STRATEGIC PLAN FOR 2020-2025

MICTSETA

Media, Information And Communication Technologies Sector Education And Training Authority

SHAPING SKILLS, PIONEERING INDUSTRIES, EMPOWERING FUTURES

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PART A-

SECTOR SKILLS PLAN 2021/22

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Foreword

In this annual update of the MICT SETA Sector Skills Plan, we have conducted rigorous research to ensure that the documented occupational shortages and skills gaps are true reflections of demand. Data on labour shortages is often a subject of debate. To this effect, a number of different stakeholders were consulted to construct a comprehensive picture of the Sector and its direction.

This year, we did a comprehensive analysis of 4IR technologies and their role in the MICT Sector to acquire deeper insights into the real skills shortages and support industry in closing those skills gaps. The more confidence we have in the Sectoral Priority Occupations, the more assured we are of the Strategic Plan. The combined efforts from all stakeholders to produce this document are gratefully acknowledged. The following deserve special mention:

- The Ministerial representatives on MICT SETA's Board;
- Industry, via representation on MICT SETA's Board;
- Organised Labour, through representation on MICT SETA's Board; and
- All the stakeholders who kindly participated in our interviews, surveys and focus groups.

Our thanks go to all the stakeholders whose collective wisdom has been incorporated into this document. Sharing of knowledge is a catalyst for achieving South Africa's skills development potential and economic growth.

Mr. Mdu Zakwe

CEO: MICT SETA

Mr. Simphiwe Thobela

Chairperson: MICT SETA Board

Acronyms

4IR	Fourth Industrial Revolution	**MCSE**	Microsoft Certified Solutions Expert
5G	Fifth-Generation Wireless Technology	**MDDA**	Media Development and Diversity Agency
ACASA	Association for Communication and Advertising South Africa	**MICT**	Media, Information and Communication Technologies
AI	Artificial Intelligence	**MTSF**	Medium Term Strategic Framework
AR	Augmented Reality	**NAB**	National Association of Broadcasters
ATR	Annual Training Report	**NDP**	National Development Plan
B-BBEE	Broad-Based Black Economic Empowerment	**NGO**	Non-Governmental Organisation
BABOK	A Guide to the Business Analysis Body of Knowledge	**NGP**	New Growth Path
CAGR	Compound Annual Growth Rate	**NLPE**	Neuro-Linguistic Programming Executive
CBO	Community- Based Organisations	**NLRD**	National Learner Record Database
CECS	Centre of Excellence in Cyber Security	**NQF**	National Qualifications Framework
CEO	Chief Executive Officer	**NSI**	National System of Innovation
CISCO	Commercial & Industrial Security Corporation	**NSDP**	National Skills Development Plan
CISSP	Certified Information Systems Security Professional	**OFO**	Organising Framework for Occupations
COBOL	Common Business-Oriented Language	**OGS**	Online Grant System
CompTIA	Computing Technology Industry Association	**PC**	Personal Computer
COVID-19	Corona Virus Disease 2019	**PRINCE2**	Projects in Controlled Environments 2
DCDT	Department of Communications & Digital Technologies	**PICC**	Presidential Infrastructure Coordinating Commission
DHET	Department of Higher Education	**QCTO**	Quality Council for Trades and Occupations
DEF	Deaf Empowerment Firm	**QMR**	Quarterly Monitoring Report
DPSA	Department of Public Service and Administration	**SACIA**	Southern African Communications Industries Association
DTT	Digital Terrestrial Television	**SAP**	Systems Applications and Products
EE	Employment Equity	**SDF**	Skills Development Facilitator
ETQA	Education and Training Quality Assurance	**SDL**	Skills Development Levy
FOSS	Free Open Access Software	**SEDA**	Small Enterprise Development Agency
GDP	Gross Domestic Product	**SETA**	Sector Education and Training Authority
GITOC	Government Information Technology Officers Council	**SET**	Science, Engineering and Technology
HEI	Higher Education Institution	**SIC**	Standard Industrial Classification

HEMIS	Higher Education Management Information System	**SIP**	Strategic Integrated Projects
HRDSSA	Human Resource Development Strategy of South Africa	**SITA**	State Information Technology Agency
HTFV	Hard to Fill Vacancy	**SKA**	Square Kilometre Array
IBM	International Business Machines	**SLA**	Service-Level Agreement
IIBA	International Institute of Business Analysis	**SMME**	Small, Medium and Micro-enterprises
ICASA	Independent Communications Authority of South Africa	**SPO**	Sectoral Priority Occupations
ICT	Information and Communication Technology	**SSP**	Sector Skills Plan
IITPSA	Institute of Information Technology Professionals South Africa	**STB**	Set Top Box
IoT	Internet of Things	**TIA**	Technology Innovation Agency
IPAP	Industrial Policy Action Plan	**TVET**	Technical Vocational Education and Training
ISACA	Information Systems Audit and Control Association	**USAASA**	Universal Service and Access Agency of South Africa
IT	Information Technology	**VOD**	Video on Demand
ITA	Information Technology Association	**VOIP**	Voice Over Internet Protocol
M&E	Monitoring and Evaluation	**VR**	Virtual Reality
MANCO	Management Committee	**WIL**	Work Integrated Learning
MCSA	Microsoft Certified Solutions Associate	**WP-PSET**	White Paper on Post Schooling Education and Training
MCSD	Microsoft Certified Solutions Developer	**WSP**	Workplace Skills Plan

Executive Summary

The MICT Sector Skills Plan (SSP) has been developed over the period of NSDP to map out and plan for occupational skills needs in the Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications industries. The SSP is updated each year to analyse the changes in the Sector's labour market and does so against the backdrop of the economic performance of the Sector and developmental agenda of the country. It sizes up the gap between the demand and supply for skills and finally outlines strategies for dealing with the identified challenges.

Sector Profile and Analysis

As of 2020, the MICT Sector is made up of 28 829 spread across five Sub-sectors. This represents a 6.18% decline from 30 727 in 2019. The Information Technology Sub-Sector is the largest Sub-Sector, accounting for 51% of employers. The Telecommunications and Electronics Sub-Sectors each account for 13%, closely followed by Advertising (12%) and Film and Electronic Media (11%). Overall, the number of levy-paying employers decreased slightly from 7,902 in 2019 to 7,207 in 2020.

Although the MICT Sector is characterised by rapid technological change, research points to sluggish economic growth for the Sector. While the current COVID-19 pandemic has significantly disrupted the economy, the South African MICT Sector is placed favourably to leverage the opportunities created.

The MICT Sector experienced a 2.2% growth in employment from 2018 to 2020. Employment in the Information Technology Sub-Sector is the largest of the Sub-Sectors with 85% of employees in 2020. The Sub-Sectors with the smallest portion of employees are Advertising (1%) and Film and Electronic Media (1%).

Skills Demand, Supply and Scarcity

The following is a list of the top 10 occupations with hard to fill vacancies in the MICT Sector (and the quantities needed).

- Software developer (2 740)
- Computer Network and Systems Engineer (1 780)
- ICT Systems Analyst (1498)
- Management Consultant (Business Analyst) (504)
- ICT Security Specialist (385)
- Multimedia Specialist (360)
- Programmer Analyst (351)
- Developer Programmer (306)
- ICT Project Manager (174)
- ICT Sales Representative (78)

The MICT SETA has engaged in several partnerships with TVET colleges and institutes for Sectoral and occupational excellence (ISOEs) to improve delivery of training programmes. Furthermore, the SETA has mapped occupations against career pathways so that it is easy to identify Sectoral Priority Occupations interventions and, in that way, ensure seamless funding of skills development through the 80% Sectoral Priority Occupations allocation of the discretionary grants.

Sector Skills Priority Actions

The following set out the proposed broad skills development objectives for the Sector:

1. Improve the trustworthiness of the data used for skills planning through data triangulation. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities and acclaimed research institutions. Each of the occupations with hard to fill vacancies will be mapped to learning pathways.
2. Better position the MICT Sector to enable the Fourth Industrial Revolution through increasing access to and uptake of relevant skills development interventions, and by developing required qualifications and learning interventions. This will be achieved further through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. The impact of COVID-19 in relation to the enablement of 4IR cannot be ignored therefore, in implementing 4IR priority programmes, companies that have beenand will be impacted by COVID-19 are also accounted for in the SETA's strategies.

3. Set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations. The COVID-19 phenomenon has been taken into consideration with regard to the SETA's strategic planning and has been acknowledged as a catalyst for the necessary 4IRrelated skills development
4. Identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL.
5. Scope skills development needs and priorities in rural areas, provide career and vocational guidance, support government in addressing e-governance issues and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will support initiatives which apply technology in a manner that enables transformation of the Sector, with regards to female learners, learners with disabilities and rural learners. The development of skills related to 4IR can contribute to assisting learners with disabilities, for instance, through the development of teaching aids.
6. Improve provision of skills development to SMMEs, entrepreneurs and community-based organisations, particularly with regard to 4IR. This will enable the development and commercialisation of technologies and products that improve localisation and increase exports. The SETA will develop cross-sectoral partnerships and projects in the delivery of learning interventions. These partnerships are especially important now during the COVID-19 phenomenon (the impact of which will outlast the pandemic) as SMMEs are in a more vulnerable position attempting to keep up with 4IR trends and technology in order to stay relevant in the current MICT Sector environment.
7. Identify and develop occupational qualifications through the QCTO for occupations in high demand in consultation with the Sector. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and ensure increased number of accredited skills development providers offering occupational qualifications in high demand on an annual basis.

The rest of the SSP follows with more details on the salient points captured in this Executive Summary. We trust it will serve as an influential guide on the Sector and inform relevant, cutting-edge interventions to move the Sector-and the country-forward.

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SSP Research Process and Methods

In producing this SSP a mixed-method approach that included quantitative and qualitative research methods was adopted. In addition, data is triangulated across various sources (i.e. verified), thus, in the resultant SSP, ensuring a scientifically sound and accurate depiction of the Sector and its needs. The process begins with the collection of WSPs/ATRs from employers. These are then analysed to extract key trends, examples of which are the top hard to fill vacancies and skills gaps as reported by the largest number of employers. From this analysis, the data is distilled into shorter lists that are validated first in the surveys, then in the interviews and, finally, in the focus groups-with each iteration producing a progressively shorter and more accurate list. Thus, the SETA follows a process of multi-layered verification and triangulation, ensuring a thoroughly tested view of the final insights.

The following are some of the research methods that have been adopted by the MICT SETA to inform the development of the SSP.

Topic	Nature (Design) of the Study	Objectives of Study	Data Collection Tool	Sample Size and Scope	Data Sources and Data Sets	Time Frame
Stakeholder Interviews	Qualitative	The objectives of these interviews are to get an understanding of key developments in the Sector and gather insights regarding hard to fill vacancies, skills gaps, future skills and change drivers in the MICT Sector. In addition, consultations had a special focus on the impact of the Fourth Industrial Revolution (4IR) and COVID-19. This study covers the views of various stakeholders across all the Sub-sectors of the MICT Sector.	• Interview questionnaire	• The scope of the interviews was employers, industry associations, research institutions and trade unions • 35 interviews were conducted	• MICT SETA Levy Huge File • Key role players list	2020
Stakeholder Survey	Quantitative and Qualitative	• The goal of this survey was to assess stakeholders' opinions on developments and skills requirements in the Sector. The survey focussed on skills needs and the impact of 4IR and COVID-19. • The survey also sought to validate the findings from the	• Survey	• The scope of the survey was employers, industry associations, research institutions, training providers and trade unions • 411 Surveys were conducted	• MICT SETA Levy Huge File • MICT SETA Training Provider List • Key role players list	2020

		WSP submissions with regards to hard to fill vacancies and skills gaps.				
Employer and Industry Association Focus Groups	Qualitative	The objectives of these group discussions are to test the findings of the draft SSP regarding hard to fill vacancies, skills gaps, future skills and change drivers in the MICT Sector. This study covers the views of small to large employers and industry associations across all the Sub-sectors of the MICT Sector.	• Focus group guide • Structured discussion with employers and Industry Associations.	• 6 focus groups sessions were conducted: one for each of the five Sub-sectors (IT, Telecommunications, Electronics, Film & Electronic Media, and Advertising) and an additional focus group with an industry chamber of SMMEs • Overall, 70 stakeholders attended across the6 focus groups	• MICT SETA Levy Huge File	2020
MICT SETA COVID-19 Pulse Survey	Quantitative and Qualitative	The objective of the survey was to ascertain the impact of the COVID-19 pandemic on the Sector and employers' states of readiness to resume learning programmes and business operations given the lockdown imposed at that time.	• Survey	• The scope of the survey was employers and training providers • The sample size reached was 65	• MICT SETA Levy Huge File • MICT SETA Training Provider List	2020

Conclusion

The MICT SETA utilises various research outputs to compile the SSP. This approach enables the SETA to produce a plan that is detailed and informed by data and yet written in a language that is clear and simple; which can be understood by multiple stakeholders who use the SSP as a source. For the preparation of this SSP in 2020, the MICT SETA benefitted from receiving feedback from DHET on the past submission, which provided key guidelines, especially on Chapter 5. Given that the SSP is made up of multiple research sources and a combination of methodologies, the process may take up to four months to complete. A bibliography of sources is provided at the end of the SSP with the specific details of the sources that were utilised in the preparation of the SSP.

CHAPTER 1: SECTOR PROFILE

1.1 Introduction

This chapter presents and profiles the shape and size of the Media, Information and Communication Technologies (MICT) Sector including its scope of coverage and key role players, economic performance, employer profile and labour market profile. It also provides an economic trend analysis and projection of how the economy of the Sector may unfold, the potential impact of COVID-19 and concludes with implications for skills development. In profiling the five Sub-sectors of the MICT Sector, research data from multiple sources, including publicly available literature and MICT SETA databases, were analysed.

1.2 Scope of Coverage

The MICT Sector is made up of five Sub-sectors that are interrelated but also quite distinct and identifiable. These are advertising, film and electronic media, electronics, information technology and telecommunications.

The Department of Higher Education and Training, under section 9(1) of the Skills Development Act (Act No. 97 of 1998), as amended, re-established the Sector Education and Training Authorities (SETAs) within a new SETA landscape from 1 April 2020 to 31 March 2030. The Standard Industry Classification (SIC) codes that demarcate the MICT Sector, shown in the table below, fall under four different sub-industries, namely: (1) manufacturing; (2) transport, storage and communication; (3) finance, insurance, real estate and business services; and (4) community, social and personal services.

