



Skills Development and Mandatory Grant Guidelines 2006 – 2007

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1.1 INTRODUCING THETA

THETA - the **T**ourism, **H**ospitality & **S**port **E**ducation & **T**raining **A**uthority – is a statutory body, established by the Minister of Labour, to support, promote and facilitate skills development in the travel and tourism, hospitality, conservation and guiding, sport, recreation & fitness and gaming and lotteries sub-sectors.

1.1.1 The context

Tourism is the second largest contributor to South Africa's GDP (gross domestic product) after mining, offering the greatest opportunities for job creation and employment in the country. Attracting foreigners to visit South Africa – and promoting the country to its own inhabitants - will provide an increased need for facilities and services, thus providing the need for more jobs. In addition, while sport is recreational for many local inhabitants, it is also becoming a significant reason for visitors to come to this country.

It is not surprising, therefore, that these pursuits are seen by government as key to the development of the economy and as a way of addressing unemployment. To meet these expectations and to maximise our international competitiveness, we will need both big and small businesses to offer a range of exceptional opportunities and excellent customer service. Highly skilled, motivated and productive people are central to this enterprise.

1.1.2 Our vision and mission

THETA's vision is *'Our people skilled for a sustainable future'*.

Our mission is *'to facilitate the achievement of excellent standards and growth through the development and recognition of people'*.

1.1.3 THETA's role in the sector

While THETA is not allowed to actually provide training or assessment, we are responsible for:

- preparing an annual Sector Skills Plan which addresses the training and development needs of the tourism sector;
- developing and maintaining relevant unit standards, qualifications and learnerships for the sector;
- promoting the development of the skills of all people employed in the sector – especially those in SMMEs;
- encouraging employers to train their employees, provide opportunities for work experience and employ new staff when opportunities occur;
- encouraging employers to participate in learnerships and other skills development programmes;
- improving the employment prospects of disadvantaged people by assisting work seekers to become skilled and work ready, and employers to find qualified employees;
- increasing the levels of investment in education and training in the sector, including through the administration of the levy-grant scheme; and
- ensuring the quality of education and training in the sector especially through the accreditation of training providers and assessors and the establishment and maintenance of quality assurance systems.

1.1.4 Strategies for achieving these objectives

The **development of a training culture** within the sector is crucial. One motivation lies in the grants available to employers who implement recognised training. Another is the gap between the skills needed and skills available - identified in the Sector Skills Plan - which provide further persuasive reasons for employers to engage in training in order to remain competitive, both within and beyond South Africa's borders.

The **development of learnerships and qualifications** for learners. To ensure that these are relevant, useful and valued, they are developed through consultative processes involving all stakeholders.

The **accreditation of training providers** within THETA's scope. To ensure the provision of quality education and training within our sector and the implementation of National Qualifications and Skills Programmes according to standards legislated by government and regulated by the South African Q Qualifications Authority. The accreditation process is part of the quality assurance responsibilities which THETA performs for the sector through its ETQA (Education and Training Quality Assurance) function.

1.2 HOW THETA IS STRUCTURED

The **Tourism, Hospitality & Sport Education & Training Authority (THETA)** is the official Sector Education and Training Authority (SETA) for the Tourism, Hospitality and Sport sector.

Within the sector, each of the sub-sectors has a corresponding "chamber" of the same name within THETA to deal with their specific issues and conditions. These are

Hospitality Chamber which represents accommodation services, food preparation, catering and food and beverage services, fast foods, restaurants.

Tourism and Travel Services Chamber which represents retail and general travel operations, inbound tourism services, airlines, car rental event management.

Gambling and Lotteries Chamber which represents casino gambling, bookmakers, lotteries and betting on horse racing.

Conservation and Guiding Chamber which represents all forms of tourist guiding (including adventure guiding), wildlife conservation, trekking and safari operators, museums and cultural heritage sites and botanical gardens.

Sport, Recreation & Fitness Chamber which represents sports, recreation and fitness services, event management, indoor and outdoor sports, sporting events and activities, hunting, parks and beaches, recreational fairs and shows.

1.2.1 Membership of THETA Board

The Board is chaired by Mr. Thabo Mahlangu of the South African Commercial Catering & Allied workers Union. (SACCAWU) The deputy-chair is Mr. Chris Johnson of the Hotel Industry Liaison Group (HILG).

