or creating self-employment.

#### Graduate Profile

Unemployed graduates from designated groups in possession of a one, two or three-year qualification or relevant qualification in the following sub-disciplines for consideration:

- Commerce and/or Finance
- Tourism and Travel
- Hospitality and Events
- Sport and Recreation
- Conservation and Ecotourism
- Human Movement Science
- Information Technology
- Marketing.

Any other sub-discipline articulating to the Theta scope.

Unemployed graduates must have studied with either:

- HET or FET-Accredited Institution
- Seta-Accredited Training Provider.





# CEO'S REPORT

## Projects

### 4.3 Roll-out Methodology – Experiential Learning Grant

The Experiential Learning Grant is valued at R1 500.00 per learner per month for a maximum period of 12 months and a minimum period of 6 months, to provide learners with a work-integrated learning programme as required for the completion of a registered qualification.

#### Learner Profile

Learners from designated groups studying full time where it is a requirement of the course programme to undergo experiential learning or work-integrated learning. Learners studying one, two or three-year qualifications in the following sub-disciplines:

- Commerce and/or Finance
- Tourism and Travel
- Hospitality and Events
- Sport and Recreation
- Conservation and Ecotourism
- Human Movement Science
- Information Technology
- Marketing
- Any other sub-discipline articulating to the Theta scope.

#### Exclusions

Learners who have been through a learnership programme do not qualify for these grants, as they are deemed to have workplace experience.

The Graduate Development Programme does not lead to a qualification and therefore no training provider is required. Training providers do not qualify for these grants, and Employers taking learners for a period of less than 6 months do not qualify, as there is no shortage of such placements.

The Graduate Development Programme has attained its objectives as follows:

Number of Companies	Number of Learners
109	758 experiential learners 7 833 learner interns
	8 591

### 4.4 Graduate Development Programme Risks

- High volume of applications from non-Theta constituent employers, fund allocation thereof depleting funds intended for Theta constituent employers.
- Inadequate capacity to monitor the programme implementation. As a result not all placed graduates or students are getting relevant experience.

### 4.5 Graduate Development Programme Highlights

An impact study is to be conducted to establish how many of the previously unemployed graduates are now permanently employed as a result of this initiative. Needless to say, this initiative has afforded an opportunity for workplace experience for many unemployed graduates who would have otherwise remained unattractive due to a lack of practical on-the-job experience.

### 4.6 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R33 000 000.00 graduate/student stipend and employer allowance
- 10% for project administration (Support)

### 4.7 Conclusion

This has been a much needed intervention in the sector to address the poor uptake of tourism graduates into employment which is detrimental to the individual learners and their families, institutions of learning who offer these programmes and, ultimately, the sector which does not benefit from a large pool of graduates from which to recruit prospective employees.

### 4.8 Future Plans

To conduct an impact study.



# CEO'S REPORT

## Projects

### 5. Chamber Projects

Chamber Projects are funded by accumulated unclaimed Mandatory Grants, as approved by the Department of Labour. The need to enhance skills development in South Africa is a nationally legislated initiative in terms of the Skills Development Act.

In an effort to fast-track transformation and improve the skills profile of employees in the Tourism, Hospitality, Conservation, Gaming and Sport Industry, Theta was given the mandate to propose industry-led, beneficiary-driven skills development interventions or projects that would tackle the most critical scarce skills within the sector.

**NSDS Target success indicator 2.8:** Measures the performance of Theta in assisting workers to enter and at least 50% successfully complete programmes, leading to basic entry, intermediate and high-level scarce skills.

#### 5.1 Description of the Projects

Industry-led, beneficiary-driven projects to address the critical and scarce skills within the sector thus, increasing the pool of skilled employee base in the following:

- Management Programmes, i.e. New Management Programme, Management Development Programme and Advanced Management Programme, for employees either entering into management or are in management for career progression purposes
- SA Host Customer Care Programmes for junior level employees to improve service standards through training
- Computer Literacy to establish a computer-literate employee base at junior level
- Gaming Regulators Programme
- Foreign language training in the key foreign language areas of German, French and Italian for tour guides and front desk staff
- Black Managers Acceleration Programme for the horse racing courses to fast track transformation at management level
- Employee Wellness Programme for the gaming and lotteries sub-sector, specifically casinos, with a view to building inner and personal effectiveness to ensure a more resilient workforce and to reduce the impact of a stressful environment in respect of health and financial awareness
- Customer Service in-house programme targeted at the gaming and lotteries sub-sector, specifically casinos, to develop professional assertiveness and confidence

- Guest House Assistant Training Programme to provide for the enhancement and recognition of the technical hospitality skills of Guest House Assistants through the provision of a registered Skills Programme or cluster of appropriate Unit Standards to so-called 'domestic workers' employed by Guest Houses, Bed and Breakfasts, Home Stays and small lodging establishments
- Financial Management for Non-Finance Managers to equip participants with the analytical skills needed to use financial reports.

#### 5.2 Project Objectives

- To increase the number of employees equipped with the necessary skills required for upward mobility
- To enhance the quality and professionalism of services provided in the industry
- To improve productivity and efficiencies within the workplace
- To mitigate the entrenchment of the existing status quo of racial inequality in line and operational management
- To fast track transformation through skills training,

#### 5.3 Roll-out Methodology

The Chamber Projects are classified either as Cross Chamber Projects that are a scarce skill, generic and are applicable to all Theta sub-sectors and can be applied across industries, or Chamber-Specific Projects that are critical skills applicable to a particular sub-sector.

##### 5.3.1. Cross Chamber Projects

The Cross Chamber Projects, namely Customer Service and Computer Literacy, are being implemented nationwide in the major city centres on a block release basis or part time for a certain number of days during the week for the duration of the programme.

The programmes are implemented by legitimate credible training providers, ie. Theta-licensed SA Host Leaders in respect of Customer Service and ISETT Seta, and a Microsoft-licensed accredited training provider in respect of Computer Literacy.

Certificates of competence are issued at the end of the training intervention, where applicable.



# CEO'S REPORT

## Projects

The achievements to date are as follows:

SA Host Customer Service		
Province	No. of Companies	No. of Learners
Gauteng	11	84
Western Cape	8	88
Northern Cape	1	19
North West	2	59
KwaZulu-Natal	6	13
Free State	1	17
Mpumalanga	1	23
Eastern Cape	4	15
<b>Total</b>	<b>34</b>	<b>318</b>

Computer Literacy				
Province	No. of Companies	No. of learners trained	No. of learners assessed	No. of learners competent
Gauteng	18	189	153	153
KwaZulu-Natal	10	100	33	28
Western Cape	13	138	66	66
Limpopo	1	8	8	8
North West	8	86	46	45
Mpumalanga	7	79	scheduled	n/a
Eastern Cape	0	0	0	0
<b>TOTAL</b>	<b>57</b>	<b>600</b>	<b>306</b>	<b>300</b>



# CEO'S REPORT

## Projects

### 5.3.1.1 Cross Chamber Projects Risks

- Learners not submitting Portfolios of Evidence are therefore not being assessed, resulting in a less than desired outcome.
- High volume of applications from non-Theta constituent employers, fund allocation thereof depleting funds intended for Theta constituent employers.