Table 1: The MICT SETA SIC Code List

Sub-sector	SIC Code	Main Activity Description
Advertising	88310	Advertising
	88311	Activities of Advertising Agents
	88313	Commercial Design
Film and Electronic Media	96110	Motion Picture and Video Production and Distribution
	96112	Related Activities - Film and Tape Renting to Other Industries, Booking, Delivery and Storage
	96113	Film and Video Reproduction
	96132	Production and Broadcast of Radio and Television Broadcast Content
	96200	News Agency Activities
	88940	Photographic Activities
Electronics	35791	Manufacture of Alarm Systems
	75216	Security Systems Services Except Locksmiths
	75217	Office Automation, Office Machinery and Equipment Rental Leasing Including Installation and Maintenance
	86004	Electronic and Precision Equipment/ Computer Repairs and Maintenance
	86010	Consumer Electronics Repair and Maintenance
	86013	Other Electronic and Precision Equipment Repair and Maintenance
	86014	Repair and Maintenance of Electronic Marine Equipment
	87142	Research and Development of Electronic Equipment and Systems
	87143	Information Technology Import and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	87146	Research and Development in The Physical and Engineering Sciences

	87147	Electronics Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96133	Installation, Maintenance and Repair of Tracking Devices for Cars
Information Technology	86001	Software Publishers
	86002	Computer Systems Design and Related Services
	86003	Computer Facilities Management Services
	86005	Computer Rental and Leasing
	86006	Computer Programming Services
	86007	Other Computer Related Activities
	86008	Call Centre and Customer Relationship Management Systems Development and Installations Activities
	86009	Computer System Design Services and Integrated Solutions
	86011	Computer and Office Machine Repair, Maintenance and Support Services
Tele-communications	75200	Telecommunication
	75201	Wired Telecommunications Carriers
	75202	Television and Radio Signal Distribution
	75203	Cable Networks and Programme Distribution
	75204	Telephone
	75205	Wireless Telecommunications Carriers except Satellite Radio Telephone
	75209	Television Broadcasting
	75211	Telecommunications and Wired Telecommunication Carriers
	75212	Paging
	75213	Cellular and Other Wireless Telecommunications
	75214	Satellite Telecommunications
	75215	Other Telecommunications
	86012	Communication Equipment Repair and Maintenance
	87148	Telecommunications Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96131	Providing Radio and Television Transmission Signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019

While the MICT SETA works with employers located in the Sector to develop skills, most of the skills needs, particularly ICT skills, are required throughout the economy. The SETA needs to consider this when conducting research into the demand and supply of skills. Though the MICT Sub-sectors are wide-ranging, they are nevertheless interconnected. The Sector can be disaggregated into Information and Communication Technologies (ICT) producing activities and ICT using activities. It is located on the convergence between content, commerce, community and the tools that support them.

1.3 Key Role Players

The key stakeholders that contribute to the Sector policy and regulatory environment include industry and employer bodies, professional bodies, and state organs. The Department of Communications & Digital Technologies (DCDT) is the key government department that has links with the work of the Sector. Professional associations advance professional learning and continuous development amongst professionals in the Sector, whilst there are several trade unions representing the interests and rights of workers within the Sector. Some of the key role players are listed in the table below.

Table 2: Key role players in the MICT Sector

Stakeholder	Role
Association for Communication and Advertising South Africa (ACASA)	ACASA is the official representative body of South Africa's advertising and communications profession. It works with national and provincial government to promote agency and industry transformation and is committed to the discovery and development of new talent through corporate social responsibility programmes. In relation to outcome 4.2 of the NSDP, ACASA trains for the advertising agencies and places people within the industry. Currently it has proposed a partnership with the MICT SETA on a 3-year learning programme.
Media Development and Diversity Agency (MDDA)	MDDA is a statutory development agency for promoting and ensuring media development and diversity. It is a partnership between the South African Government and major print and broadcasting companies to assist in, amongst others, developing community and small commercial media in South Africa. It responds to NSDP outcome 4.2 by funding projects in historically disadvantaged communities or inadequately served communities. It has partnered with key stakeholders such as Sentech and SEDA with the objective of strengthening co-operation between the parties, specifically with respect to the growth and sustainability of enhanced media diversity and delivery. The partnerships are about mentoring small enterprises, transferring skills on a wider scale, for the general skills upliftment of communities.
Southern African Communications Industries Association (SACIA)	SACIA is a non-profit organisation registered as a Section 21 company in South Africa. It is specifically designed to promote the adoption of professional standards and ethical business practice in the communications industry throughout Southern Africa. It seeks to further the interests of members through partnership and representation on a range of issues. Primary activities include Market Research & Intelligence Services, Networking activities, and the development of training and skills development programmes. SACIA's activities respond to outcome 4.2 of the NSDP.
Institute of Information Technology Professionals South Africa (IITPSA)	IITPSA actively engages with commerce, industry, and government in order to influence policy formulation on behalf of both its own members and other stakeholders. The Society also encourages the growth of professionalism and the responsible and professional use of Information and Communications Technology throughout the South African economy. The IITPSA responds to the NSDP outcome 4.2 by working together with other interested stakeholders to accredit university programmes with computing content at South African Universities. It also has a "Computer Professional Education Programme" that it offers online at Masters Degree level.
Information Technology Association (ITA)	The ITA stands at the threshold of a new era for the local ICT Industry, with its Membership and industry partners, it positions itself to play a crucial role in the growth and development of the ICT Sector, as well as serving as a credible, effective channel of communication between various stakeholders. One of the functions of the ITA is lobbying and negotiating at government level on behalf of its members. Members have the opportunity of influencing the South African legislative mechanism through verbal and written submissions by the ITA. This has far reaching effects, which go beyond its members and positively impact the ICT industry of South Africa as a whole. ITA responds to NSDP outcome 4.2 through learning programmes in partnership with the MICT SETA, Microsoft SA, Siemens, SAP, Axiz, and IBM. ITA is in partnership with the DCDT, DPSA, GITOC and SITA. These partnerships are about building an ongoing digital government skills programme, which covers foundational digital skills (such as computer user skills) and advanced skills (such as data analytics skills).
State Information Technology Agency (SITA)	State Information Technology Agency (SITA) is an organisation that was established in 1999 to play the role of consolidating and coordinating the State's information technology resources in order to achieve cost savings through scale, increase delivery capabilities and enhance interoperability. Currently responds to the NSDP outcome 4.2 through IT learnerships programmes which also cover individuals with disabilities.
Department of Communications &	DCDT partners with universities and other partners such as IITPSA, ITA, ICASA and other relevant industry professional bodies to develop ICT policies and legislations that

Digital Technologies (DCDT)	advance the South African economy. The department has special partnerships with, amongst others, civil society organisations, particularly those that have a major interest in skills building and achieving race, gender and disability equity. Through its activities it responds to NSDP outcome 4.2.
National Association of Broadcasters (NAB)	The NAB is a non-profit group of organisations and individuals working in broadcasting and related industries. The NAB assists with industry regulation and is grounded in the principles of democracy, diversity and freedom of expression. In response to NSDP outcome 4.2, it has offered internships in the past in fields such as digital marketing and continues to do so in response to changing environment cause by 4IR technologies.
Government Information Technology Officers Council (GITOC)	GITOC is a body made up of Chief Information Officers of government departments across South Africa. It aims to discuss issues of mutual interest and mainstream excellence in information technology across the public service. One of the main programmes of GITOC is free open access software (FOSS), which they intend to implement across government. As the ICT oversight body of government, it aims to respond to outcome 4.2 of the NSDP by introducing ICT curriculum at the National School of Government which will uplift and align strategic ICT pillars that are required as knowledge for Government Officials on matters pertaining to Big Data, Government, and Cybersecurity.
Information and Communication Technologies SMME Chamber (ICT SMME Chamber)	The ICT SMME Chamber is recognised for its importance and centrality in South Africa's development framework, the National Development Plan, and numerous supporting policy documents of the South African government. It plays a critical role in engaging with government and other ICT stakeholders, and in lobbying government on behalf of the ICT SMMEs on all matters of ICT SMME development and ICT Sector transformation. It responds to NSD outcome 4.6 on entrepreneurship and cooperative development, through a partnership with the Technology Innovation Agency (TIA). The Chamber supports the development of technologies from proof of concept, product prototyping, and, ultimately, demonstration of the product in an operating environment.
Universal Service and Access Agency of South Africa (USAASA)	USAASA is a State Owned Entity of government established through the Electronic Communications Act, No 36 of 2005, to ensure that "every man, woman and child whether living in the remote areas of the Kalahari or urban areas of Gauteng can be able to connect, speak, explore and study using ICT." In providing crucial infrastructure to rural communities and educational institutions, USAASA contributes to realising NSDP outcomes 4.2 and 4.5.

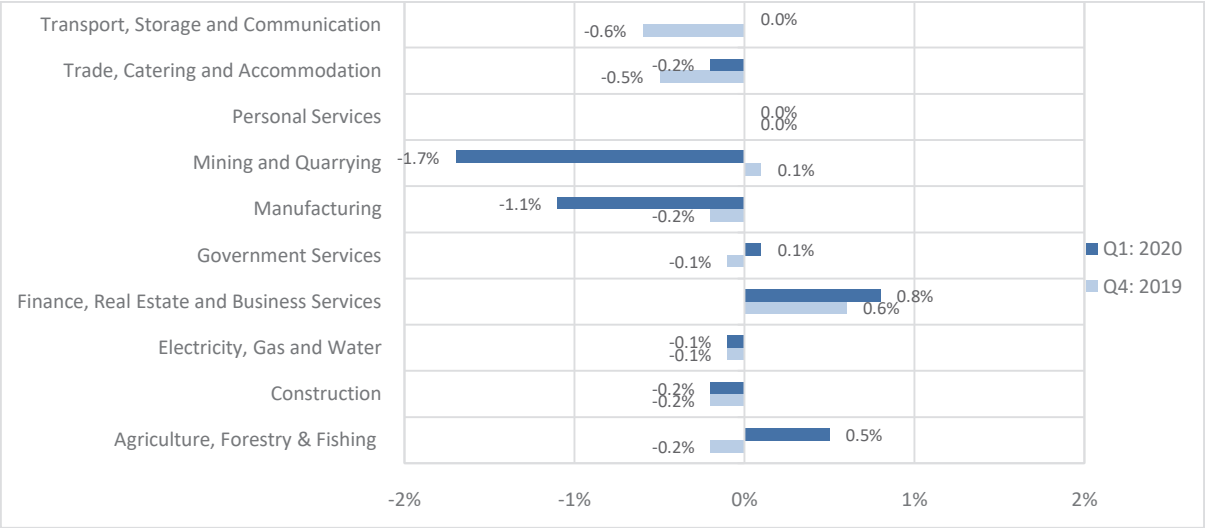
1.4 Economic Performance

The Media, Information and Communication Technologies (MICT) Sector is crucial to economic development. Although the MICT Sector is characterised by rapid technological change, research points to sluggish economic growth for the Sector. A key driver for the sluggish economic growth is the impact from the COVID-19 pandemic, described further in section 1.4.1. Additional factors are examined in sub-sections 1.4.2 to 1.4.6.

The Fourth Industrial Revolution (4IR) has brought forward new technologies such as Artificial Intelligence, Cloud Computing, Virtual and Augmented Reality and the Internet of Things, amongst others. While there is still uncertainty on the exact impacts of such 4IR technologies on the economy and society, it is certain that they have already and will continue to result in profound and rapid change (Penprase, 2018). The MICT Sector is, therefore, urged to swiftly adapt to these changes and make considerable efforts in their adoption. These technological advancements mean that business models and government decisions, amongst others, will have to transform and adapt due to a new set of opportunities, challenges and uncertainties in the environment (ICASA, 2020). These new and emerging technologies will require a significant amount of skills development in the MICT Sector so that businesses, individuals and other stakeholders are able to utilise and benefit from such technological advancements.

Figure 1below illustrates each Sector's contribution to GDP growth in the first quarter of 2020 and last quarter of 2019. In 2019 Q4, the Transport, Storage and Communications Sector was the worst performing, relative to other Sectors. In 2020 Q1 the Sector's relative contribution to growth shifted to the top half (ranking 4th out of the 10 Sectors).

Figure 1: Sector Contribution to GDP



Source: Gross Domestic Product (GDP), 1st Quarter 2020 (StatsSA)

Following an increase of 0,8% in 2018, the South African annual real GDP increased by only 0,2% in 2019, the lowest reading since 2009 when the economy contracted by 1,5% (StatsSA, 2020).

The economic performance in the MICT SETA Sectors are briefly discussed below:

- South Africa's total ICT Sector is expected to reach R393 billion ($26.4 billion) in 2020, growing by 2.5% from 2019 (ICASA, 2020). This shows a compound annual growth rate (CAGR) of 25% over the last five years (IDC, 2020).
- The negative impact of COVID-19 on the ICT Sector in South Africa, particularly the telecommunications and IT Sub-sectors, in comparison to other Sectors, is considerably lower.
- The South African content production industry is valued at an estimated R5.5 billion ($800 million) a year and the film and electronic media is forecasted to grow by 4,0% in 2020 ((Gauteng Film Commision, 2019)(PWC, 2018).
- Total broadcasting services revenue increased by 3.8% from over R36.9 billion in 2018 to over R38.3 billion in 2019. Revenue from subscriptions increased by 7% in 2019, however advertising and informational decreased by 11.4% and 21.8%, respectively between 2018 and 2019 (ICASA, 2020).
- Advertising revenue in South Africa increased by 2.8% in 2018 to a total of R29.5 billion, with a projected CAGR of 3,4% to a total of R34.9 billion in 2023 (PwC, 2019). In 2019, total advertising market in South Africa grew to an estimated R30.4 billion (Statista, 2019).
- In 2018, the country's entertainment and media market, comprising of consumer and advertiser spend, increased by 7.1% year-on-year from R120.4 billion to R128.9 billion. It is projected for the 5-year period ending 2023 this figure will increase at a 5.8% CAGR to R170.5 billion (PwC, 2019).
- Consumer Electronics revenue is expected to show an annual growth rate of 5.4% from 2020-2024. User penetration is currently estimated to be 23.2% in 2020 and is projected to hit 32% by 2024 (Statista, 2020).
- Over the period 2015-2018, the total telecommunications revenue increased by 6.4%. In 2019 alone, this revenue increased by 3.6% to R194.2 billion (ICASA, 2020).

Further analysis of the impact of COVID-19 and economic performance of each MICT Sub-sector is provided in the sections that follow.