1.2.2 THETA Organisational Structure

THETA was restructured in 2003 following an organisational development exercise by external consultants. The new structure concentrates effort and focus on the core functions of THETA, namely skills planning and quality assurance, and places the organisation in a stronger position to fulfill its mandate.

Chief Executive Officer Mr. Mike Tsotetsi mike@theta.org.za	Responsible for the overall management of THETA.
Chief Financial Officer Mr. Ben Keet hanlie@theta.org.za	Responsible for the overall financial management of THETA.
ETQA Manager Ms. Leone Whateley leone@theta.org.za	Responsible for THETA's accreditation and quality assurance functions, including THETA's accreditation as an ETQA (education and training quality assurance body)
Programme Manager	Responsible for overall management and implementation of

Ms. Puni Karuthasen puni@theta.org.za	THETA projects.	
Skills Development Manager Mr. William Chuene william@theta.org.za	Responsible for the overall management of all skills planning initiatives, including the preparation and updating of the sector skills plan, the administration of the levies and grants function, and the activities of THETA's five chambers. Also responsible for the management of THETA's Learnerships function - receiving Learnership proposals, Learnership applications, evaluation and approval, registrations, support to employers and learners, etc.	
Chamber Coordinators Hospitality Gaming & Lotteries Conservation & Tourist Guiding Travel & Tourism Services Sport, Recreation, Fitness & Lotteries	Mrs. Jinty Ainsworth (Position currently vacant) Mr. Muzi Mwandla (Position currently vacant)	jinty@theta.org.za william@theta.org.za william@theta.org.za muzi@theta.org.za william@theta.org.za

1.2.3 Call Centre at your service - 0860 100 221

The Call Centre provides information on:

- Skills Development Act
- Skills Development Levies Act
- Levies and Grants
- Accredited training and training providers
- Contact details of various organisations such as training providers, associations etc
- National Qualifications Framework (NQF)
- Learnerships, etc

The Call Centre also provides assistance with the calculation of levies and the completion of applications for accreditation; Skills Development Facilitators nominations; Workplace Skills Plans and Implementation Reports and SARS registration forms.

1.3 AN OVERVIEW OF LEGISLATION I: SAQA AND THE SKILLS DEVELOPMENT ACTS

The process of transforming the South African workplace to ensure equity and productivity began with the new Labour Relations Act (LRA) of 1995, which promotes fair labour practices and simplifies dispute resolution procedures for business and labour. It was followed by the Basic Conditions of Employment (BCoE) Act of 1997, covering the day-to-day rights of people in the workplace.

From the mid 1990s, a range of Acts were passed which profoundly affected education and training in South Africa.

- The South African Qualifications Authority Act, Number 58 of 1995;
- The Skills Development Act, Number 97 of 1998;
- The Skills Development Levies Act, Number 9 of 1999; and
- The Employment Equity Act, Number 55 of 1998.

In simple terms, their functions are

- to make training happen (Skills Development Act)
- to make training affordable (Skills Development Levies Act)
- to make training effective (SAQA Act)
- to make training equitable (Employment Equity Act)

1.3.1 The SAQA Act

The SAQA (South African Qualifications Authority) Act outlines a new education and training system for South Africa which is intended to help the country achieve political, social and economic transformation by unlocking the full potential of each learner through their participation in "outcomes-based education" which focuses on "competence".

Central to this is the National Qualification Framework, which locates all education and training on a grid in a way that integrates "formal education" with "vocational training". It also provides for the formalisation of previously non-formal learning programmes, by requiring that they meet certain design and quality specifications. The modules are called "unit standards" and the whole programme a "national qualification". The aim is to encourage the provision of all education and training in line with this framework, giving learners mobility and national recognition and employers a way of ensuring the quality of people they train and employ.

The other significant factor in this new system is the issues of "competence" which focuses on what a person can do and explain rather than how they acquired their skills/knowledge. This is the first time that learning achievements in both formal and non-formal learning environments are recognised, thus including a wide range of learning achievements in the workplace. This in turn facilitates further learning, career pathing and labour market mobility.

The Act stipulates that there be strong stakeholder involvement in determining standards of competence across all learning areas, and the new quality assurance measures to improve learning provision.

1.3.2 SAQA's work also includes

- registering the National Standards Bodies (which are 'bodies responsible for establishing education and training standards or qualifications') and
- accrediting Education and Training Quality Assurance Bodies (which are responsible for ensuring that the education and training provided is meeting the required standards).