### 5.3.1.2 Cross Chamber Projects Highlights

- 236 employed learners have received a certificate of competence in one or more modules at Start, Core or Advanced programme in computer literacy
- 64 employed learners have received certificates of competence in all the unit standards on the Start Programme
- 39 Theta constituent employers have benefited in Customer Service, SA Host thus improving the level of service delivery of a few of the companies that have taken advantage of this initiative within the industry
- 480 SA Host certificates of attendance have been issued to Theta constituent employees that have participated for the duration of the programme.

### 5.3.1.3 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R2 100,000.00 Customer Service Project Implementation
- R210 000.00 Customer Service Project Administration
- R11 325 901.30 contract value of training provider (Implementing Agent for Computer Literacy)
- R1 132 590.13 Computer Literacy Project Administration (Support)

### 5.3.1.4 Conclusion

Customer Service and Computer Literacy, classified as scarce skills, are priority initiatives as identified in the Sector Skills Plan to improve the service standards of employees, to develop professional assertiveness and confidence and to increase and improve the computer-literate employee base.

### 5.3.1.5 Future Plans

- To achieve the targeted number of 600 employees certified at one or more modules in Start, Core or Advanced Computer Literacy Programme

- To host a graduation ceremony to recognise learners that are certified in all modules in Start, Core or Advanced Computer Literacy Programme
- To conduct an impact study.

### 5.3.2 Chamber-Specific Projects

The Chamber-Specific Projects are implemented via a Memorandum of Understanding with the Theta constituent employers in respect of the gaming and lotteries sub-sector, i.e. casinos and horse racing courses and the hospitality sub-sector.

These programmes are offered in house at the employer's site and at the employer's discretion, although confined to the criteria and guidelines set by the Theta project management office. These programmes are on a grant or a bursary basis that employers apply for from Theta on the provision of proof of training implementation and competence, where applicable.

The duration of each of the programmes is limited to a maximum of 5 days. Certificates of attendance or competence are issued, where applicable.

The Chamber-Specific Projects comprise the Horse Racing Black Managers Acceleration Programme and the Gaming Regulators Programme. The Horse Racing Black Managers Acceleration Programme is made up of 3 modules, namely Life Skills, New Managers Programme and Racing-Specific Skills Programme, that is Turf Management. The Gaming Regulators Programme is made up of Project Auditing, Project Management, Project Risk, Corporate Governance and Risk Management, Auditing of the Procurement Function, Using the Governance Approach in Developing Audit Objectives, Tests and Recommendations, as well as the Public Finance Management Act and Treasury Regulations.

Achievements to date are as follows:

#### Horse Racing Black Managers Acceleration Programme

Province	No of Companies	No of Learners
Gauteng	3	5
KwaZulu-Natal	2	5
<b>TOTAL</b>	<b>5</b>	<b>10</b>



# CEO'S REPORT

## Projects

### Gaming Regulators Programme

Province	No of Learners
Gauteng	28
KwaZulu-Natal	10
Mpumalanga	8
Eastern Cape	5
National Gambling Board	2
<b>TOTAL</b>	<b>53</b>

#### 5.3.2.1 Chamber-Specific Projects Risks

The New Managers Programme, scheduled as part of the Horse Racing Black Managers Acceleration Programme, has not commenced due to a delay in the roll-out of the Management Development Programme, of which the New Managers Programme is a part. This delayed the conclusion of the Horse Racing Black Managers Acceleration Programme.

#### 5.3.2.2 Chamber-Specific Projects Highlights

53 employed learners of the Gambling Board have received Certificates of Competence in one or more modules on either one of the following: Project Auditing, Project Management, Project Risk, Corporate Governance and Risk Management, Auditing of the Procurement Function, Using the Governance Approach in Developing Audit Objectives, Tests and Recommendations; and Public Finance Management Act and Treasury Regulations.

#### 5.3.3.3 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R1 000.000.00 Horse Racing Black Managers Acceleration Programme Project Implementation R100 000.00 Horse Racing Black Managers Acceleration Programme Project Administration
- R250 000.00 Gaming Regulators Programme Project Implementation
- R25 000.00 Gaming Regulators Programme Project Administration (Support)

#### 5.3.2.4 Conclusion

Theta and the Gaming sector have supported aspirant Managers, Managers, Section Heads, Senior Auditors, Compliance Auditors and Investigators by providing an accelerated platform for development and career progression within the Gambling Sector.

#### 5.3.2.5 Future Plans

- To achieve the targeted number of 10 employees to be certified in Life Skills, New Managers Programme and Turf Management
- To host a graduation ceremony to recognise learners certified in all the Horse Racing Black Managers Acceleration Programme initiatives
- To conduct an impact study.



# CEO'S REPORT

## Projects

### 4. Bursaries for the Racing and Equestrian Sector

**NSDS Target success indicator 2.7:** Measures the performance of Theta in ABET implementation.

**NSDS Target success indicator 2.8:** Measures the performance of Theta in assisting workers to enter and at least 50% successfully complete programmes leading to basic entry, intermediate and high-level scarce skills.

**NSDS Target success indicator 4.1:** Measures the performance of Theta in assisting unemployed people to enter and at least 50% successfully complete programmes, including learnerships and apprenticeships, leading to basic entry, intermediate and high-level scarce skills.

#### 4.1 Description of the Programme

Theta's ongoing intention to assist previously disadvantaged communities to gain access to the Racing and Equestrian Academy, to reduce illiteracy in the racing industry and to ensure there is a pool of skilled PDI Jockeys, grooms, work riders, stable employees and assistant trainers, has implemented ABET to 400 beneficiaries, made available bursaries for 50 apprentice jockeys and bursaries for 150 unemployed to undergo skills programmes on grooming and horse handling in rural Harness Racing.

#### 4.2 Programme Objectives

- To avail a bursary access fund to substantially increase the number of black and female jockeys
- To increase the capacity and academic support infrastructure for increased numbers of learners from previously disadvantaged backgrounds at the Racing and Equestrian Academy
- To assist in the establishment of a groom development division offering ABET, practical grooming and work riding and advanced training for stable employees.

#### 4.3 Roll-out Methodology

Theta entered into a partnership with the Racing and Equestrian Academy to support ABET implementation, training of jockeys and training in skills programmes on grooming and horse handling in rural Harness Racing.