1.4.1 Impact of COVID-19

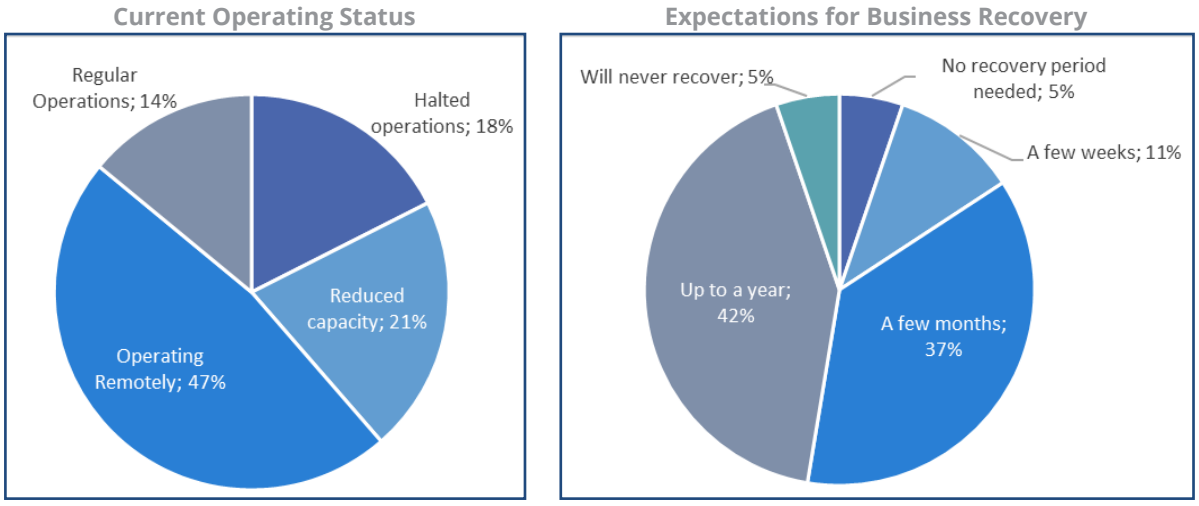
The current COVID-19 pandemic has significantly disrupted many economies around the world. In an effort to contain the pandemic and minimise its impact on the country, the South African government declared a National State of Disaster and enforced a national lockdown, which has significantly impacted South African society in the social, economic, health, environmental, and technological realms. The restrictions of movement and economic activities under the new regulations resulted in a significant halt in the South African economy, which was already in a technical recession from the fourth quarter of 2019 (Sekyere, et al., 2020). The National Treasury had estimated economic growth of 0.9% in 2020, rising to 1.3% in 2021 and 1.6% in 2022 (National Treasury, 2020). However, due to the COVID-19 pandemic which hit the country in

March 2020, these estimates have been drastically revised. The South African Reserve Bank expects GDP to contract by 6.1% in 2020 as a result of the pandemic, as compared to the 0.2% previously predicted, which is worse than during the 2008–2009 financial crisis. The Bank expects GDP to recover in following years, with an expected growth of 2.2% in 2021 and 2.7% in 2022. In addition to this, the South African Rand has seen a significant depreciation (Mboweni, 2020).

The South African ICT Sector is one of the most powerful tools available during the COVID-19 pandemic (Mthembu, 2020). Thus, the negative impact on the MICT Sub-sectors is expected to be considerably less than other Sectors of the South African economy. There is high demand for up to date and accurate medical information, statistics, as well as information on new government regulations, to inform all South Africans about the pandemic. Some telecommunications service providers responded speedily in providing solutions to assist the country's response to the pandemic, such as the provision of zero-rated services for health and educational purposes. Telecommunications companies have also worked alongside government to assist in tracing and tracking those who have been exposed to COVID-19 patients, using geolocation solutions, without infringing on the privacy and human rights of South African citizens (Mthembu, 2020).

MICT SETA conducted a pulse survey regarding the impact of COVID-19 on the enterprises in the MICT Sector. As shown in Figure 2below, 18% of businesses in the Sector have halted operations, and 21% have had to reduce their operational capacity. Almost half (47%) have been able to continue operating remotely. 42% of businesses in the Sector indicated that they expect that their business will take up to a year to recover from the impact of COVID-19, and 5% of businesses indicated that they will never recover from this impact. Furthermore, three quarters (75%) of businesses' workforce numbers have changed due to COVID-19.

Figure 2: COVID-19 Impact on MICT Sector



Source: MICT SETA COVID-19 Pulse Survey, 2020

1.4.2 Advertising

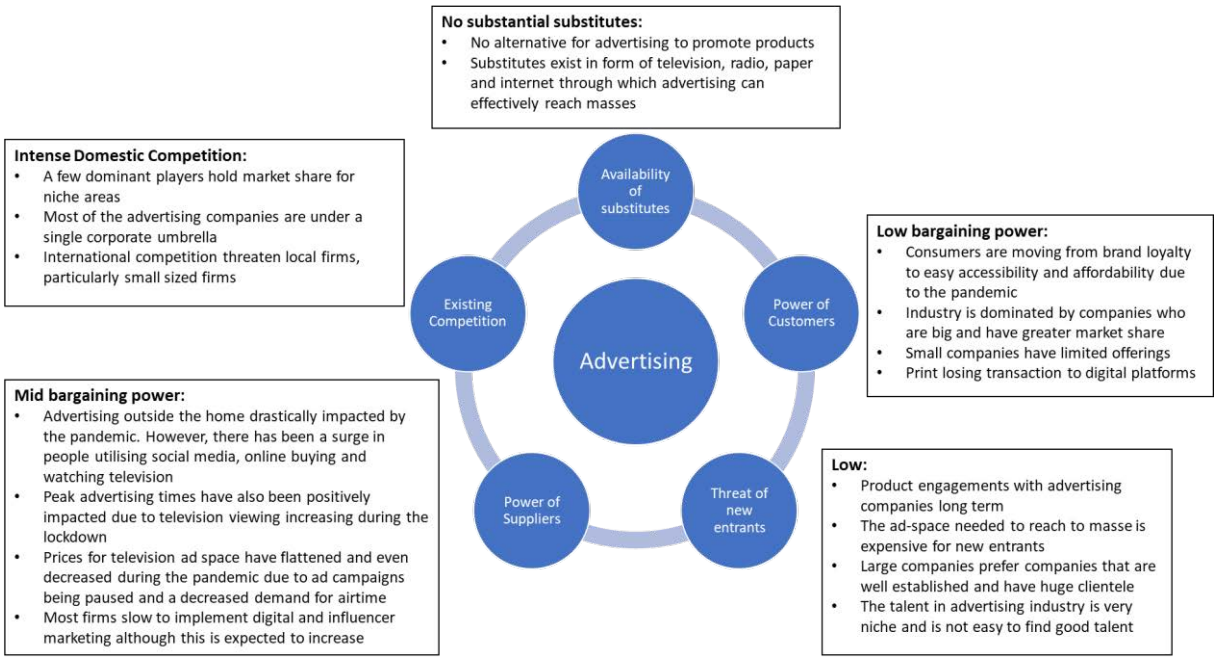
In 2019, the total advertising market in South Africa grew to an estimated R30.4 billion. TV and video advertising spending are estimated to account for the largest share (approximately 21%), with internet said to be the second largest (Statista, 2019). However, according to the 2018 to 2023 compound growth rates, TV's 1.8% CAGR in this period will be surpassed by internet's 12.4% CAGR, meaning that by the end of 2023, internet advertising will replace TV advertising as the key advertising contributor for the first time. At the same time, mobile will represent 50% of internet advertising revenue, an increase of 40% from 2018. These figures illustrate the importance of mobile platforms in the development of South Africa's advertising industry (Statista, 2019).

Newspaper advertising is expected to consistently experience year-on-year falls from 2019 to 2023. Much of the rise in internet advertising revenue, excluding Google and Facebook, is due to lower quality content that is often user-generated. This is often significantly more revenue generating than expensive, high quality content. Many media owners have responded to the opportunities and challenges associated with the monetisation of more content through digital ads. Social media platforms remain a significant driving force in internet advertising, mainly due to their reach and ability to target users more intensely (PwC, 2019). These forms of digital advertising are likely to become significantly more popular amongst advertising

agencies in light of the spike in at-home media consumption and increased use of social media platforms during the COVID-19 pandemic. Furthermore, businesses that are closed under lockdown will generate less revenue and therefore spend less on advertising.

The following diagram presents a Porter's Analysis of competition in the advertising Sub-sector.

Figure 3: Advertising Porter's Analysis



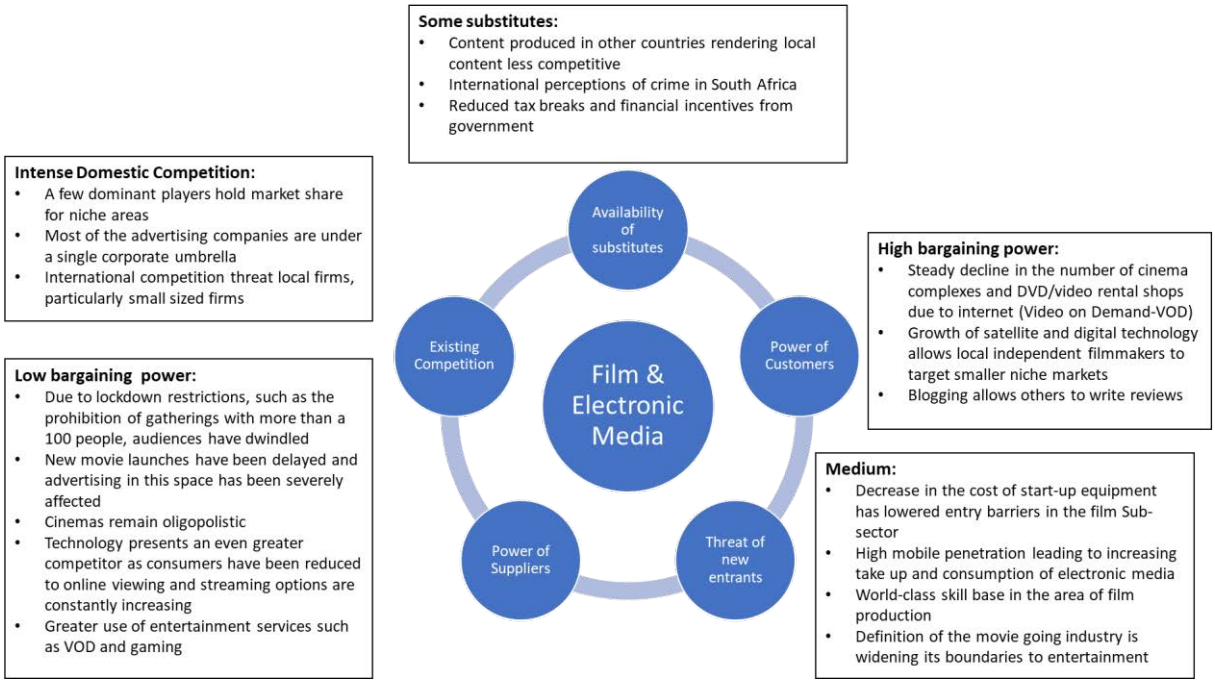
1.4.3 Film and Electronic Media

South Africa is a leader in film production, satellite distribution and interactive content, with more content consumed in the country than anywhere else in Africa. The film industry has the potential to generate significant returns for the country in which the films get shot. The production of a popular film can make a nation an ideal tourist destination as well as increase investment into the economy. The South African content production industry is valued at an estimated R5.5 billion a year. Total revenue in the film Sector, including box office and cinema advertising, amounted to R1.8 billion in 2018 and is expected to grow at a 2.7% CAGR to R2 billion by 2023. Box office revenue increased by 11.5% in 2018 to R1.3 billion, with an estimated projection of R1.5 billion by 2023. Cinema advertising is expected to grow slightly quicker than box office. In 2018, cinema revenue sat at R428 million and is expected to rise to R543 million by 2023, accounting for 27% of overall revenue (PwC, 2019). In 2018, South Africa had a total of 765 screens across the country, which is projected to rise to 785 screens by 2023.

Social distancing due to COVID-19 has led to a spike in at-home media consumption as well as a growth in news broadcasting numbers as South Africans turn to news providers for timely and trusted information on the pandemic (Hall & Li, 2020). However, the limitations in the production of valuable broadcast content, such as live sports, have resulted in a significant decrease in income for advertising and media companies. Film and media outlets, such as playhouses and theatres, will therefore need to avail artists a digital platform to perform live-streaming activities which includes stand-up comedy, poetry sessions and music, amongst others (Mthembu, 2020). This is not only to keep people entertained, but to continue showcase the work of these creatives and promote local content consumption.

The following diagram presents a Porter's Analysis of competition in the Film and Electronic Media Sub-sector.

Figure 4: Film and Electronic Media Porter's Analysis

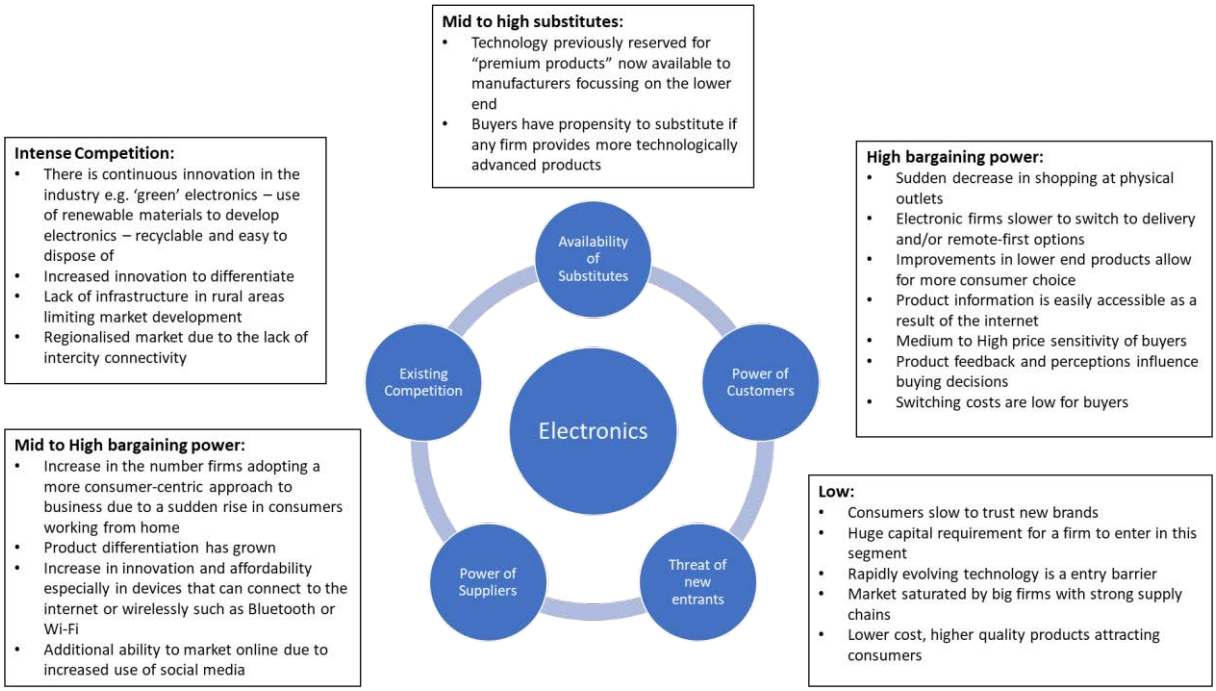


1.4.4 Electronics

South Africa's poor economic performance, rising utility prices, weakened currency and increased costs of living negatively affect the economy, however, despite these challenges consumer electronics continue to record positive growth rates. The Electronics and Media industry in South Africa consists of physical media, consumer electronics and communication devices, amongst others (Statista, 2018). Electronics and media industry revenue is expected to show an annual growth rate (CAGR) of 4.4% between 2020 and 2024, resulting in a market volume of US$1,307m by 2024.