1.3.3 The Skills Development Act

The Skills Development Act (SDA) introduces mechanisms to improve the relationship between the provision of education and the skills needs of workplaces. These include new learning programmes, new approaches to implementing workplace-based learning and financial incentives.

Like the SAQA Act, the SDA is completely changing workplace learning. The vision is of an integrated skills development system, which promotes economic growth, increased employment and social development by focusing on education, training and proper employment services.

A cornerstone of the Act is the introduction of new forms of learning – called 'learnerships' and 'skills programmes'. It also creates a framework and structures to support the implementation of the National Skills Development Strategy, including Sector Education and Training Authorities (SETA's); a skills development levy-grant scheme; the National Skills Authority (NSA); the National Skills Fund (NSF); the Skills Development Planning Unit (SDPU); and labour centres.

The Act aims to increase the amount of money spent on education and training in the workplace, and to make sure the money is well spent. While the Skills Development Levy Act of 1999 sets up the rules for the collection of levies, the SDA specifies that the money should be spent on education and training that is registered on the NQF and that meets real needs in the labour market.

One of the main changes in the way in which training is organised, is that the SETAs must promote and organise training *within a sector*, rather than within an *industry* as the old Industry Training Boards had done. This means that people who are not formally employed in an industry – but work or want to work within a sector (e.g. small business, the unemployed) - can gain access to the development opportunities where they could not do so beforehand.

1.4 AN OVERVIEW OF LEGISLATION II: THE SKILLS DEVELOPMENT LEVIES ACT & THE EMPLOYMENT EQUITY ACT

The process of transforming the South Africa workplace to ensure equity and productivity began with the new Labour Relations (LRA) Act of 1995, which promotes fair labour practices and simplifies dispute resolution procedures for business and labour. It was followed by the Basic Conditions of Employment (BCoE) Act of 1997, covering the day-to-day rights of people in the workplace.

From the mid 1990s, a range of Acts was passed which profoundly affected education and training in South Africa.

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- The Employment Equity Act, Number 55 of 1998.

In simple terms, their functions are

- to make training happen (Skills Development Act)
- to make training affordable (Skills Development Levies Act)
- to make training effective (SAQA Act)
- to make training equitable (Employment Equity Act)

1.4.1 Skills Development Levies Act

The Skills Development Levies Act provides the laws and regulations for funding for the development of the workforce, in line with the Skills Development Act.

From 1 April 2001 it required all organisations with an annual payroll of more than R250 000 to pay a skills development levy of 1% of their payroll. (While there are exemptions available for some organisations, all employers must register and then apply for exemption.)

From February 2004, the Minister of Finance, Mr. Trevor Manuel increased the threshold for skills development levy payment from R 250 000 to R 500 000. Effective from August 2004 organisations whose annual payroll is less than R 500 000 are no longer required to pay Skills Development Levies. Applications for this exemption must be made with SARS as outlined above)

The levy is payable monthly to the South African Revenue Service (SARS). When registering as a levy payer, organisations are asked to stipulate to which SETA they belong, so that the levy can be forwarded to that SETA. Employers whose main business activity falls within Tourism and Hospitality or the [THETA Standard Industry Classification \(SIC Codes\)](#) should specify their levies be paid to THETA / SETA 25.

70% of the levy is refundable to organisations in the form of grants, once they meet the various requirements set out for each grant. For example a grant of 50% of their annual levy is payable once the SETA has approved the organisation's choice of a Skills Development Facilitator and the content of their annual Workplace Skills Plan. A further 20% of their annual levy is payable should the organisation claim for a Discretionary Grant.

A portion of each levy (18%) is sent to the National Skills Fund for national priorities – like schemes for the unemployed, women, the disabled and previously disadvantaged persons, while a maximum of 10% is retained for the SETA's running costs. 2% is allocated to SARS for the collection of the levies.

1.4.2 Employment Equity Act

The right to equality is enshrined in the South African Bill of Rights. In line with this fundamental right, the Employment Equity Act (EEA) aims to promote equality in the workplace - to eliminate unfair discrimination and to ensure employment equity as a form of redress. The Act also aims to create a workforce which is representative of all South Africans.

The EEA affects almost every aspect of employment policy and practice:

- recruitment procedures, advertising and selection criteria;
- appointments and the appointment processes;
- job classification and grading;
- remuneration and employment benefits; and
- terms and conditions of service

The Act identifies a number of 'designated groups' (or special groups) which require special attention in order for equitable workplaces to be created. These groups are black people (that is, African, Coloured and Indian people), people with disabilities and women. Employers are required to report on these categories of people (gender, race and disability) in their Workplace Skills Plans and annual training reports. The Skills Development Act states that the Workplace Skills Plans must assist organisations to attain their employment equity targets.