Achievements to date are as follows:

NSDS Target	Intervention Title	Number of learners trained
2.7	ABET	207
2.8	Groom Development	55
4.1	Apprentice Jockey	11
<b>TOTAL</b>		<b>273</b>

#### 4.4 Programme Risks

- High learner dropout rate due to deaths or loss of interest
- Insufficient incentives and resources for the learners to remain on the programme.

#### 4.5 Programme Highlights

- 11 apprentice jockeys from the previously disadvantaged communities given an opportunity they could have otherwise not only have had access to, but would also not have been able to afford without the bursary
- 55 previously unemployed people have been taken through a groom development skills programme that has further improved their prospects up upward mobility.

#### 4.6 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R3 000,000.00 Implementing Agent
- R300 000.00 for project administration (Support)

#### 4.7 Conclusion

This project is completely aligned with the NSDS Targets, SSP, in the following respects:

It is beneficiary driven; the beneficiaries include youth, women and the Peri Urban and Rural population. It has an ABET component. The practical grooming, work riding and advanced stable employee programmes are skills programmes that will provide the beneficiaries with career mobility.

#### 4.8 Future Plans

- Graduation ceremonies for apprentice jockeys that qualify
- To conduct an impact study.



# CEO'S REPORT

## Projects

### 5.1 Mobility Services Project

**NSDS Target success indicator 4.2:** Measures the performance of Theta in assisting learners to gain workplace experience with a view to find employment or become self-employed.

#### 5.1 Description of the Project

The purpose of the 2010 Legacy – Mobility Services project is to establish a training and development programme under the auspices of SAVRALA and in association with Theta to address the shortage of fully trained chauffeurs and professional passenger transport during the 2010 FIFA Soccer World Cup event and beyond.

Mobility services problems were identified during the World Summit on Sustainable Development held in Johannesburg in 2002. During this event, the need for fully trained chauffeurs and professional passenger transport became evident and qualified drivers had to be brought in from across South Africa to operate as chauffeurs in Gauteng. These drivers were not familiar with the surroundings and were also not fully trained to operate as chauffeurs, which led to tourist complaints about the lack of service and professionalism.

#### 5.2 Project Objectives

- Establish a training and development programme under the auspices of SAVRALA and in association with Theta to address the shortage of fully trained chauffeurs and professional passenger transport during the 2010 FIFA Soccer World Cup event and beyond.
- Provide beneficiaries with recognised education and training (statement of results in partial achievement of a SAQA-registered qualification)
- Enhance the quality and professionalism of services provided by chauffeurs and professional passenger transport operators
- Assist the sector to meet the service level expectations of guests visiting South Africa for the 2010 FIFA Soccer World Cup;
- Ensure the formal recognition of existing skills
- Provide beneficiaries with opportunities for upward mobility, self-employment and alternative employment
- Recruit 790 unemployed graduates and tourist guides from the 2010 Soccer Host Cities to be trained as chauffeurs and be placed with the participating employers.

#### 5.3 Roll-out Methodology

Theta entered into a partnership with SAVRALA to address the shortage of fully trained chauffeurs and professional passenger

transport during the 2010 FIFA Soccer World Cup event and beyond. To date, the project has piloted it to benefit 15 employed learners and 5 unemployed learners as follows:

Intervention	No of companies that have been benefited	No of learners in training
Mobility Services Skills Programme	8	20

#### 5.4 Programme Risks

- High learner dropout rate due to deaths or loss of interest
- Insufficient incentives and resources for the learners to remain on the programme, particularly the unemployed learners.

#### 5.5 Programme Highlights

- 5 unemployed learners from the previously disadvantaged communities given an opportunity to up skill, therefore improving their prospects of employment
- 15 currently employed afforded an opportunity to recognise their current skills and enhance them in order to improve their prospect of upward mobility and to improve their level of service to the customers they serve.

#### 5.6 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R300 000.00 Implementing Agent
- R30 000.00 for project administration (Support)

#### 5.7 Conclusion

The outcome of the successful implementation of this training and development programme is that mobility services – specifically the demand for chauffeurs and professional passenger transport for the 2010 Soccer World Cup event - will be addressed and a pool of qualified drivers/chauffeurs will be created for future deployment beyond the World Cup event.

#### 5.8 Future Plans

- To host a graduation ceremony for Professional Chauffeur drivers
- To conduct an impact study.



# CEO'S REPORT

## Projects

### 8. Skills Development Facilitator Workshop

**NSDS Target success indicator 1.2:** Measures the performance of Theta in making available information of critical skills to learners.

#### 8.1 Description of the Project

The purpose of the Skills Development Facilitator Workshop is to strengthen the capacity of Skills Development Facilitators as per the Skills Development Act, 97 of 1998.

#### 8.2 Project Objectives

- To encourage levy-paying organisations who do not claim their grant, to submit their Workplace Skills Plans and Annual Training Reports
- To assist new companies/skills development facilitators to become part of the levy and grant process
- To update Skills Development Facilitators on changes to the Sector Management System and introduce new concepts, such as PESSA and the OFO
- To stress the importance and link of the Workplace Skills Plan and Annual Training Report to the Sector Skills Plan to encourage levy payers to participate in Discretionary Grants.

#### 8.3 Roll-out Methodology

The Skills Development Facilitator Workshop was implemented in Gauteng, KwaZulu-Natal and Western Cape by Theta internal staff, i.e the Chamber Coordinators.

To date, the project has achieved as follows:

Province	Targeted No of Skills Development To be Capacitated	No of Skills Development Facilitators Capacitated
Gauteng	150	78
Western Cape	100	72
KwaZulu-Natal	70	29
<b>TOTAL</b>	<b>320</b>	<b>179</b>

#### 8.4 Programme Risks

Low turnout rate versus the number of delegates that confirm to attend the workshop. Therefore, perpetuation of confusion regarding the grant process.

#### 8.5 Programme Highlights

179 Skills Development Facilitators representing employer organisations have been capacitated on applicable legislation, the grant system and various other Theta processes relevant to employer organisations in relation to Theta.

#### 8.6 Allocated Resources

- Project Administrator (Support)
- Project Manager (Support)
- Skills Development Manager (Project Owner)
- Project Accountant (Support)
- R300 000.00 Implementing Agent
- R30 000.00 for project administration (Support)

#### 8.7 Conclusion

Successful implementation of this training has resulted in improved workplace skills plans and implementation reports, as well as support on the skills development strategy in respect of transformation within the tourism industry.

#### 8.8 Future Plans

To update Skills Development Facilitators on any significant changes within the tourism education industry.





# CEO'S REPORT

## Projects

### Sports 2010 Related Projects

With the 2010 FIFA World Cup just around the corner, there is a need to develop and bolster a sense of readiness, to move from skills development strategy to skills development action. South Africa has been presented with opportunities to explore ways of overcoming its challenges in terms of the issue of skills gaps in various sectors. To this effect, Theta has invested extensively in projects that touch the lives of communities around the country, both in sports and other fields. The emphasis now is more on quality training in the context of accessibility and opportunities, delivery of training programmes, measuring of training standards, as well as incentives to train.