The following diagram presents a Porter's Analysis of competition in the Electronics Sub-sector.

Figure 5: Electronics Porter's Analysis



The market's largest segment is Consumer Electronics with a market volume of US$846m in 2020. Consumer Electronics revenue is expected to show an annual growth rate of 5.4% from 2020 to 2024. The number of users in the consumer electronics market was estimated at 10.41 million in 2018, increasing to 12million in 2019. User penetration is currently estimated to be 23.2% in 2020 and is projected to hit 32%,

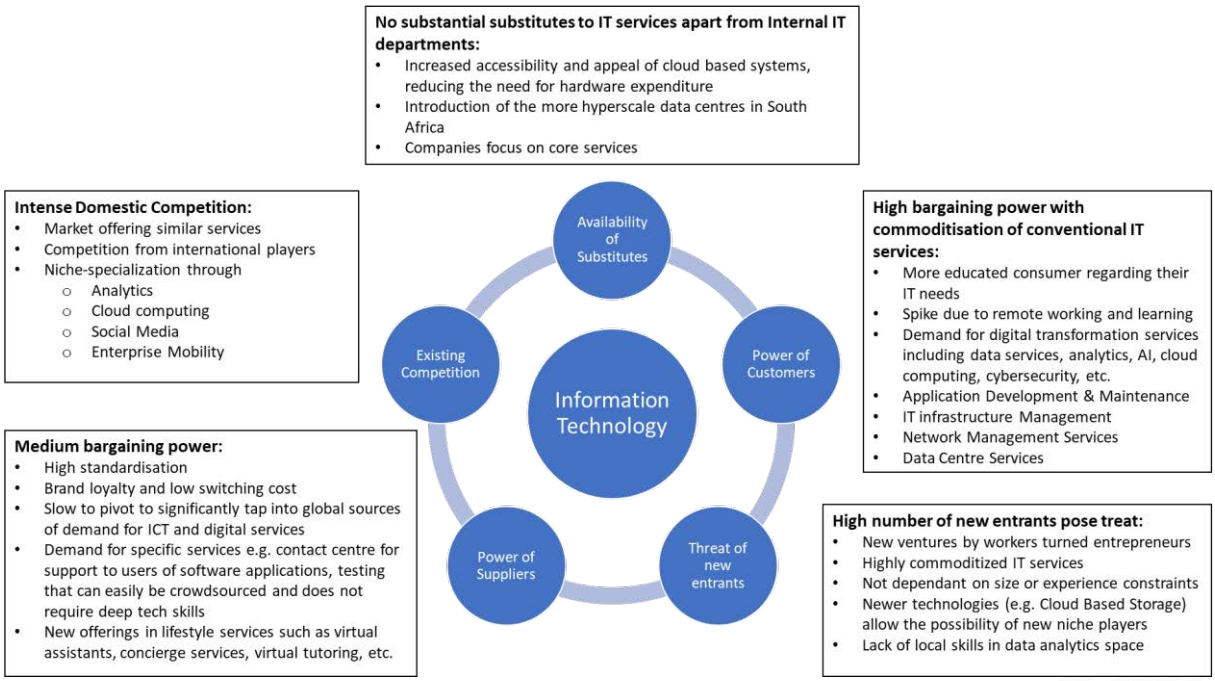
approximately 19.9 million users, by 2024 (Statista, 2020). Additionally, it is estimated that 15% of total market revenue will be generated through online sales by 2024. The revenue and number of users may be expected to increase further in 2020, in light of COVID-19, with more consumers working remotely and most educational institutions resorting to online learning.

1.4.5 Information Technology (IT)

The South African ICT Sector is well established and continues to demonstrate dynamic growth each year. South Africa serves as the African leader of the ICT industry. Over the 5-year period ending 2019, the ICT Sector is recorded to have increased its combined revenue by 5.9% (ICASA, 2020). Telecommunication services revenue increased by 3.6% in 2019 (compared to 14.4% in 2018), broadcasting services revenue increased marginally by 3.8% in 2019 (3.7% in 2018) and postal services revenue has significantly increased by 19.9% in 2019 (-0.1% in 2018). South Africa's total ICT Sector is expected to reach R393 billion ($26.4 billion) in 2020, growing by 2.5% from 2019 (IDC, 2020).

The following diagram presents a Porter's Analysis of competition in the IT Sub-sector.

Figure 6: Information Technology Porter's Analysis



There is significant opportunity for the provision of affordable ICT infrastructure and digital technology solutions using the Internet of Things and 4IR technologies such as Artificial Intelligence, High Performance Computing, Robotics and Blockchain (Mthembu, 2020). The evolution and adoption of these technologies have the potential to reduce labour and transactional costs, increase productivity and improve information flows in the economy.

1.4.6 Telecommunications

The telecommunications Sector is a significant part of modern lifestyles. Total telecommunication revenue in South Africa increased by 3.6% in 2019, as compared to an increase of 14.4% in 2018. Total fixed internet and data revenue increased by 33.2% in 2019, total mobile services revenue decreased by 1.5% and total fixed line revenue decreased by 10.7%. Prepaid revenue mobile voice increased by 43.9%, whilst revenue from both prepaid mobile data and messaging decreased by 37.9% and 32.7%, respectively (ICASA, 2020).

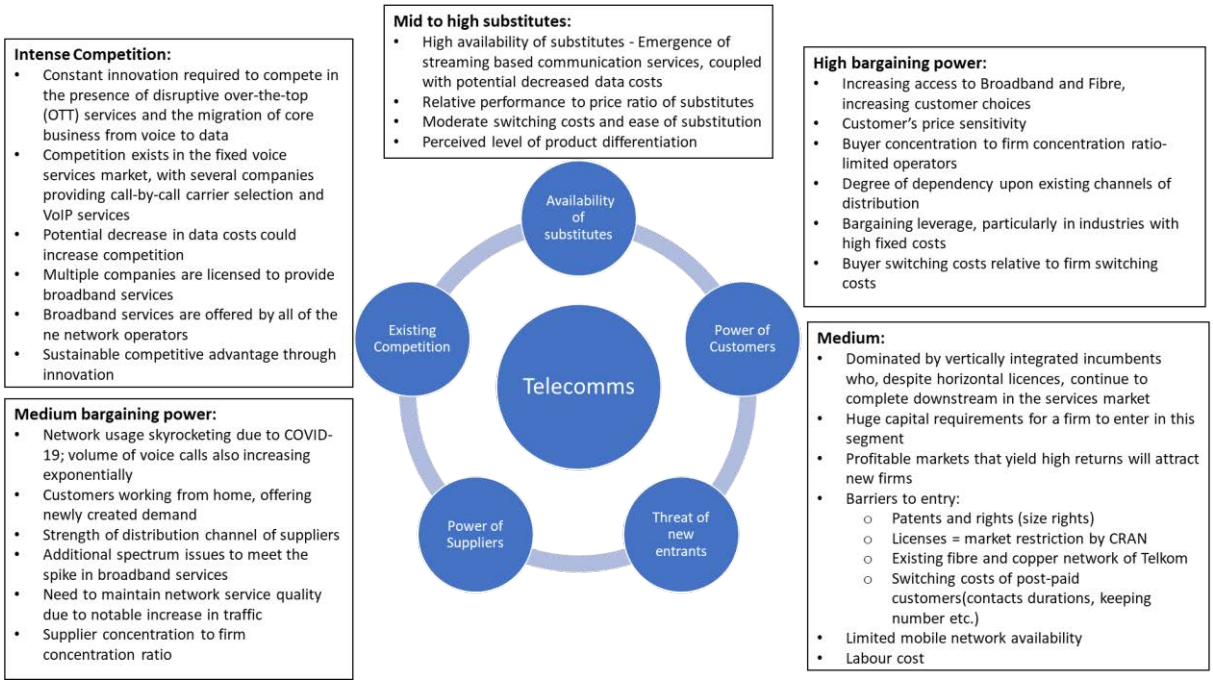
In 2018, at least one member in 64.7% of households in South Africa could access the Internet either at home, the workplace, place of study or Internet café (Stats SA, 2019). The national population coverage for 3G network increased from 99.5% in 2018 to 99.7% in 2019, and coverage for 4G/LTE network increased from 85.7% in 2018 to 92.8% in 2019. South Africa's fibre network and data centre markets are expanding rapidly (ICASA, 2020). Moreover, Fifth Generation wireless technology (5G), which is significantly faster than its predecessors, is expected to launch to South African consumers in 2020.

The impact of COVID-19 exposed the lack of access to the internet and digital devices that would enable South Africans to work remotely and continue with other aspects of their lives via online channels (Ahmed, 2020). A majority of businesses, in mitigation and innovation to reduce the impact of the COVID-19

pandemic on business operations, have increased their use of virtual connections (StatsSA, 2020). This is likely to encourage demand by business and other services for telecommunication and internet products (IT Web, 2020).

The following diagram presents a Porter's Analysis of competition in the Telecommunications Sub-sector.

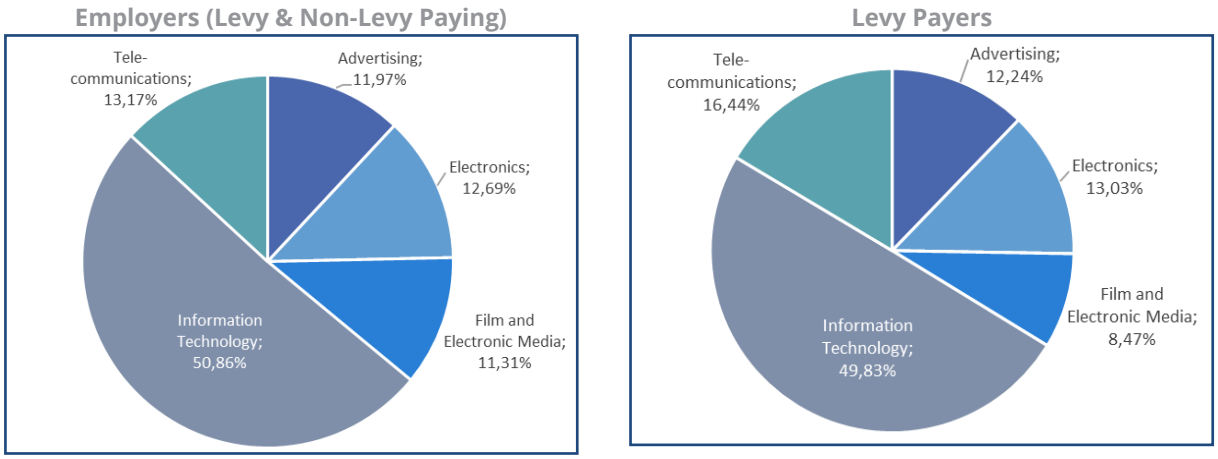
Figure 7: Telecommunications Porter's Analysis



1.5 Employer Profile

As of 2020, the MICT Sector is made up of 28 829 spread across five Sub-sectors. This represents a 6.18% decline from 30 727 in 2019. The Information Technology Sub-sector is the largest Sub-sector, accounting for 51% of employers. Telecommunications and Electronics Sub-sectors each account for 13%, closely followed by Advertising (12%) and Film and Electronic Media (11%).

Figure 8: MICT Sector of Employers per Sub-sector



Source: MICT SETA Levy Huge File, 2020

Figure 8above shows the levy paying organisations, which represent one quarter (25%) of all employers in the Sector. The number of levy-paying employers decreased slightly from 7,902 in 2019 to 7,207 in 2020 as companies battle tough economic times and a rise in self-employment (e.g. freelancers, mobile filmmaking, and social media "influencers"). Levy contributions, however, increased. As levy contributions are a percentage of an employer's payroll, an increase in salaries for existing employees or an increase in the number of employees (especially those earning higher salaries) will increase the payroll and, consequently, the levy contribution. The Information Technology Sub-sector contributes the highest total value at 50% amongst levy paying employers. This Sub-sector's contribution increased from 46% in 2019. The percentage of levy paying employers in the Telecommunications Sub-sector increased from 11% in 2019 to 16% in

2020. While the Advertising and Electronics Sub-sectors showed a similar contribution to the Sector at 12% and 13%, respectively, levy payers in the Film and Electronic Media Sub-sector made the smallest levy contribution, at 8%.

Table 3shows that small sized enterprises, which employ no more than 49 employees, have consistently dominated the MICT Sector, accounting for approximately 96% of all employers. The number of small enterprises in the Sector sits at 27 505 in 2020. Medium enterprises make up 3% of the employer base in the Sector, whilst enterprises employing over 150 employees (large enterprises) make up only 1% of the Sector.

Table 3: MICT Sector Size of Employers per Sub-sector

	Large (150+)		Medium (50-149)		Small (0-49)	
	2019	**2020**	**2019**	**2020**	**2019**	**2020**
Advertising	21	24	74	61	3 485	3 353
Electronics	77	77	139	140	3 624	3 445
Film and Electronic Media	57	57	79	73	3 256	3 124
Information Technology	181	184	454	452	14 696	13 998
Telecommunications	68	67	132	147	3 592	3 585
Grand Total	**404**	**409**	**878**	**873**	**28 653**	**27 505**

Source: MICT SETA Levy Huge File, 2019 & 2020

Table 4below reflects the number of employers per province. Gauteng province hosts the largest proportion (47% - 62%) of employers across the five Sub-sectors. Overall, Northern Cape reflected the smallest proportion of employers, after Mpumalanga, North West and Limpopo.