The EEA also identifies 'designated employers' (that is, those who employ more than 50 people and make a particular level of profit) who will especially be held liable if they do not comply with the demands of the Act. Designated employers must implement affirmative action measures for people from designated groups to achieve employment equity. To do so, they must appoint a senior manager in charge of employment equity; consult with employees; analyse its employment policies, practices and procedures to identify barriers to employment; prepare an Employment Equity Plan jointly with its employees and report on progress.

The Act also provides for the establishment of a Commission of Employment Equity, which is a stakeholder body responsible for establishing Codes of Good Practice. The Act requires that these codes are monitored and enforced, and says how this should happen.

1.5 AN OVERVIEW OF LEGISLATION III: THE BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT (BBBBB ACT) & THE TOURISM CHARTER

Tourism has been identified as one of the leading 5 sectors in the South African economy. The tourism industry is still however largely white-owned and managed. Some of the larger listed tourism entities have begun transformation processes-however these are still in their infancy and are focused largely on equity ownership. A recent study commissioned by the Department of Environmental Affairs and Tourism in 2003, has estimated that only 6% of listed tourism entities have BEE ownership. Average management and control of the listed entities indicates that 15% are black males, and 2% are black women. 81% are white males. The transformation challenge therefore remains enormous. (Source www.tbcsa.org.za)

1.5.1 What is Black Economic Empowerment?

Black Economic Empowerment is defined in the BEE Act as:

"...An integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the number of black people that manage, own and control the country's economy, as well as significant increases in the number of Black people* that manage, own and control the country's economy, as well as significant decreases in income inequalities."

1.5.2 What is the purpose of the Broad Based Black Economic Empowerment Act?

To establish a legislative framework for the promotion of black economic empowerment;
To empower the Minister to issue codes of Good Practice and to publish transformation charters;
To establish the Black Economic Empowerment Advisory Council;
And to provide for matters connected therewith.

* The term 'Black people' refers to African, Indian and Coloured South African citizens.

Click below to read the Gazetted Broad-Based Black Economic Empowerment Act No. 53 of 2003 issued on the 18th July 2005.

[Adobe Pdf:](#) 339kb

1.5.3 What is the Tourism Charter?

The Charter and Scorecard are the tourism industries' commitment to furthering transformation and Black Economic Empowerment in the Tourism Sector.

The Tourism BEE Charter expresses the commitment of all stakeholders in the tourism sector to the empowerment and transformation of the sector and its commitment to working collectively to ensure that the opportunities and benefits of the Tourism sector are extended to Black South African as well.

Click below to read the Tourism BEE Charter as issued by the Department of Environmental Affairs and Tourism.

[Adobe Pdf:](#) 198kb

1.5.4 What is the difference between the Charter and the Scorecard?

The Tourism BEE Charter expresses the commitment of all stakeholders in the Tourism sector to the empowerment and transformation of the sector and its commitment to working collectively to ensure the opportunities and benefits of the tourism sector are extended to black South African as well.

The Tourism Scorecard, on the other hand, is the tool which measures that commitment through indicators, targets and weightings. The Charter and Scorecard are, however, often referred to collectively since they go hand in hand and are published as one document.

THETA's interest is to gauge commitment to and achievement of the 2009 Milestones as they pertain to the Skills Development Indicator. Skills Development is weighted at 20% in the first five years for the period, ending 31 Dec 2009, thereby displaying its relative importance in terms of impacting human capacity building in the tourism sector.

1.5.5 What is the Charter's scope of Application?

The Charter and Scorecard apply to all privately owned enterprises within the tourism sector, and to all parts of the value chain in that sector, inter alia –

- Accommodation
- Hospitality and related services
- Travel distribution systems

The Tourism Charter excludes THETA member employers or organisations grouped within SIC Codes 96419 (Operation and management of horse racing events and clubs and academies) and 96494 (Gambling, licensed casinos & the national lottery - incl bookmakers, totalisators, casinos, bingo operators as employers within the Gaming & Lotteries Chamber have separate arrangements with the Department of Trade & Industry for their sectors' transformation.

