



Discretionary Grants Guidelines 2010

**TOURISM, HOSPITALITY & SPORT EDUCATION AND
TRAINING AUTHORITY**

April - May 2010

1. Introduction

The Discretionary Grant Guidelines have been developed by the THETA in line with the Grant Regulations of 2005 as amended and THETA Discretionary Grant Policy. The THETA seeks to create a grant environment that enables participation in grant payments by all its organisations. The Grant Regulations standardise and provide a guide on SETA grant disbursement to its constituent organisations. The THETA would like to ensure compliance with these regulations while it supports constituent organisations and committed to grant allocations and disbursements.

The Skills Development Act as amended makes provision for Setas to allocate and disburse Discretionary Grants to encourage stakeholders to contribute towards the National Skills Development Strategy, Human Resource Development Strategy as well as address the scarce and critical skills as outlined in the Sector Skills Plan.

THETAs universe is vast and diverse, made up of the following FIVE sub sectors referred to as chambers as defined in the Standard Industrial Classification Codes (SIC codes);

Hospitality Chamber - representing accommodation services, food preparation, catering and food and beverage services, fast foods and restaurants.

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

Gaming and Lotteries Chamber - representing casinos, bookmakers, lotteries, horse racing, LPM Industry and Bingo.

Conservation and Guiding Chamber - representing 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 - representing sports, recreation and fitness services, sporting event management, indoor and outdoor sports, sporting events and activities, hunting, parks and beaches, recreational fairs and shows.

2. Purpose of the guidelines

The purpose of the Application Guidelines is to provide member organizations with a comprehensive overview of the requirements for Grants. In order to ensure that applications for grants are properly focused some information is provided to assist organizations to conceptualise their applications.

- 2.1 To provide uniform framework that is consistent with the principles of fairness and equity and which is in line with Section 2 of the Skills Development Act;
- 2.2 To provide guidelines to the THETA and the sector on Discretionary grant requirements;
- 2.3 To criteria and procedures within which THETA Discretionary grants will be allocated and paid.

3. Sources of Discretionary Grant

The Discretionary Grant to be paid by the THETA in terms of sub regulation 7(1) are funded from the Discretionary Fund whose sources are:

- 20% of total levies paid by employers in terms of section 3(1) of the Skills Development Levies Act during each financial year;
- Surplus Administration funds;
- unclaimed mandatory grants;
- interest and penalties received in terms of Sections 11 and 12 of the Skills Development levies Act;
- interest earned on investment;
- contributions received from public service employers in the national or provincial spheres of government as contemplated in Section 30 (b) of the Act;
- any other funds received by the THETA.

4. Application of the guide

This guide is applicable to all stakeholders benefiting from discretionary grants whether paying the skills levy or not.

5. Funding Approach

The strategy to funding is to use the available funds to achieve maximum impact on strengthening Skills Development in the sector. The funding approach, therefore, seeks to distribute resources within the sector so that as many organisations as possible can benefit. All funding programmes are co-ordinated in an integrated manner so that the best use is made of the funds that are available. In order to avoid duplication between programmes, effort will be made to ensure that similar programmes are well co-ordinated and properly integrated. Cross chamber programmes that address cross critical skills are encouraged. The core elements of the funding strategy are described below.

5.1 Provincial Distribution

Efforts will be made to ensure a reasonable geographic distribution of participating organisations including rural and urban; township and suburban; privileged and disadvantaged communities.

5.2 Chamber Allocation

While most funding categories are open to all member organisations in the sector, the funding category on learning programmes for enterprises and organisations allocates funds according to sub-sectors. This is to ensure that all constituencies benefit from the programme according to their need and in response to the circumstances of the sub-sector.

5.3 Beneficiary Framework

In all funding provided by THETA, preference will be given to applications prioritizing the previously disadvantaged beneficiaries i.e.; 85% - Black, 54% - Women and 4% - People with Disabilities.

6. Allocation of Discretionary grants

Discretionary grants may be allocated for the following purposes:

- to commission research in the sector in accordance with the sector skills plan and guidelines prescribed by the Department of Higher Education and Training;
- to fund the development of guide and the training of sector specialists or skills development facilitators;
- to fund a qualifying employer or an accredited organisation in respect of Adult Basic Education and Training provided to a learner;
- to fund a training provider or employer in respect of a learner who enters a learning programme to acquire a scarce or critical skill identified by the THETA;
- to fund an employer who provides work experience opportunities to learners in sector relevant programmes;
- to fund an employer or training provider to train and mentor learners to acquire new venture qualification;
- to fund an institution of sectoral or occupational excellence;
- to fund an institution that offers the new venture qualification to learners contemplated in sub regulations 10 (f);
- to fund an education and training provider or an institution responsible for the implementation of the NQF in support of the National Skills Development Strategy;
- to fund Theta constituency capacity building initiatives and promotion of skills development in the sector;
- to fund the Agency established in terms of section 17(7) of the Act;
- to fund an employer or lead employer for Learnerships implementation;

- to fund a stakeholder in respect of sector skills priorities.