The recognition of the skills gap in the sports sector created an ideal opportunity to appreciate the existing knowledge and skills base with a view to planning appropriate interventions. As new facilities are being built and underdeveloped facilities refurbished across the country, management skills with regard to these sports facilities have become a concern.

Community development has been a major focus in the development of football beyond the 2010 FIFA Soccer World Cup and therefore sustainability of these structures is important. Likewise, the empowerment and development of soccer players beyond the fields of the game and a prolonged career in sports for the players remains a priority to elevate the standard of football in the country.

In hosting the 2010 FIFA Soccer World Cup, the need for and value of volunteerism in the country cannot be overemphasised. In response to this, Theta has partnered with various companies and organisations for strategic support, leadership and guidance, expertise, coaching and mentorship, membership support, co-funder and co-ownership to implement these projects.

### 9. Administration and Technical Officials Capacitation

In partnership with the South African Football Association (SAFA), Theta identified a need to provide focused football administration and technical training to selected learners in each of the SAFA regions across the 9 provinces. The aim is to provide training that is essential to supporting administration, technical and coaching officials in building capacity and increasing knowledge in the soccer fraternity.

Training is on 2 interventions, namely: (1) Fitness, Leadership and Administrations Skills and (2) Generic Coaching Skills.

SAFA has regional offices nationwide and is therefore equipped to handle the overall implementation of training. Theta has the role of project funder.

This project has received the support of relevant organisations and various key stakeholders, including the department of Sports, Recreation and Fitness (SRSA).

#### Project Objectives

The project seeks to improve staff competencies required by the soccer fraternity by increasing the skills and knowledge base of the tourism industry.

#### Budget

The project budget was R9 750 000.00. Two-thirds of this was spent on implementation thus far, with a further amount being earmarked for payment towards project completion.

#### Learner Profile

The project seeks to assist employed learners to enter and successfully complete learning programmes. The selected group would comprise 85% black, 54% women and 4% disabled learners.

#### Implementation

Since its inception in December 2007, the project has trained 1 084 learners in 52 SAFA regions – a positive result against the set target of 1 040 learners.

The learning intervention included training in administration and technical skills, as well as generic coaching and full qualification at NQF Level 4, after which learners were required to develop Portfolios of Evidence (PoEs) and, upon verification and approval of the PoEs, were declared competent. 900 Portfolios of Evidence (PoEs) were submitted, of which 615 have been approved.

In the next financial year, the project will focus on training on full qualification FETC: Sport Administration NQF Level 4. A target of 52 learners from the soccer fraternity will be enrolled in this programme.

Project completion is scheduled for March 2010.



# CEO'S REPORT

## Projects

### 10. Life Skills for Soccer Players (Ithuseng Project)

This project aims to improve the longevity and lifestyle of soccer players by building their profiles and simultaneously increasing the productivity and effectiveness of football as a career. In this way, it will assist soccer players to maintain a balanced approach to their work by taking ownership and personal control of their careers.

The project was launched in September 2008 with numerous stakeholders in the soccer fraternity involved for project support, expertise, leadership and guidance. The South African Sports Science Institute (SISSA) is the service provider in this project.

The learning intervention consists of a skills programme on "functioning in a team" and a separate non-NQF aligned intervention to cover professional, coping and commercial skills, as well as self management.

The project will roll over a one-year period with a target of 1 500 learners (soccer players) enrolled in the programme. Completion is scheduled for December 2009.

#### Project Objectives

The project seeks to capacitate soccer players to handle fame and celebrity status, as well as enhance their self esteem, self image and self confidence. Through this intervention, soccer players should be able to handle their own finances and also enhance their emotional intelligence and cognitive skills development in building team relations.

#### Learner Profile

The project seeks to address indicators 2.8 and 4.1 of the NSDS II. The selected group would comprise 85% black, 54% women and 4% disabled learners.

#### Budget

The project budget was R4 710 000.00. Two-thirds of this was spent on implementation thus far, with a further amount being earmarked for payment towards project completion.

#### Implementation

The project has received the overwhelming support of SAFA, the Premier Soccer League (PSL) and South African Football Association (SAFPU), all of which form part of the project's steering committee. To date, the project has trained 820 learners against a set target of 1 500. Learners are drawn from the professional league, national football division and various female teams countrywide.

The project also had its share of challenges since its roll out coincided with seasonal football activities resulting in some clubs withdrawing and others unwilling to release employees for training over extended periods.

This was a pilot project that has been successfully implemented. Plans for the next financial year include participation of football academies and SAFA junior national teams as an extension of scope in reaching a target of 1 500 learners.

### 11. Sports Facilities Management

This project aims to support the development of new sports facilities and refurbishment of existing facilities by training sports facility managers to manage these facilities beyond 2010.

This is a specialised course organised by the Department of Sports Recreation South Africa (SRSA) in partnership with Theta to capacitate officials working with facilities in the planning, design, construction, maintenance, operation and management of sport and recreation infrastructure.

#### Learner Profile

The project seeks to address indicators 1.2 and 2.3 of the NSDS II. The selected group would comprise 85% black, 54% women and 4% disabled learners, and would include both operational and supervisory staff in all sports facilities.

#### Budget

The project budget was R1 800 000.00.



# CEO'S REPORT

## Projects

### Project Objectives

Since the sports facilities involved are managed by municipalities and funded by government, the project is targeting municipal officials responsible for the maintenance of these facilities. A target of 150 learners will enrol in this project, comprising stadium managers, local government officials and members of government across all 9 provinces.

The project also aims to increase the number of competent and customer-driven sports facility managers who are capable of managing sports facilities, as well as creating a worthwhile sporting experience in 2010 and beyond. Communities will also have the benefit of enjoying the use of well-maintained and beautiful facilities.

### Implementation

Since its inception in December 2008, the project received support from Limpopo Province, the Eastern Cape and Gauteng and has to date trained 25 learners in turf grass management. Project completion is scheduled for December 2009.

Project plans for the next financial year are to increase the number of officials to be trained and to strengthen relationships with key partners for strategic support, leadership and guidance.

## 12. Volunteer Training

The Volunteer Programme is a comprehensive, logical and well structured programme aimed at providing volunteer services during the events and activities of the 2010 FIFA Soccer World Cup. This not only includes the World Cup itself, but also extended to the Preliminary Draw in November 2007 and the Confederations Cup in June 2009. The programme will assist in realising South Africa's vision of showcasing Africa's capabilities and strength by successfully hosting the World Cup and associated events.

The Local Organising Committee of the 2010 FIFA Soccer World Cup is responsible for managing the strategic and operational issues of staging the event. The obligation of the Local Organising Committee to make use of volunteers in World Cup activities and events gave effect to the conceptualisation and initiation of such a programme. As a project owner, Theta has to liaise with the Local Organising Committee with regard to the implementation of this project.

