



**CULTURE, ARTS, TOURISM, HOSPITALITY & SPORT SECTOR EDUCATION  
AND TRAINING AUTHORITY**

<b>POLICY TITLE</b>	Strategic Projects Policy
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## 1. INTRODUCTION

The Strategic Projects are critical for prioritising skills development interventions for the CATHSSETA sub-sectors. It is a key initiative for ensuring that investments in skills are driven by the demand in these sub-sectors. This policy applies to CATHSSETA projects and commitments as part of Discretionary Grants process of allocation. For reference purposes, these projects are called Strategic Projects.

## 2. DEFINITIONS

The following definitions apply to this policy.

Accounting Authority	The Board (or Board of Directors) of CATHSSETA appointed in terms of the Skills Development Act.
Accounting Officer	The Chief Executive Officer of CATHSSETA
Approval Date	Date on which the CATHSSETA Board approved the policy.
Compilation Date	The date on which the policy was compiled.
Discretionary grant	The monies allocated within the CATHSSETA to be spent on discretionary grant projects as contemplated by regulation 6 of the Grant Regulations.
Discretionary grant window	The specified time-period within which applications for discretionary grants are invited through public advertisement, the open period is no less than 21 days per window.
Grant Regulations	Sector Education and Training Authorities (SETAs) Grant Regulations published under Government Notice R990 in Government Gazette 35940 of 3 December 2012, as amended.
Large Employer	An employer employing 50 or more employees.
Learnership Regulations	The Learnership Regulations, 2007 published under Government Notice 519 in Government Gazette 30010 of 29 June 2007.
Levy-paying Employer	An employer who is compelled to pay skills development levies in terms of section 3(1) of the Skills Development Levies Act.
Mandatory grant	Funds designated as mandatory grants as contemplated by regulation 4 of the Grant Regulations.
Non-PIVOTAL programmes	Learning programmes which do not lead to qualifications or part qualifications on the National Qualification Framework
Policy	A course or principle of action adopted or proposed by CATHSSETA.
Policy Title	Name of policy.
Policy Code	A code name for a policy.
Policy Number	The chronological order of all CATHSSETA policies.
Procedure	Established or official way of doing something.
Process	Perform a series of operations to achieve a goal.
Review Date	Date on which the policy was reviewed.
Small employer	Means an employer employing less than 50 employees
Strategic Project	A Discretionary Grant intervention addressing a strategic need as determined by CATHSSETA

### 3. PURPOSE

The purpose of this policy is to address urgent national and sector priorities and promote strategic partnerships.

### 4. LEGISLATIVE FRAMEWORK

The following legislation is relevant to this policy:

Source Document	Stated Requirement
SETA's Grant Regulations	Regulates SETA finances and financial management as well as obliges CATHSSETA to set out a Discretionary Grant Policy for purposes of allocating its Discretionary Grants to legal persons in a manner as defined by this Regulation.
Skills Development Act, 1998 (No. 97 of 1998)	Provides an institutional framework to implement national sector and workplace strategies to develop and improve the skills level of the South African workforce.
Skills Development Levies Act (No.9 of 1999)	Stipulates the processes for the management and disbursement of funds received as levy income.
Sectoral Determination No 5: Learnerships	Regulates conditions of employment and sets rates of allowances for learners in South Africa where Sector Education and Training Authorities are established.
National Qualification Framework	Sets the guidelines for qualification development and implementation.

### 5. SCOPE OF APPLICATION

- 5.1 The policy applies to all legal persons as defined in Regulations 10 of the SETAs Grant Regulations.
- 5.2 This policy arises from and complements the Discretionary Grants Policy and therefore; where applicable, prescripts of the CATHSSETA Discretionary Grants Policy shall be applicable to the Strategic Projects Policy.

### 6. POLICY STATEMENT

- 6.1. This policy provides a framework for CATHSSETA Strategic Projects. Strategic Projects may not necessarily be addressed through the Discretionary Grant Application Windows, but where applicable allocations will be directed to cater for Strategic Projects.

## **7. KEY PRINCIPLES**

7.1 The key principles governing this policy are:

- 7.2.1. CATHSSETA acknowledges the diversity of demand for skills development initiatives targeting the achievement of the National Skills Development Strategy (NSDS) III, the National Skills Accord and its Sector Skills Plan (SSP).
- 7.2.2. CATHSSETA is committed to furthering the SSP, which takes account of national special goals as set out in the NSDS III, the National Skills Accord and other relevant national priorities.
- 7.2.3. CATHSSETA recognises and embraces the principles of transparency, openness, access and fairness in the allocation and disbursement of discretionary grants.
- 7.2.4. CATHSSETA recognises that, in some cases, it is impractical to invite stakeholders during the Discretionary Grant window periods.
- 7.2.5. CATHSSETA is committed to the promotion of NQF registered and quality assured programmes that address priority scarce and critical skills needs.
- 7.2.6. CATHSSETA recognises that in certain circumstances additional funding may be required for the achievement of objectives of the Strategic Projects.
- 7.2.7. In determining whether to allocate additional funding, CATHSSETA shall consider, inter alia, the project holistically, its relevance to national and sectoral strategies, the urgency of the intervention and where necessary the needs of beneficiaries.
- 7.2.8. CATHSSETA is governed by the Public Finance Management Act and the regulations issued in terms thereof. CATHSSETA is committed to ensuring compliance with the principles therein.