1.6 SKILLS LEVIES AND GRANTS I: WHAT IS THE LEVY AND WHO PAYS IT?

1.6.1 What are the Skills Development Act and Skills Development Levies Act?

The Skills Development Act of 1998 promotes the development and improvement of the skills of the country's workforce. In addition to information about skills development itself, the Act requires that employers pay a skills development levy from which they can claim portions for the training they have implemented. This compulsory levy was given force in 1999 in the Skills Development Levies Act, which outlines the details of who should pay the levy and what amounts should be paid. It also announced that the levy scheme would begin on 1 April 2000.

1.6.2 How is the levy calculated?

The levy is 1% of the "leviable amount", this being "the total amount of remuneration, paid or payable, or deemed to be paid or payable, by an employer to its employees during any month".

Included are:

Normal salary, wages, overtime pay, bonus, gratuity, commission, leave pay etc.

Remuneration paid to employees who do not have to pay tax - i.e. their remuneration falls below the income tax threshold.

- Pensions and retirement allowances.
- 50 % of travelling allowances.
- 50 % of any allowances to holders of public office
- Fringe benefits valued in terms of the Income Tax Act (in the Seventh Schedule).

Excluded are:

Lump sums from pension, provident and retirement annuity funds.

Amounts payable to a learner in terms of a contract of employment (as defined in the Skills Development Act).

Amounts paid to independent consultants or labour brokers.

Reimbursable allowances – e.g. entertainment or travel allowances.

Amounts paid to non-executive directors of private companies.

(When the levy was first initiated on 1 April 2000, the "leviable amount" was 0, 5%. This was increased a year later, as planned, to 1 %.)

1.6.3 Who has to pay the levy - when and to whom?

The levy must be paid by every employer who is registered with the South African Revenue Services (SARS) for PAYE, even if they only pay PAYE for a single employee; and/or has an annual payroll in excess of R500 000.

Some organisations that fulfill these criteria may be exempt, however (see below).

Employers are required to pay the levy to SARS, no later than seven days after the end of each month.

1.6.4 How do employers register for payment of the levy?

From May 2003, SARS introduced a statement (statement of account EMP2) integrating the following three aspects in respect of SDL payments:

- Acknowledgement of payment received (IRP/UIF/SDL213);
- Final demand to submit a return EMP201 (EMP 204); and
- Final demand for payment of outstanding amount/additional penalty/penalty/interest (EMP208)

While only some employers have to *pay* the levy, *every* employer must *register* as an employer with SARS. This is so that THETA has a record of every employer in the sector, whether or not they are exempt from paying the levy.

Levy registration forms (SDL 101) and an "Employer Guidelines to Registration" (SDL10) are obtainable from any SARS office or from their website (www.sars.gov.za).

When completing the registration form, it is important that THETA's SETA number - which is "25" - is inserted under question number 6.2.1 - as this instructs SARS where to re-direct the funds intended for each SETA (Sector Education & Training Authority);

The correct Standard Industry Code (SIC) for an organisation is inserted under 6.2.1. – called the "Chamber / Activity code". This code indicates the micro-sector in which an organisation is located – e.g. 64106 is "management and operation of game lodges" and 96418 is "management and operation of motorised sporting". The long list of codes can be found in the "Employer Guidelines to Registration" (SDL10) or [downloaded](#).

If an organisation has a number of branches or sites, an additional registration form (SDL 102) must be completed for each branch or site.

1.6.5 Can an employer be exempted from paying the levy?

While every employer must register with SARS, the following employers can apply for exemption from paying the levy:

- employers whose payroll is less than R500 000 per year and who are not required to register for PAYE;
- any public service employer in national or provincial sphere;[^]
- national or provincial public entities, if 80% or more of their expenditure is defrayed directly or indirectly from funds voted by Parliament;
- any municipality in possession of a certificate of exemption from the Minister of Labour; and
- religious or charitable institutions, or any fund which is exempt from the payment of income tax.

The application for exemption is contained in the SDL101 form - also available from any SARS office or from their website.

1.7 SKILLS LEVIES AND GRANTS II: HOW ARE LEVIES ALLOCATED & WHAT CAN BE CLAIMED?

1.7.1 How are the levies allocated?

National Skills Fund (NSF) For priority projects for national skills development	18%
SARS For administration of the collection of levies	2%
The relevant SETA	80% 10% for admin and operational costs. 70% is available as grants to employers who paid the levy and met the criteria for grants.