A comprehensive volunteer framework was developed to ensure the provision of adequate and relevant training in areas such as customer service, "know-your-city, know-your-country", first aid, foreign languages and protocol. Theta is covering two interventions, namely: (1) customer service training and (2) the "know-your-city, know-your-country" module in partnership with the Department of Environmental Affairs and Tourism (DEAT).

### Project Objectives

The project aims to promote and create a culture of customer service in communities in general and host cities in particular. The quality and standard of training must be kept consistent in order to meet and exceed visitors' expectations.

### Budget

The budget is R10 000 000.00 for the three-year implementation phase, and covers volunteer training in SA Host customer service. Training started in 2007 in preparation for the Preliminary Draw and extended to the FIFA Confederations Cup Final Draw with 150 FIFA volunteers being trained in October 2008.

The "know-your-city, know-your-country" module, as funded by DEAT, started in October 2008 with a budget of R1 000 000.00. A total of 950 volunteers were trained in Johannesburg in preparation for the 2009 Confederations Cup.

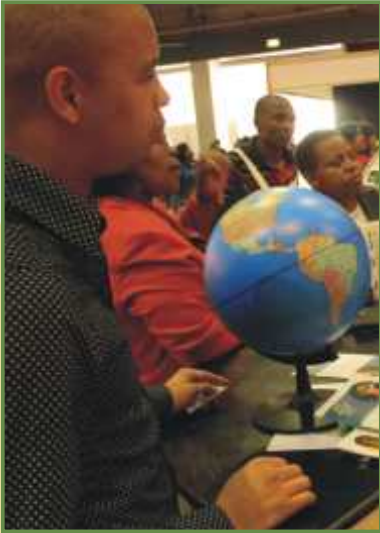
Project completion is scheduled for April 2010.

### Implementation

Theta has been working closely with DEAT, Umsobomvu Youth Fund, the host cities, provincial departments of sport, SAFA and the 2010 Local Organising Committee, all of whom are part of a steering committee called the Volunteer Work Stream.

Recruitment and selection of volunteers took place from August 2008 to January 2009 with all stakeholders involved in all 9 FIFA World Cup host cities. An overwhelming response was received from both employed and unemployed people, and especially from the youth.

Through this project, Theta plans to train 1 050 volunteers in Tshwane and 850 volunteers in Rustenburg, with another 1 005 in Mangaung during the next financial year.



# CEO'S REPORT

## Projects

The Volunteer Programme provides the sports and tourism industry with a means of reaching as many previously disadvantaged people as possible and introducing them to the boundless opportunities offered by the sector.

In addition to creating opportunities for the unemployed youth, the programme will also give the average citizen a chance to become actively involved in World Cup activities by offering his or her services free of charge.

### 13. SME Support Executives for Small Tour Operators

This project was designed to train Small Tour Operators (STOs) in managing a tourism distribution business. This is a legacy project which seeks to elevate the status of small and emerging Tour Operators in preparation for the 2010 FIFA Soccer World Cup and beyond.

Currently, the major problem facing STOs in South Africa is that of accessing both domestic and international markets. These STOs lack proper networking and marketing skills, as well as international and local platforms on which to sell their products and services.

With the support of the South African Embassy in Rome, Graffiti Openworld – a tour operator and a non-profit organisation based in Italy – was appointed as service provider to this project. Graffiti have been involved in various socio-economic projects in South Africa. The training intervention was verified and approved by Theta in partnership with other Italian stakeholders such as the Ente Bilareale del Turismo di Lazio (EBTL) : Bilateral Tourism Board of the Lazio region and CGIL Trade Union of Lazio.

The project will roll out over a 2year period. Three groups of 20 STOs per year will be placed in Italy in 3 cycles of 3 months. The learning intervention will include basics of tourism and the Italian language and culture, after which 7 of the best of each group of 20 will return to Italy for a more advanced 6-month training course.

#### Project Objectives

The project seeks to train 20 travel consultants within the tour operator business over a period of 3 to 6 months to become SMME Support Executives. These consultants would serve as mentors and coaches for the STOs.

The project is targeting 120 emerging STOs located primarily in tourist nodal points. Project implementation will be in 3 phases to the enrolment of 60 learners per year. The capacity building of these learners would be in a form of an exchange programme.

#### Desired Outcome

In view of the pressures of changing global competition, the project aims to strengthen the skills set of the STOs in addressing skills gaps and developing a culture of innovation and entrepreneurship to take advantage of attractive business opportunities.

#### Budget

The project budget was R17 380 440.00 to cover the acceleration and administration purpose.

#### Implementation

Due to implementation delays caused by logistical and administration issues in soliciting support and buy-in from the stakeholder, the project started on 7 October 2008. Project completion is scheduled for March 2010.

To this end, Phase I of project implementation started with 20 learners being placed in Italy. Italy was the venue of choice as it is rich in "cultural tourism". The project received marvellous support on international travel logistics from the South African Embassy in Rome.

The project will be rolled out in all 9 provinces in collaboration with provincial tourism authorities and other strategic partners.

Travel consultants will be used as SMME Support Executives and Champions in STO support and development. The consultants will be placed with the bigger tour operators to assist in coordinating tours to and from South Africa and other countries. These consultants will be selected and recruited by Theta in collaboration with key partners. Theta will then provide financial incentives to the hosting companies and consultants. On completion, this intervention will have empowered consultants to be able to transfer skills and knowledge about tourism.



# CEO'S REPORT

## Projects

### Learner Profile

The travel consultants, in collaboration with Theta and its partners, will be responsible for the recruitment and selection of the STOs. The selection of learners will be in line with NSDS II targets to assist participating employers to meet their BEE scorecard skills development targets. The selected group would comprise 85% black, 54% women and 4% disabled learners.

After the learners arrived at the South Africa Embassy in Rome, the Italian stakeholders had a chance to engage with them. It was quite evident that many of them had years of experience in the industry and were quite efficient, effective and professional in their various areas of business.

The first group of 20 learners, 14 male and 6 female, was placed in Italy in October 2008 to enrol for the "Culture of Reception" tourism programme. 17 of these successfully completed the course and returned to Italy in December 2008.

Although the Embassy still believes that Italy has much to offer in terms of tourism experience, the same could be said of other English-speaking countries where conditions may be a bit easier.

However, most of the current learners feel that this has been a positive experience for them overall and were grateful for the exposure. The Embassy itself – which was involved from the outset of the project – was happy and proud to have worked with Theta and is enthusiastic about Phase II of implementation.

The placement of the second group is scheduled to roll out in the next financial year. As a continuation of project implementation, Theta aims to further strengthen partnerships with strategic organisations for international base and support, strategic partnership, leadership and guidance, expertise, coaching and mentorship, membership support, co-funder and co-owner involvement.