Table 4: MICT Sector Size of Employers Per Province

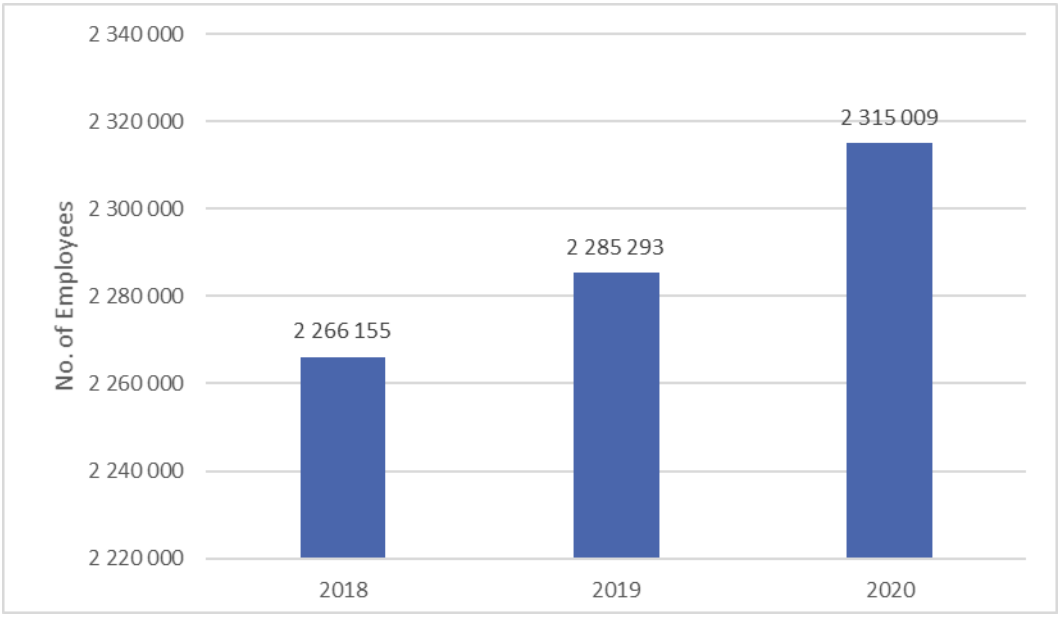
	Advertising		Electronics		Film and Electronic Media		Information Technology		Tele-communications	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
EC	91	2.63%	129	3.53%	77	2.36%	549	3.75%	154	4.06%
FS	32	0.92%	101	2.76%	66	2.02%	281	1.92%	115	3.03%
GP	2018	58.51%	2086	57.02%	1520	46.62%	8749	59.70%	2366	62.33%
KZN	481	13.96%	470	12.86%	220	6.74%	1813	12.37%	325	8.56%
LP	9	0.26%	43	1.18%	59	1.81%	133	0.91%	62	1.64%
MP	22	0.63%	140	3.82%	60	1.83%	283	1.93%	132	3.48%
NW	55	1.58%	65	1.78%	35	1.08%	154	1.05%	69	1.82%
NC	2	0.06%	19	0.52%	9	0.28%	55	0.38%	29	0.78%
WC	740	21.45%	605	16.53%	1214	37.25%	2638	18.00%	543	14.31%
Total	**3449**	**100%**	**3658**	**100%**	**3260**	**100%**	**14655**	**100%**	**3795**	**100%**

Source: MICT SETA Levy Huge File, 2020

1.6 Labour Market Profile

Employment in the MICT Sector has grown steadily over the past three years, reaching a total of 2,315,009 employees in 2020. This translates to a 2.2% increase in employment from 2018 to 2020. The changes in employment are illustrated in Figure 9below.

Figure 9: Employment in the MICT Sector

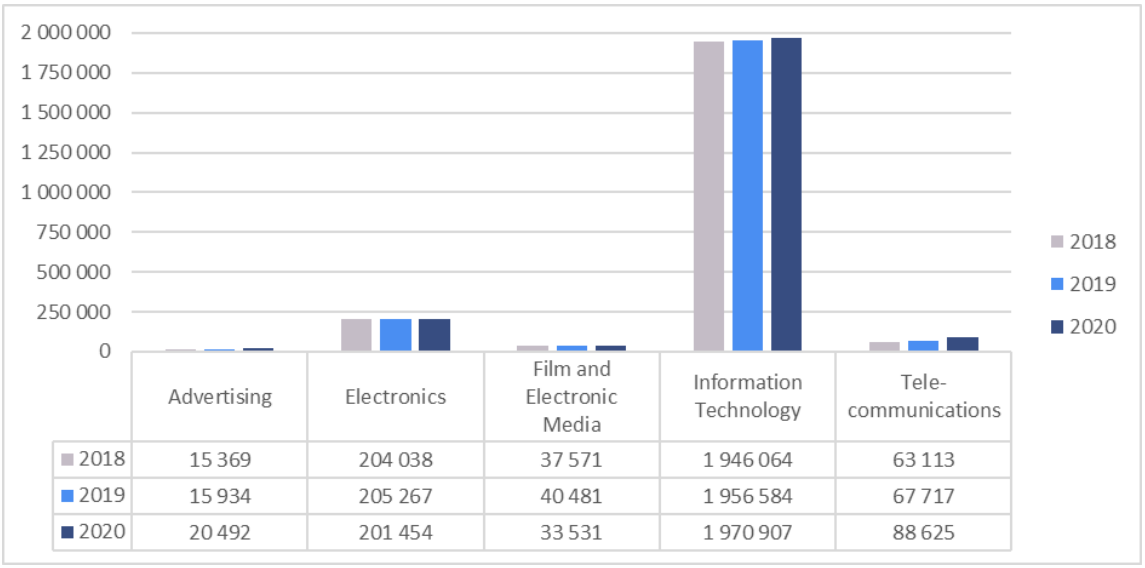


Source: MICT SETA Levy Huge File, 2020

1.6.1 Employment Trends Across Employers in the Industry

The MICT Sector experienced a 2.2% growth in employment from 2018 to 2020. The figure below shows that employment in the Information Technology Sub-sector is the largest of the Sub-sectors with 85.14% of employees in 2020. The Sub-sectors with the smallest portion of employees are Advertising (0.89%) and Film and Electronic Media (1.45%). As with the relative share of the number of companies in each Sub-sector, the relative share in terms of number of employees has remained stable between 2018 and 2020.

Figure 10: Number of Employees by Sub-sector



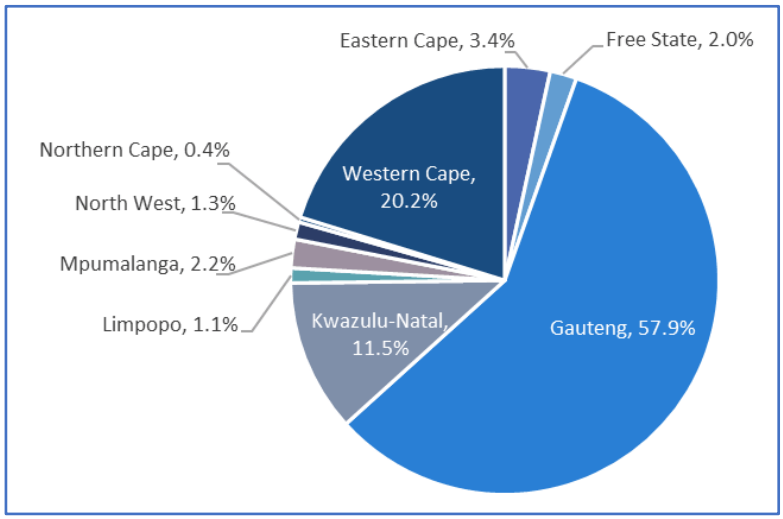
	Advertising	Electronics	Film and Electronic Media	Information Technology	Tele-communications
2018	15 369	204 038	37 571	1 946 064	63 113
2019	15 934	205 267	40 481	1 956 584	67 717
2020	20 492	201 454	33 531	1 970 907	88 625

Source: MICT SETA Levy Huge File, 2020

1.6.2 Employee Geographic Distribution

The figure below shows the spread of all employees across the provinces. The province with the largest number of employees is Gauteng (57.9%), followed by the Western Cape (20.2%) and KwaZulu-Natal (11.5%). These three provinces account for nearly 90% of all employees in the Sector. Northern Cape (0.4%) has the fewest number of employees in the country, followed by Limpopo (1.1%) and North West (1.3%).

Figure 11: Employee Geographic Distribution

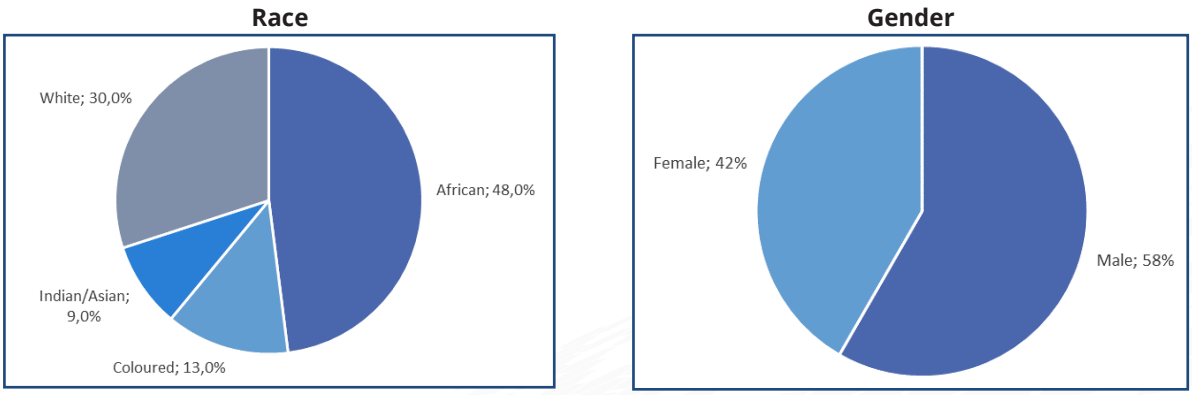


Source: MICT SETA Levy Huge File, 2020

1.6.3 Race and Gender Profiles

The highest proportion of people employed in the Sector are African (48%), followed by White (30%). These two race categories make up just over three quarters (78%) of the total number of employees in the MICT Sector – this is similar to the employment profile in South Africa as a whole, where the highest proportion of people employed are African (75%), followed by White (11%)(Stats SA, 2020). Compared to 2019, the proportion of African and White employees in the MICT Sector changed slightly, with African employees increasing by 4,2% and White employees decreasing by 3%, although this is largely in the lower and midlevel occupational groups. Coloured employees account for 13% and Indian/Asian employees account for 9% of employees in the Sector (Figure 12). In South Africa, Coloured employees account for 10% of the total number of employed people and Indian employees account for 3%.

Figure 12: Race and Gender Profiles of Employees



Source: MICT SETA Levy Huge File, 2020

There are more male employees (58%) in the Sector than females. These results have remained similar over the past 3 years. Similarly, there are more male employees in South Africa (56%) than there are female employees (44%)(Stats SA, 2020). Whilst Africans make up the largest employee group by race, they still occupy relatively lower positions compared to other race groups and enjoy less representation at senior level. The table below demonstrates that only 8% of African employees occupy managerial positions and 31% occupy professional positions.

Table 5: Race Profile by OFO Major Group

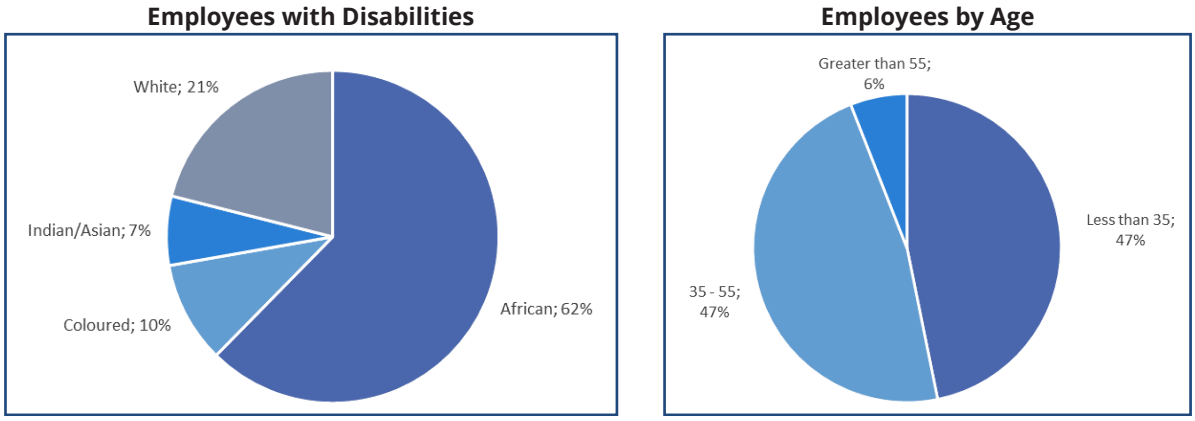
	African		Coloured		Indian		White	
OFO Major Group	No.	%	No.	%	No.	%	No.	%
Managers	6935	8%	3181	14%	3396	20%	13497	24%
Professionals	27118	31%	6705	29%	6995	41%	26692	48%
Technicians and Associate Professionals	19113	22%	4479	19%	2862	17%	8273	15%
Clerical Support Workers	18583	21%	6228	27%	1800	11%	3862	7%
Service and Sales Workers	5708	7%	1115	5%	1433	8%	1132	2%
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	4117	5%	861	4%	268	2%	1277	2%
Plant and Machine Operators and Assemblers	1820	2%	395	2%	91	1%	175	0%
Elementary Occupations	3584	4%	373	2%	53	0%	282	1%
Grand Total	**86978**	**100%**	**23337**	**100%**	**16898**	**100%**	**55190**	**100%**

Source: MICT SETA WSP/ATR, 2020

1.6.4 Disability and Age Profiles

The table below shows that within the MICT Sector, the majority of the employees with disabilities are African at 62%. This is followed by White employees (21%) and Coloured employees (10%). The Indian/Asian category only accounts for 7% of employees with disabilities within the MICT Sector.