1.7.2 What can employers claim from levies paid?

Grants are payments made by THETA to employers in the sector who have met the criteria for various categories of grants. Employers may claim grants of up to 70% of the levy they have paid. There are two kinds of grants: mandatory grants and discretionary grants.

Mandatory grants are paid by THETA when employers who pay the levy meet the established requirements and these are approved by THETA. The mandatory grant of 50% is payable in four quarterly payments on THETA's approval of the Workplace Skills Plan (including the nomination of the Skills Development Facilitator); and the Implementation Report.

Discretionary grants are paid to employers who implement skills initiatives that are usually in addition to those in the Workplace Skills Plan and that are defined in terms of the [SETA Grant Regulations](#) issued in July 2005.

Note: Employers cannot claim grants against the cost of training implemented, only grants in proportion to the skills levies paid.

[^] Public service employers in the national or provincial sphere are obliged by the Department of Labour to pay SETA's a 10% administration fee. A separate invoicing system has been set up by THETA for this purpose.

1.7.3 Summary of grants

GRANT	% EMPLOYER'S LEVY			Due date for submitting application
	April '06 – March '07	April '07 – March '08	April '08 – March '09	
Mandatory grants				
Workplace Skills Plan	50%	50%	50%	05/06 WSP: 30 September 2005 05/06 IR: 30 June 2006
Implementation Report				Every year thereafter, the WSP and IR must be submitted together on or before the due date of 30 June.
Discretionary grants Refer to www.theta.org.za for criteria	20%	20%	20%	
TOTAL AVAILABLE FOR GRANTS	70%	70%	70%	

1.8 SKILLS LEVIES AND GRANTS III: HOW TO APPLY FOR MANDATORY GRANTS

Grants are payments made by THETA to employers in the sector who have met the criteria for various categories of grants. Employers may claim grants up to 70% of the levy they have paid. There are two kinds of grants: mandatory grants and discretionary grants.

Mandatory grants are paid by THETA when employers who pay the levy meet the established requirements and these are approved by THETA. This grant is payable on approval of the nominated Skills Development Facilitator, a Workplace Skills Plan and Implementation Reports.

Discretionary grants are paid to employers who implement skills initiatives that are usually in addition to those in the Workplace Skills Plan.

1.8.1 Qualifying for mandatory grants

To qualify for mandatory grants, levy-paying employers must be registered with THETA and their levy payments must be up-to-date. To ensure that THETA has the correct information from SARS, and that it meets the demands of the Auditor General and to ensure that employers get the correct Grant payments, all THETA levy paying employers are required to:

Complete the EMP201 page on the THETA SMS database, this page allows the employer to complete the same information as required on the SARS EMP 201 and will include the following information:

- Financial year
- Date Paid
- For which month
- Amount paid
- Save the payment
- Employers are required to complete this information from April 2005 to date and thereafter on a monthly basis.

Alternatively, employers are requested to fax a copy of the monthly SARS EMP 201 form to THETA at 011-8076113 or alternatively email scanned copies to cfo@theta.org.za with the subject heading 'EMP201'.

- Employers need to forward all copies from March 2005 to date and thereafter on a monthly basis.

This will assist THETA in paying the grants timeously by enabling the reconciliation of accounts that might otherwise delay the payment.

1.9 SKILLS DEVELOPMENT FACILITATORS

1.9.1 What is a Skills Development Facilitator?

The Skills Development Facilitator (SDF) is responsible for the development and planning of an organisation's skills development strategy for a specific period. This will include the development and implementation of an annual Workplace Skills Plan, the submission of an Annual Training Report/Implementation Report and Discretionary Grant applications.

He or she also serves as a resource to the employer with regard to conducting skills audits/skills needs' analyses, the criteria required for accreditation as a Training Provider, and should be able to advise on application for and implementation of Learnerships.

1.9.2 What are the functions of a Skills Development Facilitator?

The SDF is responsible for:

- assisting the employer to become registered with THETA;
- assisting the employer and employees with the development of a Workplace Skills Plan (WSP);
- submitting the WSP to THETA;
- advising the employer on the implementation of the WSP;
- assisting the employer with the drafting of an Annual Training Report/Implementation Report against the approved WSP;
- formulating training practice to comply with Discretionary Grant requirements
- submitting applications for Discretionary Grants
- advising the employer on THETA's quality assurance requirements wrt Accreditation as a workplace Training Provider; and
- Serving as a contact person between the employer and THETA.
- Providing THETA with additional information that may be required.