The project had a good start, created a good impression and increased the level of confidence of learners by aligning best practice standards with that of the developed countries. However, sustainability and the aftercare of these learners remain a critical element to measure the project's impact.

### Sports-Specific Projects

#### 14. Youth Coaching Clinics

This is a youth development programme within the football sector driven by Theta and the South African Football Players Union (SAFPU). By means of a football development programme, the project would capacitate 450 former professional football players to impart soccer skills and knowledge through coaching clinics to 2 700 learners between 8 and 17 years of age in all 9 provinces.

#### Project Objectives

In support of the country's football development agenda, Theta aimed to foster the spirit of plough back by current and former footballers in order to inspire and nurture young up-and-coming footballers in their root communities. The project was conducted in the form of coaching clinics to instruct learners on proper football basics and unearth talent beyond 2010 as a means of skills transfer. SAFPU was a strategic partner responsible for project management.

#### Budget

The project ended in March 2009 on a budget allocation of R3 000 000.00.

#### Learner Profile

The project seeks to assist the non-levy paying enterprises with skills development support.

#### Implementation

The project aimed at training the trainers who would then present the training to scholars. In the implementation of the train-the-trainer programme for current and former footballers, learners were divided into groups of 50 per province with a total of 450. The Regional Coordinators conducted the training over 2 sessions. These learners would then present training to scholars, both boys and girls on a 60/40 split, and 300 per province. To date, 536 ex-professional football players attended the coaching workshops and provided coaching clinics to 2 257 learners from all 9 provinces.



# CEO'S REPORT

## Projects

The project received an overwhelming support from both former and current soccer players, football clubs, football coaches and the media, with an overachievement of 86 players participating. Some of the coaches who attended the training already had SAFA Level 1 and 2 certificates and therefore made a valuable input.

The coaches were taught on two interventions, namely: (1) the basics of coaching and (2) theoretical and practical sessions on how to develop a player.

Project sponsors included BP, Supersport and Pick n Pay, who supplied food parcels to learners to ensure continuance of the project in root communities.

The project has inspired some former players to pursue coaching as a career.

### 15. Boxing Officials Capacitation

This project aims to build capacity and increase skills and knowledge in the boxing fraternity. It was launched in August 2007 in Johannesburg and, although originally scheduled for completion in March 2008, was extended until February 2009 due to implementation-related challenges. This is a pilot project implemented in Limpopo and the Eastern Cape only.

#### Budget

The project budget was R3 000 000.00.

#### Learner Profile

The learners selected were licensees of Boxing South Africa (BSA). The project has a target of 170 beneficiaries to be capacitated in various interventions. Learners will comprise 106 boxers, 30 trainers, managers, seconds and promoters, 24 ring officials and 10 BSA Board members. The project is addressing NSDS targets 2.8 and 4.1.

#### Project Content

The training intervention included NQF-aligned and other interventions that were regarded as necessary for the boxing fraternity. Specific training interventions were clustered and specifically designed for effective and efficient delivery of training programmes, while large impact was achieved by maximum exposure to learning areas.

The training interventions were clustered as follows:

- Boxers received training in the NQF-aligned training that included financial literacy, communication, life skills (decision making, HIV/Aids and healthy living)
- Trainers, managers, seconds and promoters received training in both NQF and non-NQF aligned training that included communication, business finance, occupational health and safety laws, wrapping hands, sport and administration organisation, boxing events programme, entrepreneurship and first aid
- Ring officials received training in both NQF and non-NQF aligned training that included communication, BSA rules and regulations, sports and administration
- BSA management received training in BSA rules and regulations.

#### Implementation

The project has been completed and has received a success rate of 60%.

BSA worked closely with the accredited service providers to deliver on the NQF-aligned training as scoped. Learner assessment was done between June and September 2008.

The project experienced implementation challenges due to timing and availability of learners. Some of the learners failed to attend assessment despite numerous attempts and various methods to assist them in this regard. From the interventions, 55% of learners were declared competent and received a statement of achievement.

Graduations are to be held in the next financial year.

### 16. Youth Talent Development

This project was designed to equip learners with the necessary technical and life skills related to sport talent development in preparation for major soccer events and associated sports. The initiative seeks to identify and nurture future soccer talent to ensure that South Africa will have a pool of well trained professionals for the 2010 games and future sporting events.

The Mokopane Academy of Sports in Limpopo was identified as a Centre of Excellence and selected as a pilot project site due to its rural location. The Academy is expected a best practices development approach (incorporating lessons learnt from previous host countries), to ensure that the quality of players emerging from the system is not compromised and the standard of development is maintained.



# CEO'S REPORT

## Projects

Learners who have enrolled in sports-related subjects falling within Theta's scope will receive bursaries.

### Implementation

The project started in September 2007 and has experienced some implementation challenges due to issues of financial instability, corporate governance and contractual obligations with the Academy. In 2008 and 2009, large sums of money were paid by Theta to the Academy to support learner education in a form of bursaries. In 2008 a total of 326 learners and in 2009 a total of 316 learners received financial support. In the interest of project continuation and process improvement, several top management meetings were held between Theta and the Academy to rectify the situation.

The Theta Board resolved to continue funding the Academy until December 2009 on the condition that contractual obligations are met by the Academy.

Learner intake for the next financial year has been reduced to 216 learners receiving Theta bursaries, of which 80% should be between 15 and 23 years of age and 85% black students.

The project has a huge potential of growing sports talent in Limpopo Province as many learners excelled in that scope. The Academy will ensure that learning and development becomes progressive in nature in order to facilitate learner progression. To maximise exposure and practice, the Academy will organise competitions and friendly games with various teams from other football leagues.

### ASGI-SA Related

#### 17. Cooperative Capacity Building Project

This project aims to capacitate 30 cooperatives within the Theta sector to effectively run their businesses. The 30 cooperatives will be trained nationally with a minimum of 300 learners (10 learners from each cooperative).

### Budget

An amount of R4 000 000.00 was budgeted for this project. This makes provision for a baseline study to identify the cooperatives available within the sector, as well as the provision of training to these cooperatives.

### Project Objectives

This project aims to:

- Identify the critical skills in the cooperative sector of the Theta industry
- Capacitate the identified cooperative in following skills -
- Generic Skills, i.e. business skills/acumen, financial management, customer care, marketing, computer literacy, etc.
- Reception and Accommodation Services, i.e. the maintenance of a front office service, customer care, information management and maintenance, arrival and departure/dealing with the arrival of customers, coordinating the greeting and assistance of guests, exchanging foreign cash and traveller's cheques, etc.
- Food Preparation Services, i.e. maintenance of hygiene/promoting food hygiene, handling and storing food, cleaning food production areas, maintaining a kitchen cleaning programme/cleaning areas and equipment, food quality, etc.
- Food and Drinks Service, i.e. preparing and clearing for counter service/preparing and clearing for takeaway service, preparing for functions/preparing for room service/preparation, cooking and serving in restaurants, providing table/carvery buffet and silver service, preparing and serving wine and cocktails, supervising and maintaining a table service/function/drinks and beverage storage, etc.
- Tour Guiding (Cultural and Community Conservation Management) i.e. introduction to tour guiding, creating a guided experience for customers, interpreting guiding for tourism, managing cultural heritage resource, mountaineering, etc.