Figure 13: Disability and Age Profiles of Employees



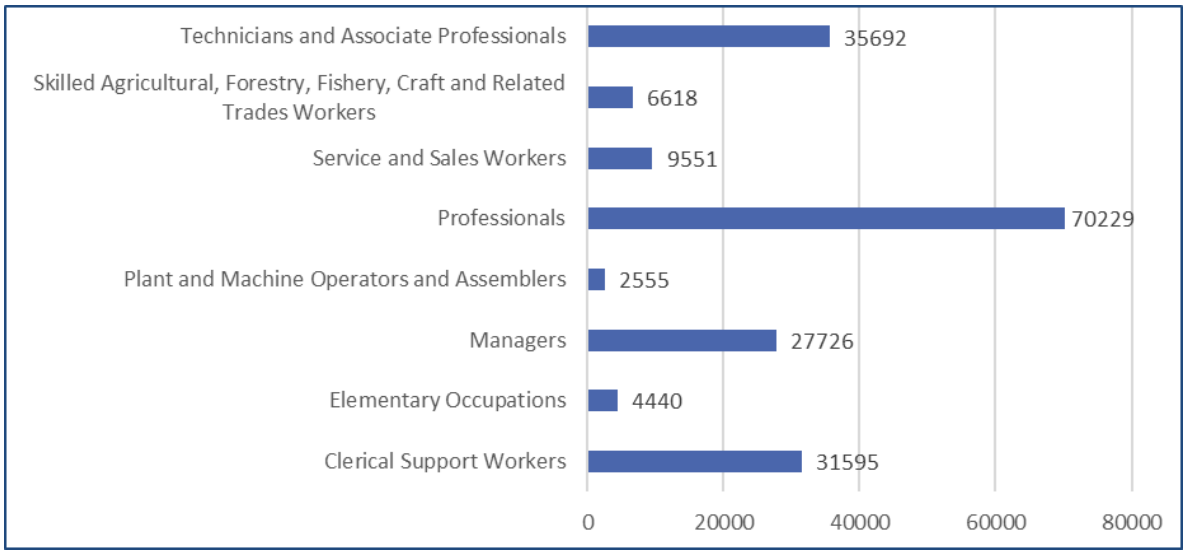
Source: MICT SETA WSP/ATR, 2020

In addition, employment in the MICT Sector is dominated by younger employees. In 2020, only 6% of people employed in the MICT Sector are older than 55 years of age, a 1% decrease from 2019. Of the remaining 94% of employees, half (47%) are younger than 35 years of age, and the other half (47%) are between the ages of 35 and 55. Unlike in the MICT Sector where the least number of people employed are older than 55, the age group with the smallest number of people employed in South Africa, with only 7% is between 15-24 years of age. Most employees in South Africa are between 25-44 years of age (61%) and 33% are 45 years and older (Stats SA, 2020)

1.6.5 Occupational Segmentation

Understanding the occupational divide of employees in a Sector is important; specifically, to determine where skills development interventions are most required. The figure below shows that Professionals are the dominant occupational category in the MICT Sector. This is followed by Technicians and Associate Professionals, Clerical Support Workers, and Managers. Employment within Managers, Professionals, and Associate Professionals' categories typically require a degree, diploma, or NQF level 6 qualifications as an entry. Combined, these categories account for the bulk (72%) of employees in the Sector. As compared to other economic Sectors, which employ more people in elementary occupations, this Sector reflects the converse and could be attributed to the professional services orientation of offerings by employers in the Sector. The figure below shows this breakdown.

Figure 14: Occupations by OFO major Groups



Source: MICT SETA WSP/ATR, 2020

1.7 Conclusion

The South Africa economy remains in a recession, contracting by 2% in the first quarter of 2020. However, the Transport, Storage & Communications showed positive performance (0.5% vs -7.2%). While the current COVID-19 pandemic has significantly disrupted the economy, the ICT Sub-sector is currently one of the most powerful tools available. The effect of the COVID-19 pandemic on employment is already apparent as the Unemployment Insurance Fund (UIF) is facing a massive uptake in UIF claims from retrenched workers and applications from employers for COVID-19 relief for furloughed employees (Rasool, 2020). Furthermore, COVID-19 will also adversely affect skills development (expanded on in Chapter 3). The SETA intends to play its part in mitigating this by supporting vulnerable parties such as SMMEs, which make up the largest proportion of MICT employers, and underrepresented groups.

The labour market in the Sector has continued to experience growth in employment since 2018, with the Information Technology Sub-sector remaining the largest employer of all the Sub-sectors. The number of medium and large businesses per Sub-sector remained largely stable; however, the number of small enterprises has decreased. The Sector race and age profiles broadly represent the demographic composition of the country with the largest proportion of representation being Africans, and a significant number of employees aged younger than 35 years. Gauteng holds the largest number of employees in the Sector.

With regards to the occupational segmentation, the majority of employees are within skilled occupations. A number of employers and other key role players are responding to the skills demands of 4IR through research and interventions in relatively novel areas such as big data analytics, thus competitively positioning the South African labour force. It appears, therefore, that the MICT Sector is generally investing in human resources and that there is a demand to develop skills. This demand, however, is negatively impacted by the fact that the majority of companies in the Sector are small, limiting their capacity to train employees or to provide mentorship to learners.

CHAPTER 2: KEY SKILLS CHANGE DRIVERS

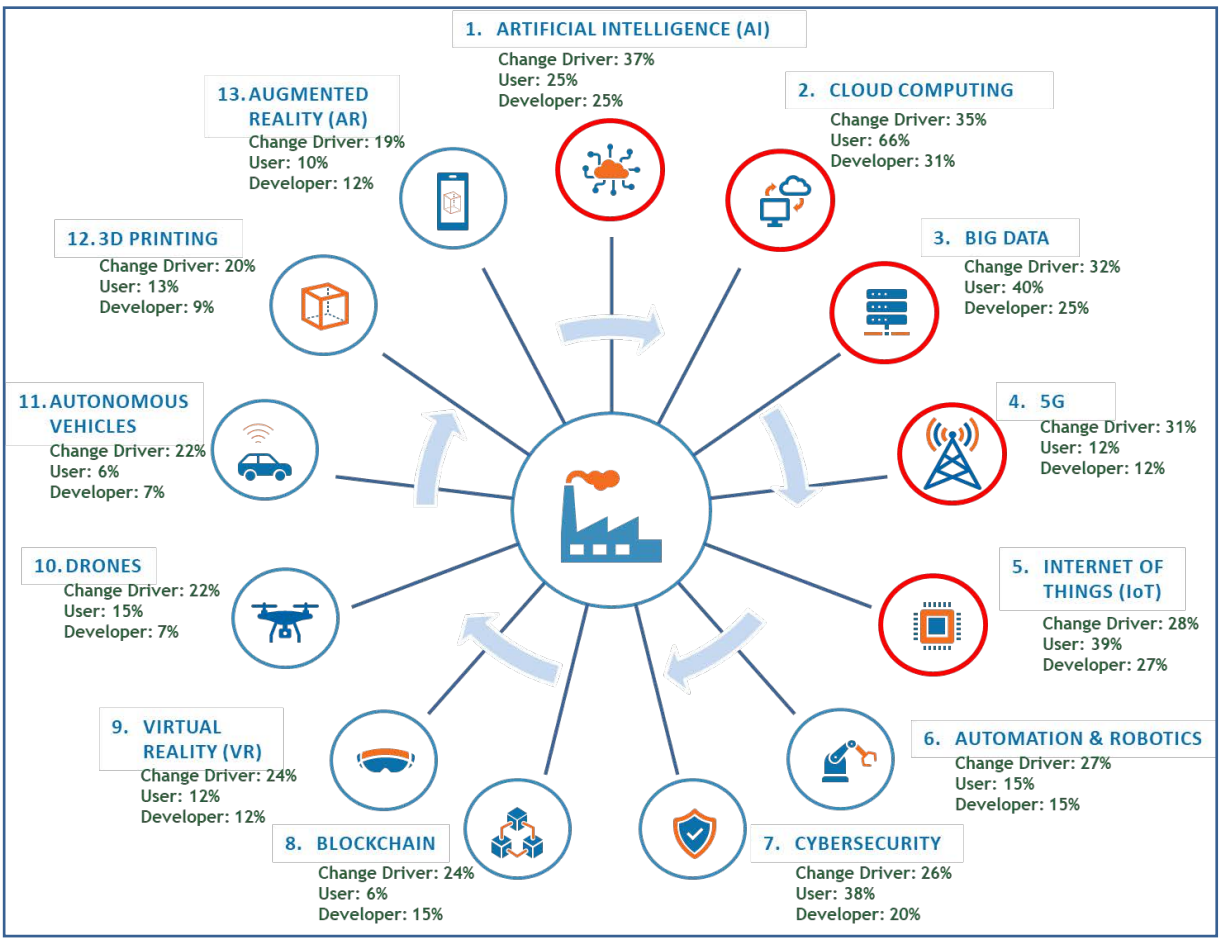
2.1 Introduction

Having explored the profile of the Sector in chapter one, this chapter examines the factors influencing the demand and supply of skills in the MICT Sector. The chapter draws on a review of current literature, surveys, interviews and focus groups with various stakeholders across all Sub-sectors within the MICT Sector. It identifies five change drivers that are a result of "4IR", outlining how these change drivers may or are already impacting aspects of skills demand and supply in the MICT Sector. This chapter further takes into account the overall impact of COVID-19, and analyses policies that affect skills demand and supply in the Sector.

2.2 Factors Affecting Skills Demand and Supply

While the Sector contributes positively to the GDP, the Fourth Industrial Revolution (4IR) will alter the way communities live and work through a fusion of technologies, blurring lines between the physical, digital, and biological spheres. The COVID-19 pandemic has accelerated the use of digital technologies and has revealed the urgency with which the Sector must transform with regard to both skills demand and supply. Key technologies such as 5G and Cloud Computing have become important as many South Africans are working remotely, using digital platforms such as Zoom for videoconferencing, for example. 4IR is a complex application of Science, Technology, Engineering and Mathematical (STEM) knowledge, and with it comes a heightened need for cybersecurity skills as these skills underpin the safety and protection of information that is used across 4IR technologies. With South Africa striving towards being an E-Skilled economy, as outlined in the National Development Plan Vision 2030, key change drivers that affect the MICT market and socio-economic systems are identified here.

Figure 15: 4IR Technologies as Change Drivers



Source: MICT SETA SSP Survey, 2020

The diagram above demonstrates the presence and influence of 4IR technologies in the MICT Sector, ranked by "Change Driver" (the percentage of stakeholders who view the technology as a change driver). "User" indicates the percentage of stakeholders who use the 4IR technology in operations and "Developer" indicates the percentage of stakeholders who develop products in the 4IR technology. Circled in red in the

diagram are the five 4IR technologies which ranked highest for driving change in the Sector: Artificial Intelligence, Cloud Computing, Big Data, 5G and the Internet of Things. These are discussed in the section below.

2.2.1 4IR Technologies as Change Drivers

2.2.1.1 Artificial Intelligence

"Artificial Intelligence" (AI) has been identified as a key change driver in the MICT Sector. It refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal (Investopedia, 2020). Nearly half (46%) of South African companies are actively piloting AI within their organisations. Businesses are experimenting with a range of different technologies, including Chatbots, Robotic Process Automation and Advanced Analytics. AI technologies most useful to 67% of South Africa organisations include machine learning, smart robotics and biometrics (BusinessTech, 2019).

AI experts have highlighted that the simple lack of technical skills is not the only thing that slows the progress of AI, but also a greater need for a culture of experimentation. "Though AI is in its early stages of development in South Africa, it bodes well for AI maturity in the country that businesses are actively experimenting with exciting new AI use cases," said Lillian Barnard, MD at Microsoft (Business Tech, 2019). The level of skill required by AI is advanced and needs to be financially and technically supported by the industry and government. Other examples of AI relevant to the MICT Sector include virtual agents such as "chatbots" and recommendation systems. Ultimately, South Africa still lags behind in terms of improving the quality of education, research, innovation and infrastructure required to create an enabling environment for AI adoption (Accenture South Africa, 2017). An example of the use of robotics in the MICT Sector is the use of drones, as opposed to handheld cameras, in filming. Drone and AI technologies may also be integrated to create autonomous drones that are able to perceive their environments and self-operate (Built In, 2019).

2.2.1.2 Cloud Computing

"Cloud Computing" has emerged as a key driver of digital transformation in South Africa. It is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. Companies offering these computing services, called cloud providers, typically charge based on usage, similar to the billing of utility services such water or electricity. Cloud computing has become a new reality in South Africa, with software spending reaching an estimated R32 billion in 2019, an 11.4% increase from 2018. South African organisations are consuming significant amounts of cloud services, including software as a service, platform as a service and infrastructure as a service (Gartner, 2019).

The rise of cloud computing puts pressure on skills development, more so now during the COVID-19 pandemic, as more companies are becoming dependent on cloud computing services. Individuals with the skills to design and deploy such technology are in high demand and often poached not only in South Africa, but by global companies. A study by the International Data Corporation (IDC) revealed that more than 90% of South African organisations are either already engaged in developing these skills or in the process of planning for the development of such skills (Nebula, 2018). Furthermore, it was stated that providing data access from any place or time is the top reason for cloud adoption. It is said that globally, cloud data centres will process 94% of workloads in 2021, further emphasising the importance of meeting the demand for these skills (Hosting Tribunal, 2020).

2.2.1.3 Big Data Analytics

"Big data", another 4IR change driver identified in the MICT Sector, refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing 'Big data' is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

Big data has grown by more than 50% CAGR since 2010, which has in turn enabled AI uptake (Accenture, 2018). In South Africa, many organisations have now realised the potential of 'Big Data and Analytics', however, limited IT budgets and the dearth of skilled resources impede its adoption. Furthermore, organisations are now developing skills internally by sharing resources, undertaking training programmes, and partnering with vendors. This plays a crucial role for organisations to establish a data-driven culture and encourage knowledge sharing to develop internal capabilities (IDC, 2017). The demand for highly qualified big data analysts and artificial intelligence professionals is outperforming supply to the point where it can take many months to fill vacancies (IOL, 2017). This is due to big data analytics being a relatively new field, and the existing workforce is having to retrain in work with large sophisticated datasets. Larger companies swiftly recruit new graduates, thus, making it difficult for smaller MICT companies to keep up with the changing labour market.