7. Discretionary grants payments conditions

The discretionary grants will be payable upon satisfactory fulfilment of the following conditions:

- (a) a levy paying employer must be up to date with the levy payments to the Commissioner at the time of submission and in respect of the period for which an application is made unless exempt from paying levies (proof of exemption must be submitted);
- (b) a levy paying organisation has submitted a Workplace Skills Plan that **contributes** to the THETA sector skills plan as contemplated in section 10(1) of the Skills Development Act within the timeframes prescribed in regulation 6(2) of the Grant Regulations;
- (c) organisations applying for discretionary grant funding have made satisfactory progress with the projects awarded in the previous discretionary grant cycle.
- (d) the provider identified to deliver the training is accredited with the relevant quality assurance body.
- (e) payments will be made in line with the contract and against the agreed deliverables and against learners who are in the process at the specific time the agreed on payment is requested;

8. Discretionary Grants cycle and payments

THETA annually prepares and distributes to stakeholders, employers and training providers a grant cycle setting out the dates for the submission of the application for grants.

To qualify for Discretionary Grants applying organisations must

- submit application for grants on the prescribed application form;
- ensure they meet all THETA discretionary grant criteria;
- submit application for funding on or before the closing date as prescribed by the THETA.

Monitoring, verification and audit visits will be conducted by the THETA timeously to approved applications.

Funds allocated to an applicant are to be utilised within a specified period, whereafter the funding may be withdrawn and transferred into the discretionary grant fund. In the event that funds have been used negligently or fraudulently, the THETA will institute the necessary action to recover the funds.

Grant values are reviewed regularly by the THETA board to determine the total affordability of grants against available discretionary funding. It may be necessary to reduce or increase grant values as a result of this.

9. Items that will not be considered for discretionary funding

Funds allocated to an applicant are available only for the specific award made. Items including, but not limited to those stated below shall not be considered for discretionary grant funding:

- Start up costs;
- Capital expenditure, e.g. building costs, equipments including furniture and computers;
- Development costs of learning programmes, unless specifically requested;
- Policy development;
- Ongoing programmes of the applicant organisation;
- Training already done (i.e; discretionary grant will not be paid on submission of a training report).

10. Discretionary Grant Priorities

No	SI	Key Strategic Area	Responsible Dept	Rollout Dates
1	1.1	Relevant Sector Research and Skills Audits to update the Sector Skills Plan	Skills Development Dept	May 2010
2	1.2	Training and Capacity building for Skills Development Facilitators and Sector Specialists	Skills Development Dept	May 2010
3	1.2	Career Guidance Counsellors and Career exhibitions	Skills Development Dept	January 2011
4	2.2	Support and assistance to small levy payers in the sector	Projects Management Office	July 2010
5	2.5	Support and assistance to Small BEE Firms in the sector including BEE Co-operatives	Projects Management Office	July 2010
6	2.8	Skills and equivalent programmes to enhance skills of employed workers	Skills Development Dept	May 2010
7	2.7	Training of ABET Learners	Projects Management Office	May 2010
8	3.2	Support and assistance to Non-Levy Paying Enterprises in the sector	Projects Management Office	July 2010
9	3.2	Support and assistance to Community-Based Co-operatives and Community-Based organisations	Projects Management Office	July 2010
10	4.1	Skills programmes to support unemployed youth pursue FET qualifications	Skills Development Dept	January 2011
11	4.2	Provision of Workplace Experience to youth and placement for unemployed youth with qualifications	Skills Development Dept	May 2010
12	4.3	Mentoring and support to newly created businesses in the sector	Skills Development Dept	May 2010
13	5.1	Support to Institutes of Sectoral or Occupational Excellence	ETQA Dept	September 2010
14	5.2	Support to FET institutions providing New Venture Creation qualifications	ETQA Dept	September 2010
15	5.3	Capacity building to Theta Training Providers to Improves quality of provision	ETQA Dept	September 2010

11. Discretionary Grant General Funding Criteria

Consistent with the THETA Sector Skills Priorities the following criteria are to be noted as the basis upon which funding decisions will be made. The THETA may only make a discretionary grant if there are sufficient funds available. The THETA may only make a discretionary strategic grant to an employer if the employer qualifies to receive the workplace skills planning grant for the financial year concerned.