The adoption of learning interventions will be guided by the baseline report on the identified cooperatives in the sector.

### Implementation

The project started in March 2008 and has experienced some delays in its second implementation phase due to the finalisation of the baseline study.

To this end, Phase I of implementation has started with a baseline study having been finalised. Phase 2 of the project is scheduled to roll out in the next financial year. As a continuation of project implementation, Theta will further strengthen partnerships with strategic organisations for international base and support, strategic partnership, leadership and guidance, expertise, coaching and mentorship, membership support, co-funder and co-owner.



# CEO'S REPORT

## Projects

The project roll out will entail facilitating partnerships and financial assistance between the cooperatives and funding agencies such as the Department of Trade and Industry, National Development Agency, provincial development agencies, etc.

### 18. Investors in People (IiP)

Theta took the initiative to adopt and promote the principles of Investors in People in supporting its member companies to enhance their business performance by investing in their people.

The Investors in People (IiP) is an international standard aimed at improving business performance through people. The IiP standard is used widely in Europe and other countries around the world.

The South African government has identified the tourism sector as one of the top three priority sectors to stimulate growth within its Accelerated Shared Growth Initiative (ASGI-SA). The sector was identified as such for its potential to attract investment and create employment opportunities in the economy. The Tourism Charter stresses the need to transform the tourism industry in becoming globally competitive. The Tourism BEE and the country put more emphasis on the human resources element as a priority. In this regard, the IiP programme was designed to address the needs and challenges that companies face in measuring a Return on Investment (RoI) in people management and becoming globally competitive.

The project is introducing the principle of company profiling and benchmarking, thereby allowing large companies to benchmark against each other or with companies within their sector. The benchmarking and profiling exercise serves as a business intelligence tool for companies to measure performance against each other in a case of a bigger structure or against the sector. The successful implementation of this project will put South Africa and the tourism sector on the map for being the world's first ever to implement the IiP profile and benchmarking on a larger scale.

Theta is using its discretionary grant to support the implementation of the IiP by companies which, like Theta, support and emphasise the importance of employers in ensuring that training conducted in the workplace is aligned to the standard of good practice in skills development alongside international standards. Through the provision of financial incentives, Theta will ensure an effective commitment from the participating companies and gain support for implementation.

### Project Objective

The project objective is to promote a standard of good practice in skills development to Theta member companies, while simultaneously increasing the investment of employers in training.

### Implementation

Theta has partnered with IiP SA/UK to implement the project. The IiP is using its practitioners to provide support in terms of technical expertise on promotion, assessment and recognition of the standard.

Started in August 2006, the project was implemented in phases covering the NSDS II lifespan, and was changed from time to time in its deliverables and scope depending on the challenges prevailing at the time. To ascertain the impact on return on investment from the participating member companies, the procedures and systems would be refined to benefit the effective management of the project implementation.

The project is targeting 50 large and levy-paying companies with grant support structured for the assessment activity payable to the participating member company. The project has received an overwhelming response from companies expressing an interest to participate.

To date, the following companies have achieved the IiP Status of Recognition:

- Twelve Apostles, Camps Bay in Cape Town
- Compass Group SA, H/O and all its units (Johannesburg)
- The Peninsula All Suite Hotel, Cape Town
- Mandela Rhodes Place, Cape Town
- City Lodges (all business units in all 9 provinces)
- The Marine Hotel, Hermanus.

The IiP Standard is regulatory in its implementation, meaning that companies subject themselves to assessment that is done in their premises by the IiP Practitioners. Comprehensive and confidential profile reports are sent to all participating companies and a copy of the assessment profile is submitted to Theta as evidence thereof. Company visits to participating companies are made randomly in the form of monitoring and evaluation in order to verify the authenticity of the process.





# CEO'S REPORT

## Projects

The following companies have participated in the project and are working towards achieving the IIP Recognition Status:

- International Hotel School
- Alpine Heath
- Greenway woods
- Lagoon Beach Hotel
- Le Franschoek Hotel
- Three Cities Management Ltd
- Mandela Rhodes Place
- Quarters Hotel
- Riverside Hotel
- The Royal Hotel
- The Royal Palm Hotel
- The Vineyard Hotel
- Winchester Mansions Hotel
- Wings Corporate Travel
- HRG Connex Travel
- Eastern Cape Parks Board
- Sun International: Table Bay Hotel
- Sun International Boardwalk Casino and Entertainment World
- Sun International Meropa Gaming
- Tourvest Head Office and business units

Companies who achieved the standard receive a Recognition Status that is valid for three years, with a post-recognition review at the company's discretion.

In the next financial year, the project aims to increase the number of companies participating and also encourage more companies from other chambers to participate.

# CEO'S REPORT

## Annexure 1 to Projects Report

Table 3: Fundamental Unit Standards

UNIT STANDARD NUMBER	UNIT STANDARD NAME	LEVEL	CREDITS
12155	Apply comprehension skills to interact written text in a business environment	4	5
9010	Demonstrate an understanding of the use of different number-based and measurement units and an awareness of error in the context of relevant calculations	3	2
9013	Describe, apply, analyse and calculate shape and motion in 2- and-3 dimensional space in different contexts	3	4
9016	Represent, analyse and calculate shape and motion in 2- and-3 dimensional space in different contexts	4	4
7469	Use mathematics to investigate and monitor the financial aspects of personal and community life	2	2
7480	Demonstrate an understanding of rational and irrational numbers and number systems	2	3
119466	Interpret a variety of literacy texts	3	5
119470	Evaluate literacy texts	4	5
119462	Engage in sustained oral/signed communication in evaluate spoken/signed texts	4	5
119471	Use language and communication in occupational learning programme	4	5
119469	Read, view, analyse and respond to variety of texts	4	5
119459	Write for a wide range of contexts	4	5
119465	Write/present/sign texts for a range of communicative contexts	3	5
12154	Apply comprehensive skills to engage oral texts in a business environment	4	5
119454	Maintain and adapt oral communication	2	5
120163	Apply basic numeracy, finance and analytical procedures and principles to make sound judgements and predictions	4	10
7456	Use mathematics to investigate and monitor the financial aspects of personal, business and national issues	3	5
9012	Investigate life and work-related problems using data and probabilities	3	5
9015	Apply knowledge of statistics and probabilities to critically interrogate and effectively communicate findings in life-related problems	4	6
7468	Use mathematics to investigate and monitor the financial aspects of personal, business, national and international issues	4	6
120300	Analyse leadership and related theories in a work context	5	6
252026	Apply a system approach to decision making	5	6
252036	Apply mathematical analysis to economic and financial information	5	6
252042	Apply principles of ethics to improve organisational culture	5	5
252022	Develop, implement and evaluate a project plan	5	8
252040	Manage the finances of a unit	5	8
12433	Use communication techniques effectively	5	8

# REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2009.

## Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year, four meetings were held. Table 4 below summarises meetings attended per member.