2.2.1.4 5G

The fifth-generation wireless technology ("5G") has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands driven by growing internet data traffic increases – further emphasised by the current world of remote work during the COVID-19 pandemic – 5G will significantly speed up data communication (Statista, 2020). 5G will also advance machine-based, IoT-centric functionalities, for example, in automotive for autonomous and self-driving cars. While 5G is going to be a big enabler for economies and will drive efficiency for many complex operations, much needs to be done right before 5G can be rolled out (Connecting Africa, 2020). Governments need to find ways to mitigate the risk of being left behind as technology sweeps the rest of the world into 5G and beyond. Companies currently struggle to attract and retain staff with scarce skills in hard-to-fill occupations (i.e. computer network and systems engineers, cybersecurity specialists, and those with cloud computing skills), and 5G will make this task even more difficult. Organisations will need to find new resources and capabilities by increasing the skillsets of their own staff, as well as demanding new skills of their providers (GCN, 2019). Once the relevant skills to enable such technology are developed, 5G will ultimately be "a big game changer".

2.2.1.5 Internet of Things (IoT)

The "Internet of Things' (IoT) is another 4IR change driver identified in the MICT Sector. It refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of "smart" devices, from industrial machines that transmit data about the production process to sensors that track information about the human body (Investopedia, 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on data received. IoT will continue to grow as cloud computing and cloud app offerings expand in the coming years. IoT thus links to virtually all of 4IR change drivers, further expanding the impact of 4IR. There is limited recognition of emerging 4IR occupations in the OFO, thus limiting funding and formalised training opportunities in "new-age" fields such as IoT. In consultations, stakeholders expressed a need for more "IoT specialists". However, currently no such occupation exists in the strictest sense, instead IoT specialists may emerge as specialisations of existing fields such as software development and design.

2.3 Skills Implications of Change Drivers

Change drivers affect how businesses operate and survive into the future. Thus, new ways of doing things, including skills training, are required to exploit new opportunities in the market that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills. Whilst it may be true that 4IR may invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs. To this effect, South African organisations are increasingly investing in 4IR technologies. However, funding, formalised training and overall development of emerging occupations is hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. In general, due to the limited number of candidates possessing 4IR relevant skills and experience such as cybersecurity specialists within the 5G or cloud computing space; or an appropriate skills base to expand from, there is increased competition amongst employers for the few relevantly skilled candidates in the Sector such as drone operators, thus exerting further pressure to accelerate the development of skills.

In order to keep up with the increasing use of artificial intelligence and robotics: accelerating the reskilling of workers, redirecting the workforce to areas that create new forms of value and strengthening the talent pipeline from its source(Accenture, 2018). These suggestions may be adopted for other change drivers and speak to the need for increased research output, technical upskilling (especially for unskilled labourers) and collaboration amongst stakeholders. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands.

2.4 Policy Frameworks Affecting Skills Demand and Supply

South Africa's development trajectory is underpinned by the National Development Plan (NDP), which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of "levers", "pillars" or policy interventions that are understood to contribute to this planned growth. The MICT Sector is an integral part of South African society and is impacted by various policy interventions, some of which are outlined in the table below. There are also certain skills that will contribute to realising these national strategies such as developing ICT skills, programming skills and software development skills - MICT SETA will also need to consider partnering with government in order to realise these strategies.

Table 6: MICT Sector Policy interventions

Planning Priority	Skills Implications
National Development Plan (NDP)	The NDP Vision 2030 (November 2011) identifies as one of its core priorities, reducing unemployment to 6% by 2030. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of the plan, the following are identified: – A larger, more effective innovation system closely aligned with firms that operate in Sectors consistent with the growth strategy; – Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators; – An expanded skills base through better education and vocational training; Identify business incubation for SMEs generally and the expansion of business services in particular as priority actions for growth and development. The MICT Sector will contribute towards the National System of Innovation and will thus, play a role in supporting its effectiveness and efficiency.
Medium Term Strategic Framework (MTSF) 2019-2024	The outcomes for 2019 - 2024 are published as annexures to the MTSF: it is premised on achieving 5 outputs leading to the achievement of 'Outcome 5: A Skilled and Capable Workforce to Support an Inclusive Growth Path'. This is part of a comprehensive plan for implementing the NDP, the MICT SETA is committed to implementing the 4 sub-outcomes through strategic partnerships: – Sub-outcome 1: A credible institutional mechanism for labour market and skills planning – Sub-outcome 2: Increase access and success in programmes leading to intermediate and high-level learning – Sub-outcome 3: Increase access and efficiency of high-level occupationally directed programmes in needed areas – Sub-outcome 4: Increase access to occupationally directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.
White Paper on Post Schooling Education and Training (WP-PSET)	The white paper envisages an expanded, effective, and integrated post-school system in South Africa. It is premised on achieving: – Expanded access to TVET and University education; Establishment of community colleges and skills centres, to mainstream vocational education and training; – Establishment of a national skills planning mechanism within DHET; A strengthened NSA to perform a Monitoring and Evaluation role in the skills system; – Opening up workplaces to give more youth access to work integrated learning opportunities The white paper further notes the potential for significant restructuring of the skills system resulting with a further reduction of SETA numbers over the medium to long term. The white paper calls for an efficient skills development system where strategic plans form the foundation of the service level agreements that SETAs sign with DHET.
National Skills Development Plan (NSDP)	The NSDP is informed by and consolidates the NDP, NGP, WP-PSET and IPAP and seeks to "improve access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development whilst also seeking to address systemic considerations"(DHET, 2019). A call for increased emphasis on improving "both basic skills and technical skills, with a specific focus on 'historically disadvantaged individuals'" is made and eight outcomes are presented to this effect. In addressing the NSDP and new SETA landscape, MICT SETA has incorporated and aligned the outcomes into its Recommended Priority Actions (Chapter0), thus ensuring continued relevance and responsiveness to key issues.

New Growth Path (NGP)	One of the NGP focus areas focuses on meeting the shortages in important skills for the economy and sets targets for: – the training of engineers underpinned by improved science and mathematics education and expanded bridging programmes for HE courses; improved skills for workers through the provision of certificated programmes facilitated, financed and managed by SETAs; a TVET college system that produces higher graduation rates; provision of ICT skills in schooling, adult education and public service The MICT Sector in line with the NGP places emphasis on the development of ICT skills, as well as the increased supply of highly skilled labour in the economy.
Industrial Policy Action Plan (IPAP)	The IPAP has identified a number of priority Sectors which it aims to support for development in the country. Those that have a direct link with the MICT Sector include: – Facilitate upgrading of manufacturing facilities and capabilities for domestic production, growth of exports and Commercialisation of technologies. Projects such as a South African garment-sizing database using three-dimensional (3-D) body-scanner technology, and computer-aided design using 3-D scanner data; Skills development for thee business process outsourcing Sector As stakeholders in the Sector start to engage in these programmes, the MICT SETA would be a skills development partner, ensuring that the requisite skills are being developed.
National Integrated ICT Policy White Paper	The National Integrated ICT Policy White Paper, published in September 2016 by the Department of Communications & Digital Technologies (DCDT), replaces all the previous white papers on telecommunication (1996) and postal services (1998). The policy outlines the plan for the rollout of broadband services across the country and directs the allocation of spectrum to all licensed operators, new entrants and SMMEs. The White Paper also covers interventions to boost the manufacturing and software development Sectors particularly through advancing affordable devices and innovative services and applications relevant to the South African context. The aim is to support for development in the country. The direct link with the MICT Sector includes: – Facilitate upgrade of manufacturing facilities and capabilities for domestic production and growth of exports; Commercialisation of technologies; Skills development for business process outsourcing Sector.

2.5 Conclusion

With the Presidential Commission on the Fourth Industrial Revolution established and the COVID-19 pandemic causing a ripple in the way businesses and the industry operates, it seems South Africa is set to follow a highly skilled intelligence and digital path. The change drivers in the Sector suggest an opportunity for ever-increasing access in the intelligence and digital spectrum – an access that needs to be maintained and secured. Therefore, skills development must follow course with specialised skills to set up and maintain new technologies. However, this must be balanced with also catering for lower-end skills. Ensuring inclusive digital revolution means paying attention to those still becoming digitally literate. However, with the renewed government commitment to leveraging technology for development and the huge shifts within the MICT Sector, additional resources are to be leveraged for skills development.

As the technology matures, government and organisations will need to find new resources and capabilities by increasing the skillsets of their own staff as well as demanding new skills of their providers (GCN, 2019).

Chapter 3: Occupational Shortages and Skills Gaps

3.1 Introduction

The previous chapter examined the factors influencing the demand and supply of skills in the MICT Sector. Leading on from that, this chapter explores the extent and nature of demand for skilled labour in the MICT Sector. The chapter also gauges the type and extent of training available to the Sector. In order to compile the Sectoral Priority Occupations list and occupational shortages, an analysis of WSP submissions by employers was conducted. Whilefew limitations to the WSPs were realised, including the vagueness in descriptions of occupations, a survey was distributed to key stakeholders in the industry to complement the WSP information, whereby respondents were asked to identify key hard to fill vacancies (HTFVs), skills gaps and change drivers in the Sector. Further information was then gathered through stakeholder interviews, after which Sub-sector specific focus groups were held with stakeholders to validate the data collected. The research thus triangulated various sources of data to provide as complete and valid picture of skills demand and supply in the Sector.

3.2 Sectoral Occupational Demand

3.2.1 Advertising Sub-sector Occupations with Hard to Fill Vacancies

Using the OFO, the table below provides the top occupations with vacancies that are hard to fill in the Advertising Sub-sector. These five vacancies have been identified by stakeholders and include Multimedia Specialist, Digital Artist, Marketing Practitioner, Multimedia Designer and Copywriter.

Table 7: Advertising Hard to Fill Vacancies

OFO Code	Occupation	Reason	Quantity Needed in Sub-sector
2019-251301	Multimedia Specialist	Lack of skilled people	126
2019-216601	Digital Artist	Lack of skilled people	110
2019-243103	Marketing Practitioner	Not enough opportunities for workplace placement	80
2019-216603	Multimedia Designer	Lack of skilled people	48
2019-264201	Copywriter	Lack of skilled people	45

Stakeholders in the advertising Sector noted that Multimedia Specialist was the most difficult occupation to find suitably qualified people for. The majority of stakeholders in the Sector indicated that "lack of skilled people" was the main reason for these vacancies being hard to fill, with particular reference to niche skills such as digital marketing and social media management. Due to increased digitisation in the Sector, stakeholders attributed the lack of relevantly skilled candidates to the lag in digital skills training. Candidates are required to possess digital marketing skills to complement their traditional marketing expertise. Digital Marketers and Social Media Influencers are examples of emerging occupations spurred on by increased consumer online presence caused by the COVID-19 pandemic.

Whilst there are enough marketing practitioners graduating, there are not enough employment opportunities for new entrants in the form of, for instance, internships. Under increasing financial strain, especially under the COVID-19 pandemic, employers are hesitant to invest resources into recruiting and training interns.

Another contributing factor to hard to fill vacancies is decreased budgets leading to salaries in the Sector being relatively lower than in the past. It was also suggested that whilst there may be shortages in the formal Sector, the informal Sector, comprising freelancers, has more candidates, and thus less shortages, but these tend not to be recognised in research if they are not in the employ or ownership of a company.

3.2.2 Film and Electronic Media Sub-sector Occupations with Hard to Fill Vacancies

Table 8 presents the top 5 hard to fill occupations of the Film and Electronic Media Sub-sector, by OFO code, which include Media Producer, Multimedia Specialist, Sound Technician, Director (Film, Television, Radio or Stage) and Film and Video Editor.

Table 8: Film and Electronic Media Hard to Fill Vacancies

OFO Code	Occupation	Reason	Quantity Needed in Sub-sector
2019-265412	Media Producer	Lack of skilled people	100
2019-251301	Multimedia Specialist	Lack of skilled people	96
2019-352103	Sound Technician	Equity consideration	96
2019-265401	Director (Film, Television, Radio or Stage)	Lack of skilled people	40
2019-265403	Film and Video Editor	Lack of skilled people	20

The areas of scarcity for most of the Film and Electronic Media occupations exist primarily in more technical roles specific to the Sector and less on generic skills. Most of the shortages are due to a lack of skilled people in the Sector, with Sound Technicians being the exception. Whilst there may be plenty of Sound Technicians in the Sector, few of them are black-resulting in a shortage when equity is considered.

With viewers consuming a lot more content during the COVID-19 lockdown, especially via Video on Demand, there is a greater demand for productions, with all of the above-mentioned occupations, from Media Producer to Film and Video Editor, being required. However, this is diminished by the lockdown restrictions on travel and congregation in South Africa and around the world limiting shooting.

It was also found that that although people may have technical competence, they were not always able to translate that into the overall concept and visual the director has in mind. Location scouts, for example, need a sense of what the final picture will look like on screen as well as the practicalities of moving equipment around. Sound engineers may know how to collect and mix samples of sound, but in a movie production they need to know how to work with voice and with silence too. In addition to the reasons mentioned above, location also has a bearing on occupational shortages. Economic hubs such as Gauteng and the Western Cape tend to have different hard to fill vacancies to less economically active areas, especially rural areas, due to rural-urban migration.

3.2.3 Electronics, Information Technology and Telecommunications (ICT) Sub-sectors Occupations with Hard to Fill Vacancies

There are similarities between the Electronics, Telecommunications and Information Technology Sub-sectors. Consequently, these Sub-sectors are addressed as one ICT Sub-sector due to the overlapping nature of their occupational demands. To accommodate this amalgamation and the larger size of the ICT Sub-sector, provision is made for 10 hard to fill vacancies instead of 5.Table 9 below presents the top 10 hard to fill vacancies within the ICT Sub-sector over the next year.

Table 9: ICT Occupations with Hard to Fill Vacancies

OFO Code	Occupation	Reason	Quantity Needed in Sub-sector
2019-251201	Software Developer	Lack of skilled people	1435
2019-252301	Computer Network and Systems Engineer	Lack of skilled people	1070
2019-251101	ICT Systems Analyst	Lack of skilled people	1036
2019-252901	ICT Security Specialist	Lack of skilled people	270
2019-251203	Developer Programmer	Lack of skilled people	252
2019-672205	Telecommunications Technician	Lack of skilled people	220
2019-215301	Telecommunications Engineer	Lack of skilled people	168
2019-215201	Electronics Engineer	Lack of skilled people	156
2019-311401	Electronic Engineering Technician	Lack of skilled people	100
2019-333903	Sales Representative (Business Services)	Lack of skilled people	96

Software Developer, Developer Programmer and ICT Systems Analyst are some of the top 10 occupations which continue to be hard to fill within the Sub-sectors. The top programming languages were found to be Python, C and C++. On the other hand, there has been a decline in demand for people to maintain legacy systems (such as COBOL developers). As organisations work remotely due to the COVID-19 pandemic, technologies such as Cloud Computing find greater demand in storing and transferring data from anywhere and at any time, and Cloud Architect is an emerging occupation that has picked up even more during the pandemic. In addition, with the rise in e-learning during the pandemic, occupations such as Software Developer and Developer Programmer are required to develop and maintain such platforms.