1.9.3 Who can be appointed as a Skills Development Facilitator?

A Skills Development Facilitator (SDF) can be

- an employee; or
- a formally contracted, external person; or
- a person who is jointly employed by a number of other employers to assess the skills development needs of the group of employers and employees concerned.

1.9.4 What criteria should be used to appoint a Skills Development Facilitator?

When selecting an SDF, employers should include any trainer, employee or union representative/s or advisory committee in the process.

The following criteria and competences should be considered when selecting an SDF:

- A good understanding of the National Qualifications Framework (NQF);
- the capability to conduct a training needs analysis and develop the organisation's Workplace Skills Plan for submission to THETA;
- the capability to compile reports to THETA on the organisation's implementation of its Workplace Skills Plan;
- if the organisation has not achieved accreditation by THETA, the capability to prepare, submit and steer the company's Application for Accreditation as a Training and Development Site OR to manage the contracting out of training and development to accredited providers; and
- the capability to advise on and monitor implementation of the WSP, including training delivery, assessment and quality assurance as required by THETA.

1.9.5 How can employers ensure the competence of a Skills Development Facilitator?

Four unit standards were developed under the auspices of the Standards Generating Body for Occupation-Directed Education, Training and Development Practitioners to equip SDFs to perform their functions.

Click below to read more information on proposed National Standards for Skills for skills development facilitation.

[Word: 85kb](#)

1.9.6 What can employers gain by appointing and using a Skills Development Facilitator?

Apart from the value added by a competent person attending to skills development and skills enhancement needs within an organisation, organisations who pay the skills levy may claim up to 70% of their levies back in grants if the SDF submits grants applications in accordance with the prescribed requirements.

1.10 WORKPLACE SKILLS PLANS

A Workplace Skills Plan is a plan – approved by THETA – that outlines the training and development for an organisation for one year.

THETA utilises the SETA Management System (SMS) - a computer application accessible via the THETA website - that enables member employers to submit grant claims electronically. THETA does not accept nor will approve hard copy or manual grant applications.

A Workplace Skills Plan (WSP) requires information on, amongst other things:

- the number of people trained in the organisation by job type and race;
- the organisation's strategic priorities for skills development;
- the training and education needed to ensure the development of the business and employees;
- details of the education and training needed to achieve these priorities - including proposed training interventions, estimated costs, specific job types and whether interventions will be conducted by external training providers or the organisations themselves;
- information regarding employment equity in the organisation;

1.10.1 Purpose of the Workplace Skills Plan

Workplace Skills Plans can impact positively on a number of areas within an organisation:

- management and employees start to discuss skills in the workplace;
- gaps and shortfalls in skills required are identified and positive ways of addressing them are devised;
- the organisation uncovers talents and skills they did not know they had; and
- management shares the organisation's goals with employees, who are then better able to understand them and commit to the process of achieving them.

Apart from these benefits, the Implementation Grant - which is a percentage of the levy paid by organisations to THETA - will be paid to organisations who show that they have implemented plans identified in their Workplace Skills Plan.

1.10.2 Compiling a Workplace Skills Plan

The Skills Development Facilitator is formally responsible for submitting the Workplace Skills Plan to THETA – and plays a major role in its compilation.

When compiling a Workplace Skills Plan, an organisation should

- consider their goals and priorities for the year for which the WSP is being drafted and plan training to address these;
- refer to their business plan;
- incorporate information obtained from any career pathing exercises, skills audits or processes in which individual training needs are identified; and
- refer to their Employment Equity Plan, as many of the information fields are the same.
- consult extensively with their Workplace Training Committee or Employment Equity Committee (many organisations have one committee that serves both functions) to determine the requirements of both labour and management.

1.10.3 Implementing and reporting on the Workplace Skills Plan

Organisations should keep records of all the training, activities, assessment and/or development initiatives implemented according to the WSP in preparation for preparing implementation report(s) for the reporting period. Organisations must submit an Implementation Report, with supporting documentation, to qualify for mandatory grants in the following scheme year.

The Skills Development Facilitator must prepare these reports, listing all the interventions implemented according to the WSP.

1.10.4 Supporting documentation / evidence of implementation of the Workplace Skills Plan

Evidence in support of the implementation of the Workplace Skills Plan is required to be submitted to THETA on or before the submission date of the Implementation Plan. (30 June annually)

This supporting documentation must be submitted either by post, courier or hand delivered to THETA marked for the attention of the Levies & Grants Co-ordinator.