Training providers and workers may also seek grants from THETA. These grants may be given to projects, programmes and research activities if they support the implementation

of the sector skills plan or THETA's strategic objectives. All levy paying companies in the THETA sector are invited to apply in any of the funding windows. The applying company must be up to date with its levies at the South African Revenue Services (SARS).

1. Funds will be allocated according to the primary areas of funding and stated priorities that are scarce and critical skills. These priorities are consistent with the circumstances of the respective chambers, the strategic vision of the SETA, the priorities of the National Skills Development strategy and the current Sector Skills Plan covering the identified National Priorities.
2. Application proposals should be submitted according to the format and guidelines provided by THETA.
3. All proposals must clearly indicate and substantiate the potential contribution to Workplace Skills Development and gains towards the industry and the sector.
4. All funding applications must demonstrate capacity to successfully implement the proposed project.
5. All applications must serve to promote the ideals of THETA Funding strategy.
6. Training must be accredited.
7. There must be a clear statement of who will benefit from training. Beneficiary forms must be submitted before funds are allocated.
8. Application forms must be complete and all attachments must be appended as required.
9. All interventions are for the current financial year. Interventions can only commence upon the approval from THETA.
10. Projects or grants must have a start and an end date.
11. Only posted or hand delivered applications will be considered.

12. List of Scarce and Critical Skills 2010/11

Occupation Code	Occupation	Specialisation	NQF Level
111201	CORPORATE GENERAL MANAGER	Company Manager	6
141101	CAFÉ (LICENSED) OR RESTAURANT MANAGER	Food and Beverage Manager	6
141301	HOTEL OR MOTEL MANAGER	Accommodation Manager	6
141401	LICENSED CLUB MANAGER	Casino Manager	6
141301	HOTEL OR MOTEL MANAGER	Duty Manager (Hotel)	6
141401	LICENSED CLUB MANAGER	Gaming Manager	6
234301	ENVIRONMENTAL RESEARCH SCIENTIST	Environmental Scientist	6
351301	CHEF	Chef de Partie, Sous Chef, Executive Chef, Commis Chef, Demi Chef, Head Chef	5
361101	ANIMAL ATTENDANTS	Horse Groomer	2
431301	GAMING WORKER	Casino / Gaming Dealer	3
252901	BIOKINETICIST	Human Movement Specialist	7
451602	TRAVEL CONSULTANT	Travel Agent	5
452101	FITNESS INSTRUCTOR	Gym Instructor / Trainer	5
452403	JOCKEY	Apprentice Jockey	4
542101	RECEPTIONIST (GENERAL)	Support Officer Front Desk	3
551101	ACCOUNTS CLERK	Accounting Clerk	4
551201	BOOKKEEPER	Bookkeeping Clerk	5
362205	GREEN KEEPER	Grounds Maintainer	3
132201	FINANCE MANAGER	Finance Director	6
221102	MANAGEMENT ACCOUNTANT	Financial Accountant	6
451402	TOURIST GUIDE	Tour Controller	5
149301	EVENT MANAGER	Event Planner	6
851101	FAST FOOD COOK	Takeaway Cook	5
431501	WAITER OR BARTENDER	Restaurant Hostess / Supervisor	5
224701	MANAGEMENT CONSULTANT	Business Consultant	6

13. Application Process

The applications for funds are an expression statement to justify how the grants will be used to uplift skills in the workplace and in the sector in general. In making applications, applicants should take note of the following: A standard application form must be completed by all applicants applying for any grant. On positive evaluation, the applicant will be advised to complete specific application form for that particular grant.

1. Applications are to be submitted to the THETA,

Chief Executive Officer:

Discretionary Grant Application 2010

3rd Floor, Block E

Sandhurst Office Park

C/r Katherine Str & Rivonia Road

Sandton

2146

2. All applications must be completed with the necessary attachments.
3. Applications will be processed on stipulated dates. A letter notifying receipt of application will be sent to the contact person in the respective organisations.
4. Organisations must apply on behalf of their staff. Applications will not be accepted from individual employees
5. Organisations can apply as Service Providers to other organisations, or as member organisations that are seeking support for their own employees. When applying to provide services to other organisations, the application must be endorsed by all organisations that will participate in the event proposed.