## Audit Committee Responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with Treasury Regulations for Public Entities 27.1.7 and 27.1.10 (b) and (c) issued in terms of the Public Finance Management Act 1 of 1999, as amended by Act 29 of 1999.

We further report that we conducted our affairs in compliance with this charter.

## Auditor-General of South Africa

In line with the PFMA and the King II Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material


deficiencies in the system of internal control or any material deviations there from. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

## Auditor-General of South Africa

We have:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General South Africa and the Accounting Authority
- Reviewed the Auditor-General of South Africa's management report and management's response thereto
- Reviewed any changes in accounting policies and practices
- Reviewed Theta's compliance with legal and regulatory provisions
- Reviewed significant adjustments resulting from the audit.

We concur with and accept the Auditor-General of South Africa's report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted when read together with the report of the Auditor-General of South Africa.



**J. Davis**  
**Chairman of the Audit Committee**  
 30 July 2009

**Table 4: Summary of meetings attended per member**

NAME	22 MAY 2008	16 JULY 2008	08 DECEMBER 2008	24 MARCH 2009
J Maqhekeni	Present	Present	Present	Present
M Tsotetsi	Present	Present	Present	Present
J Davis	Present	Present	Present	Present
C Johnson	Apology	Present	Present	Present
C Mabaso	Apology	Present	Resigned	-
T Mahlangu			New member - Present	Present
T Zulu			New member - Present	Present
R Rashama			New member - Present	Absent

# REPORT OF THE AUDITOR-GENERAL

## to Parliament on the financial statements and performance information of the Tourism, Hospitality and Sport Education and Training Authority for the year ended 31 March 2009

### Report on the Financial Statements

#### Introduction

1. I have audited the accompanying financial statements of the Tourism, Hospitality and Sport Education and Training Authority (Theta) which comprise the statement of financial position as at 31 March 2009, the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 77 to 113.

#### The Accounting Authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 to the financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 14(6)(a) of the Skills Development Act, 1998 (Act No. 97 of 1998), my responsibility is to express an opinion on these financial statements based on my audit.

4. I conducted my audit in accordance with the International Standards on Auditing read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of Theta as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 to the financial statements and in the manner required by the PFMA.

#### Emphasis of matter

Without qualifying my opinion, I draw attention to the following matters:

##### Basis of accounting

8. The public entity's policy is to prepare financial statements on the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 to the financial statements.

##### Highlighting critically important matters presented or disclosed in the financial statements

9. As disclosed in note 17.1 to the financial statements, Theta's contingent contractual commitments exceed its reserves. However, management has indicated that they are comfortable that adequate discretionary levy income will be available during the next financial year to ensure full compliance with the contingent liability.

##### Significant uncertainties

10. Attention is drawn to note 16.1 to the financial statements, which states that Theta's accounting authority has taken legal action against a service provider with regard to the learnership project. The ultimate outcome of the matter cannot be determined at present.

##### Fruitless and wasteful expenditure

11. As disclosed in note 18 to the financial statements, Theta incurred fruitless and wasteful expenditure amounting to R1 456 000 for the settlement of the legal case with a service provider.

#### Other matters

Without qualifying my opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

##### Re-licensing

12. Setas were established for a five year period until 31 March 2010. Theta has applied for the renewal of its certificate of establishment. It is expected that the legislated renewal process will be concluded by 31 March 2010.

# REPORT OF THE AUDITOR-GENERAL

## to Parliament on the financial statements and performance information of the Tourism, Hospitality and Sport Education and Training Authority for the year ended 31 March 2009

### 13. Governance framework

The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting authority and executive management and are reflected in the key governance responsibilities addressed below:

### Key governance responsibilities

13. The PFMA tasks the accounting authority with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Yes	No
	<b>Clear trail of supporting documentation that is easily available and provided in a timely manner</b>		
1	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		✓
	<b>Quality of financial statements and related management information</b>		
2	The financial statements were not subject to any material amendments resulting from the audit.		✓
3	The annual report was submitted for consideration prior to the tabling of the auditor's report.	✓	
	<b>Timeliness of financial statements and management information</b>		
4	The annual financial statements were submitted for auditing as per the legislated deadlines [section 55 of the PFMA].	✓	
	<b>Availability of key officials during audit</b>		
5	Key officials were available throughout the audit process.	✓	
	<b>Development and compliance with risk management, effective internal control and governance practices</b>		
6	Audit committee · The public entity had an audit committee in operation throughout the financial year. · The audit committee operates in accordance with approved, written terms of reference. · The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8.	✓ ✓ ✓	
7	Internal audit · The public entity had an internal audit function in operation throughout the financial year. · The internal audit function operates in terms of an approved internal audit plan. · The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2.	✓ ✓ ✓	
8	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	✓	
9	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	✓	
10	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
11	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud Prevention plan, is documented and used as set out in Treasury Regulation 27.2.	✓	
12	Powers and duties have been assigned, as set out in section 56 of the PFMA.	✓	

# REPORT OF THE AUDITOR-GENERAL

to Parliament on the financial statements and performance information of the Tourism, Hospitality and Sport Education and Training Authority for the year ended 31 March 2009

	<b>Follow-up of audit findings</b>		
13	The prior year audit findings have been substantially addressed.	✓	
	<b>Issues relating to the reporting of performance information</b>		
14	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		✓
15	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		✓
16	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Theta against its mandate, predetermined objectives, outputs, indicators and targets [Treasury Regulations 29.1/30.1].	✓	
17	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

15. The overall governance framework of Theta is adequate.

## Investigations

16. A forensic investigator has been engaged to conduct an investigation at Theta. The investigation was initiated based on allegations of irregularities and misuse of funds at the management and accounting authority level. The investigation was still ongoing at the reporting date.

## Report on Other Legal and Regulatory Requirements

### Report on performance information

17. I have reviewed the performance information as set out on page 75.

### The Accounting Authority's responsibility for the performance information

18. The accounting authority has additional responsibilities as required by section 55(2)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the public entity.

### The Auditor-General's responsibility

19. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.

20. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

21. I believe that the evidence I have obtained is sufficient and appropriate to report that no significant findings have been identified as a result of my review.

## Appreciation

22. The assistance rendered by the staff of Theta during the audit is sincerely appreciated.

*Auditor-General*

Pretoria  
31 July 2009



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*