Examples of suitable supporting evidence include;

- Attendance registers signed by learners
- Copies of invoices and payments to training providers
- Copies of Attendance and Competence certificates

1.11 WORKPLACE TRAINING COMMITTEE

It is a legislated requirement in terms of the various skills development legislation that employers of 50 or more persons constitute a Workplace Training Committee representing both owner/employer and labour/employee interests. This forum must fairly include members that represent both interests.

The committee is to meet regularly to collectively determine training priorities, agree on skills gaps, subsequent interventions to be implemented, etc.

Many large employers combine the functions and objectives of an Employment Equity Committee and a Training Committee as the issues discussed overlap considerably. This arrangement makes it more practicable for employers by minimising time away from work for participating members.

1.11.1 THETA requirements regarding a Workplace Training Committee

THETA organisations who employ 50 persons or more must

- Ensure that a Workplace Training Committee is properly constituted to adequately represent the interests of both management and labour;
- Ensure Committee members are capacitated on the role, function and objectives of the forum;
- Ensure the Committee meets regularly to deliberate relevant issues and make decisions on all skills development issues;
- Keep detailed minutes of all meetings held;

- Keep signed copies of attendance registers from said meetings.

THETA does not require this information be submitted with grant applications but may be required as an evidence requirement in Skills development Monitoring and Auditing visits.

Compliance with the above – should the employer be subject to a THETA or Department of Labour inspection will ensure that any such audit would be easily managed.

1.11.2 The role of an SDF in constituting a Training Committee

A very important function of the SDF is to establish a Training Committee for the enterprise or company.

Employers with more than 50 employees must establish an in-company forum for consultation with regard to skills development. Where a workplace is unionised, trade unions or management structures could fulfil this function. It is important that workplace consultative structures be consulted in the appointment of a Skills Development Facilitator.

1.11.3 Functions of the Training Committee

- Develop a Training Policy
- Ensure that the development and implementation of the Workplace Skills Plan is aligned to the strategic Mission and Vision of the company
- To keep the envisaged training and development of employees in the company abreast with the long-term transformation objectives of the company.
- Ensure that the Workplace Skills Plan is aligned to the Employment Equity Plan and Business Plan of a company.
- Establish training priorities for the company based on its short and long term needs.
- Aligning training to the Sector Skills Plan, learnerships, career pathways, accredited national qualifications, etc.
- Support the SDF in communicating the completed Workplace Skills Plan to other employees in the company.
- Monitor the implementation of the Workplace Skills Plan.
- Periodic revision of the Workplace Skills Plan is required. This will in most cases be carried out in conjunction with the Training Committee.
- Compiling the annual Training Implementation Report

1.12 SECTOR SKILLS PLAN

1.12.1 What is a Sector Skills Plan?

The Sector Skills Plan is a strategic document researched and developed by SETA's for industry and stakeholders that clearly outlines economic trends in the sector, through the identification of the skills currently used and, therefore, skills that are in demand in the sector. It also specifies the skills development priorities and outlines key strategies for the sector.

All SETA's are required to complete and submit an annual Sector Skills Plan to the Department of Labour. The quality of Sector Skills Plans can be enhanced significantly if information received from grant applications - WSP's, Implementation Reports and other grant claims is accurate.

Click below to read THETA's Sector Skills Plan for 2005 - 2009

[Word: 4,765kb](#)

1.12.2 How is the Sector Skills Plan compiled?

THETA produces the Sector Skills Plan (SSP) according to strict guidelines provided by the Department of Labour, following research and consultation across the tourism sector, using data gathered from a variety

of sources: documentation, publications, reports, stakeholder workshops and interviews, economists' reports and workplace skills plans.

This process is made possible through the sector's involvement and endorsement of our activities.

The compilation and analysis of the SSP allows THETA to develop a thorough framework for facilitating and supporting skills development.

1.12.3 The purpose of a Sector Skills Plan

- To identify current and future skills requirements in the relevant sub-sectors, industries or professions for the benefit of employers, communities and individuals.
- To develop a strategic plan stating:
 - the key challenges presented by the identified needs;
 - the results to be achieved in the form of success indicators, and
 - the methods to achieve those results.
- To guide the formulation of national strategies for skills development and the allocation of resources, including the National Skills Fund, discretionary grants, bursaries and other such grants under the levy grant system, donor and others.