No	SI	Key Strategic Area	Application Process		
			Phase 1	Phase 2	Final Phase
1	1.1	Relevant Sector Research and Skills Audits to update the Sector Skills Plan	Discretionary Grant form	Research proposal	Contract and SLA
2	1.2	Training and Capacity building for SDFs and Sector Specialists	Discretionary Grant form	Project proposal	Contract and SLA
3	1.2	Career Guidance Counsellors and Career exhibitions	Discretionary Grant form	Project proposal	Contract and SLA
4	2.2	Support small levy payers in the sector	Discretionary Grant form	Project proposal	Contract and SLA
5	2.5	Support Small BEE Firms in the sector including BEE Co-operatives	Discretionary Grant form	Project proposal	Contract and SLA
6	2.8	Skills and equivalent programmes to enhance skills of employed workers	Discretionary Grant form	Project proposal	Contract and SLA
7	2.7	Training of ABET Learners	Discretionary Grant form	ABET Form	Contract and SLA
8	3.2	Support Non-Levy Paying Enterprises in the sector	Discretionary Grant form	Project proposal	Contract and SLA
9	3.2	Support Community-Based Co-operatives and Community-Based organisations	Discretionary Grant form	Project proposal	Contract and SLA
10	4.1	Skills programmes to support unemployed youth pursue FET qualifications	Discretionary Grant form	Project proposal	Contract and SLA
11	4.2	Provision of Workplace Experience to youth and placement for unemployed youth with qualifications	Discretionary Grant form	GDP Form	Contract and SLA
12	4.3	Mentoring and support to newly created businesses in the sector	Discretionary Grant form	Project proposal	Contract and SLA
13	5.1	Support to Institutes of Sectoral or Occupational Excellence	Discretionary Grant form	Project proposal	Contract and SLA
14	5.2	Support to FET institutions providing New Venture Creation qualifications	Discretionary Grant form	Project proposal	Contract and SLA
15	5.3	Capacity building to Theta Training Providers to Improves quality of provision	Discretionary Grant form	Project proposal	Contract and SLA

14. Project Implementation and Monitoring

All projects will be implemented by the applicant as per approved implementation plan and monitored by the THETA. Occasional visits will be made to ensure that progress is consistent with the planned schedule of activities and good quality is adhered to at all times.

In some cases, THETA will conduct a pre-assessment of capacity before funds are disbursed. The pre-assessment visit will establish that, in

respect to the organisations, the context, the capacity and the potential for successful implementation, all meet expected standards.

A monitoring and tracking process will be put in place to check the progress and to render support and assistance where necessary.

Two processes for verifying and monitoring progress on the projects funded through the discretionary grants will be followed;

a) Desktop monitoring

The Skills Development Department would verify most of the information provided by the applicants and complete a monitoring report for applicant

b) Sampled Site Visits

The responses for the discretionary funds might be overwhelming for us to do monitoring site visits for each applicant. However we are still required to do some visits to verify information provided by applicants.

We would do a random selection of companies (sample) to be visited or use the previous audit lists used by the Auditor-General

c) Monitoring and Evaluation Reports

In the file of each recipient of THETA discretionary funds would be a monitoring report completed on site visit or through desktop assessment

15. Terms and Conditions of Grant Payments

Understanding the terms and conditions of payment are critical before completing applications, making commitments or scheduling services. Terms and conditions are enumerated briefly below. They are set out to ensure accountability, to speed up the implementation of projects and the disbursement of funds, to enable cash flow planning and to ensure that the expectations are clear. These terms and conditions represent the most expeditious way of handling the process and managing results.

1. Payments will generally be made in tranches and as per agreed deliverables.
2. Invoices must be prepared by the Service Provider, but must be submitted through the recipient organisation that is responsible for the funded project.
3. Payment will be made directly to the recipient organisation. All invoices must contain a VAT Number and the address of the Service Provider.
4. Proper documentation must accompany each invoice for payment. Documentation differs with the nature of the project.
5. Funds cannot be disbursed unless procurement guidelines are followed. Financial procedures and procurement requirements must be verified before binding commitments are made.
6. All accounts, accompanied by appropriate support documentation, will be settled within 30 days of the submission of invoices.
7. To avoid delay, only original invoices accompanied by the relevant claim forms and supporting documentation must be submitted to the Skills Development Department for verification and processing.
8. THETA reserves the right not to make any payment and qualifying payments will be based on correct performance information submitted on set date. Late submissions and incorrect reporting format may result to non payment.