## **8. STRATEGIC PROJECTS FUNDING FRAMEWORK**

- 8.1. Funding of Strategic Projects is linked to the NSDS III and the CATHSSETA Annual Performance Plan targets and budget. Without derogating from the generality of the above, CATHSSETA shall at its discretion disburse funds, covering Pivotal and Non-Pivotal aspects of Strategic Projects.
- 8.2. A maximum of twenty percent (20%) from the Discretionary Grant shall be reserved to prioritise financing of Strategic Projects, which includes funding of the following:
  - 8.2.1. Research Chair;
  - 8.2.2. Lecturer development (increase number, improve qualifications and work placements);
  - 8.2.3. Learning materials (including learning aids, computers, tools, costume or gear, and or special attire);

- 8.2.4. Equipment and training material (any other resources used to deliver training, including excursions);
- 8.2.5. Infrastructure (including portable resources);
- 8.2.6. Development of qualifications and curricula;
- 8.2.7. Career Guidance (events, material and any other support);
- 8.2.8 Rural development programmes;
- 8.2.9 Youth Development programmes; and
- 8.2.10 Any other learning support intervention that will improve and enhance learning provision, subject to motivation demonstrating relevance.

### 8.3. Application Process

- 8.3.1. CATHSSETA shall invite stakeholders to apply for funding Strategic Projects including Non-PIVOTAL programmes at least twice a year. Any other request outside the window is at the discretion of CATHSSETA and approval of such project will be in line with the Delegation of Authority.
- 8.3.2. CATHSSETA may also invite service providers to bid for delivery of a Strategic Project in line with the Supply Chain Management policies.
- 8.3.3. All applications must comply with the following requirements:
  - 8.3.3.1. submitted in a project proposal form to CATHSSETA;
  - 8.3.3.2 accompanied by written motivation addressing funding areas;
  - 8.3.3.3 further to the aforesaid funding request methods, CATHSSETA may from time to time enter into Strategic partnerships in pursuance of NSDS III priorities, National Development Plan and CATHSSETA Strategic Plan.

### 8.4 Selection Process and Exclusions

- 8.4.1. Selection of Strategic Projects will be made via a four-step process:
  - Step 1: Assess application submitted for compliance with criteria;
  - Step 2: Evaluate applications submitted based on an objective evaluation criterion;
  - Step 3: Conduct Due Diligence on shortlisted applicants; and
  - Step 4: Prepare recommendation report in line with the Delegation of Authority.
- 8.4.2. The CATHSSETA will not consider a Strategic Project application if:
  - 8.4.2.1 the criteria for funding are not met; and
  - 8.4.2.2 the CATHSSETA has exhausted its budget for the financial year.

8.4.3. CATHSSETA reserves the right to prioritise applications, even when criteria have been met.

#### 8.5. Approval Process

8.5.1. All recommended projects must be submitted to the Accounting Officer for consideration and approval based on the Delegation of Authority;

8.5.2. All accepted Strategic Projects must be reported to the Board for final approval in line with the Delegation of Authority;

8.5.3. Successful projects may only commence upon approval being received from CATHSSETA in writing. Such approval includes a letter and a duly concluded contract.

8.6. Strategic Projects must be implemented following the standard operating procedures.

8.7. The project process flow is as per Annexure B.

### **9. ELIGIBILITY FOR STRATEGIC PROJECTS**

9.1. A Strategic Project may arise with or without partnerships with public or private sector organisations, including the following –

9.1.1 a legal entity;

9.1.2 an employer or enterprise within CATHSSETA sectors, including an employer or enterprise not required to pay a skills development levy in terms of the Skills Development Levies Act (i.e. levy-paying and non-levy paying employers);

9.1.3 SMEs as defined by Small Business Act (including small and micro enterprises and co-operatives) in CATHSSETA's sectors;

9.1.4 Non-Profit Organisations and Non-Governmental Organisations within CATHSSETA's sectors that meets the criteria for such grant;

9.1.5 Public service employers in the national and provincial spheres of government (as contemplated in section 30 of the Skills Development Act), as well as national and provincial public entities (as contemplated in section 30 A of the Skills Development Act), who have submitted their PIVOTAL plan and PIVOTAL report in the format prescribed in the Grant Regulations and by no later than 30 April of each year;

9.1.6 Industry bodies; and

9.1.7 Organised labour and Worker Education Institutes.

### **10. ROLES, RESPONSIBILITIES AND ACCOUNTABILITY**

The Strategic Projects Unit and Skills Development Department will be responsible for the implementation of the policy, supported by the Chief Financial Officer in the Finance Department for the disbursement of funds. The Accounting Authority assumes overall accountability.

**11. REVIEW OF POLICY**

This policy shall be reviewed biennially.

**12. ADMINISTRATION OF POLICY**

The Special Projects Unit shall implement and enforce this policy.

**13. EFFECTIVE DATE OF POLICY**

The policy shall take effect on the date of approval by the Accounting Authority.