With regard to telecommunications, which incorporates both the retail side and the technical side, network specific professionals, such as Telecommunications Technician and Computer Network and Systems Engineer, continued to be in demand. However, pointing to a limitation of the OFO, stakeholders pointed out occupations such as Telecommunications Engineers are broadly defined and do not recognise emerging specialities.

Electronics Engineers and Electronic Engineering Technicians are occupations which have emerged as being hard to fill in the Electronics Sub-sector. The Sub-sector has also experienced increased demand for Sale Representatives for business services.

3.3 Skills Gaps

The MICT Sector is increasingly operating in an ever-changing environment where new trends are emerging all the time. Reasons for skills gaps emerging include workers in the Sector having to constantly upgrade their skills to keep abreast of the latest developments (e.g. certified skills affecting IT Security Specialists

and Computer Network and Systems Engineers). This is ever more prevalent with the emerging 4IR technologies. Another reason for skills gaps is that as people skilled in technologies move on or retire, there is still a need for maintenance of old technologies. That means gaps exist for old technologies where new entrants lack such skills as well as for all the new technologies being rapidly introduced. The broad categories of critical skills gaps that exist amongst employees working across the five Sub-sectors of the MICT are management and leadership skills, customer service skills and technical skills. These are further outlined in the table below by occupation (with OFO codes) and OFO Major group.

Table 10: Skills gaps and the top occupations that they apply to[1]

Skills Gap	Lower-Level (plant operators and elementary)	Midlevel (technicians, associates, artisans and clerical)	Senior (managers and professionals)
Business Etiquette	• 2019-862918-Electrical or Telecommunications Trades Assistant • 2019-811201-Commercial Cleaner	• 2019-351201-ICT Communications Assistant	• 2019-243403-ICT Sales Representative
Certified skills (CompTIA A+, Network+, MCSA, MCSE, Azure, CISCO, etc.)	N/A	• 2019-351301-Computer Network Technician • 2019-672205-Telecommunications Technician	• 2019-252901-ICT Security Specialist • 2019-251101-ICT Systems Analyst • 2019-252301-Computer Network and Systems Engineer
Financial Management	N/A	N/A	• 2019-121901-Corporate General Manager • 2019-121101-Finance Manager • 2019-122101-Sales and Marketing Manager
Communication	N/A	• 2019-422601-Receptionist (General)	• 2019-122102-Sales Manager • 2019-133102-ICT Project Manager • 2019-251101-ICT Systems Analyst
Customer Service	• 2019-862918-Electrical or Telecommunications Trades Assistant	• 2019-351201-ICT Communications Assistant • 2019-672205-Telecommunications Technician	• 2019-243403-ICT Sales Representative
Python (Coding language)	N/A	N/A	• 2019-251203-Developer Programmer • 2019-251201-Software Developer
Sales Skills	N/A	• 2019-333903-Sales Representative (Business Services)	• 2019-122101-Sales and Marketing Manager • 2019-243403-ICT Sales Representative • 2019-243401-ICT Account Manager
Problem Solving	N/A	• 2019-352106-Production Assistant (Film, Television or Radio)	• 2019-251203-ICT Systems Analyst • 2019-121901-Corporate General Manager
C (Coding language)	N/A	N/A	• 2019-251203-Developer Programmer • 2019-251201-Software Developer
Leadership	N/A	• 2019-334103-Call Centre Team Leader	• 2019-133102-ICT Project Manager • 2019-121901-Corporate General Manager • 2019-122102-Sales Manager
Business Management	N/A	• 2019-333910-Business Support Coordinator	• 2019-112101-Director (Enterprise / Organisation) • 2019-122201-Advertising and Public Relations Manager

Source: WSP/ATR Submission, 2020; MICT SETA SSP Survey, 2020

[1] *The OFO major group classifications do not consider seniority by experience or rank. Thus, "midlevel" and "senior" include junior to senior technicians and professionals, for example.*

Employers in the Sector require a combination of hard and soft skills. Nuance within occupations is also emphasised, for instance Software Developers that can code in Python are more sought after and Sales Representatives and Account Managers need to have strong product knowledge, which requires greater technical knowledge. Design thinking is another emerging skill in South Africa that promises to accelerate innovation. Liedtka (2018) notes that, "design-thinking processes counteract human biases that thwart creativity while addressing the challenges typically faced in reaching superior solutions, lowered costs and risks, and employee buy-in." This appears to be a "future skill" in South Africa that may do for innovation in the MICT Sector what Total Quality Management did for manufacturing in the 1980s (Liedtka, 2018).

Given the pressures imposed on businesses by the COVID-19 pandemic, with only 14% of MICT businesses being able to operate without issue during the lockdown (see Figure 2), businesses need a competitive edge and prudent management to realise opportunities created by the pandemic. Skills such as financial management, leadership and business management are increasingly important to keep businesses open, with Enterprise Directors, Finance Manager and Sales and Marketing Managers being some of the affected occupations. Soft skills such as customer service, sales skills and problem solving are also important in a time of COVID-19 to ensure retention of market base and continued income generation for businesses. Sales and Marketing Managers, ICT Systems Analysts and Advertising and Public Relations Managers, amongst others, are affected.

3.4 Extent and Nature of Supply

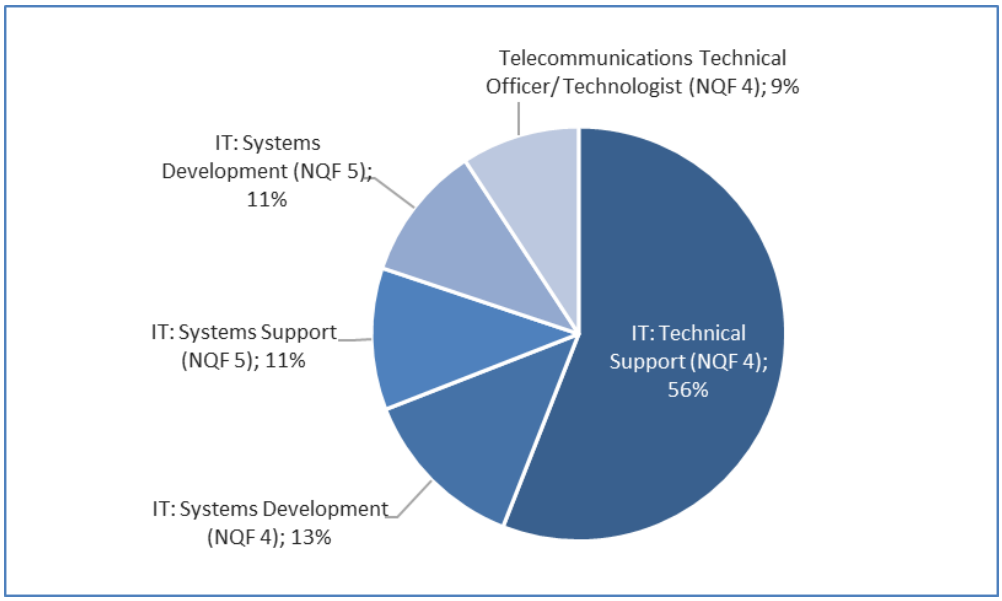
This section looks at the provision of education and training of skills, with the focus specifically on MICT-accredited qualifications. It also reviews provision in higher education, TVET colleges and vendor programmes. It assesses the gaps in the supply pipeline in order to help identify where the MICT SETA can most effectively intervene.

3.4.1 MICT SETA Accredited Qualifications

An analysis of the total learnerships and skills programmes population to date as reflected below indicates that a significant portion of total enrolment has been in the following five qualifications:

- Information Technology: Technical Support (NQF 4)
- Information Technology: Systems Development (NQF 4)
- Telecommunications Technical Officer/ Technologist (NQF 4)
- Information Technology: Systems Support (NQF 5)
- Information Technology: Systems Development (NQF 5)

Figure 16: Top 5 Qualifications enrolled for



Source: MICT SETA QMR, 2019

The NQF Level 4 qualification in Technical Support drew the most learners (56%) in 2019. The two level 5 qualifications in ICT – for Systems Support and Systems Development – match the demand for occupations in high demand within the Sector. Systems Development, for example, allows for specialisation in one of

the following disciplines: Procedural Programming; Object Oriented Programming; Fourth Generation Language Programming; Website development; Multimedia; Electronic Commerce.

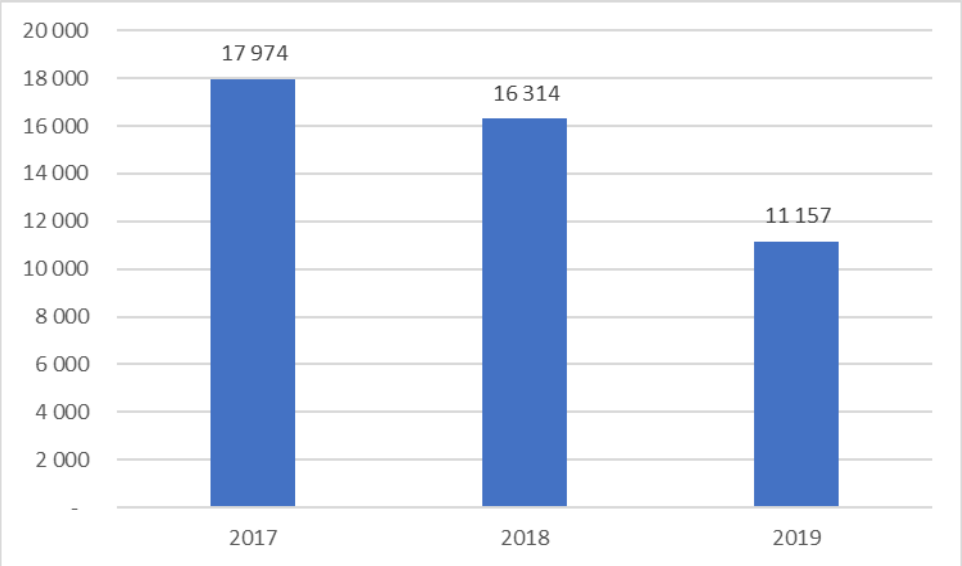
While there has been an increase in students enrolling for NQF 5 qualifications specialising in advertising, stakeholders in the Advertising Sub-sector raised concerns over the lack of training in digital marketing. Since specialised advertising courses were mainly offered by private universities and colleges, such as Higher Certificates and Advanced Diplomas in digital content creation and marketing, there is limited access for those without financial backing to enrol in such programmes. Furthermore, there is a need for increased awareness of non-traditional career paths amongst high school learners. A study by Cambridge International showed that most South African students still prefer to embark on more "traditional careers" like medicine and dentistry, engineering and psychology (Cambridge International, 2018). Students may be more inclined to follow non-traditional careers in spaces such as Advertising or Film and Electronic Media if they receive more exposure to these careers at high school level. Stakeholders also noted that many of their desired training courses are offered online but these were not SAQA accredited, complicating their funding and promotion as courses of choice.

The establishment of new, small-scale firms and cooperatives in film production in rural areas and townships has opened opportunities for skills development, especially where they have been able to access DTI funding. In 2019, there was demand for the Further Education and Training Certificates in Film and Television Production Operations (NQF 4) as well as the National Certificate in Film and TV Production (NQF 5) (MICT SETA QMR, 2019). Like in advertising, programmes relating to Film and Electronic media are predominantly offered by private institutions and costly. Collins and Snowball (2013) point to lack of government support for training initiatives in film, which together with the short-term, precarious nature of employment contracts, means that only children from wealthy families are likely to choose film as a career.

Enrolments in MICT SETA qualifications

Over the past 5 years, over 68,000 learners enrolled for an NQF qualification registered with the MICT SETA. Figure 17 shows that enrolment in learnerships and skills programmes have shown steady decline over the past 3 years, decreasing from 17 974 learners in 2017to 16 314 learners in 2018, and declining further to 11,157 in 2019.

Figure 17: Learnerships & Skills Programmes Enrolment 2017-2019

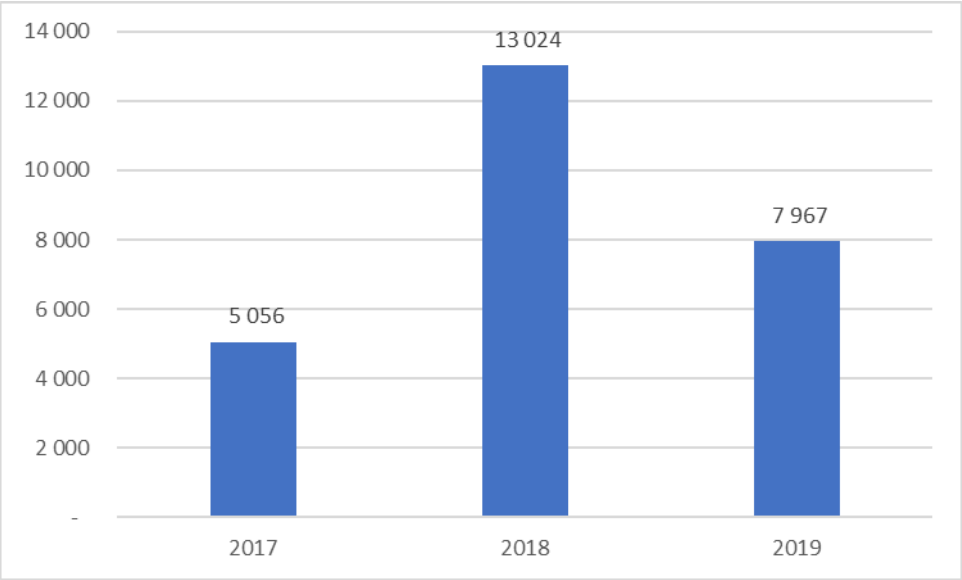


Source: DHET NLRD Database, 2019

Completions

Figure 18 below shows the total number of completed learnerships and skills programmes from 2017 to 2019. While there was significant growth in the number of completions of learnerships and skills programmes from 2017 (5,056) to 2018 (13,024), completions decreased to 7,967 in 2019.

Figure 18: Learnerships & Skills Programmes Completions 2017-2019



Source: DHET NLRD Database, 2019

Equity Demographics

The NSDP seeks to promote equity. The MICT SETA programmes appear to have consistently managed to attract black women into the Sector. Stakeholders in the Sector confirmed that there was a rise in the number of women in learnerships, especially in ICT technical areas which were traditionally dominated by men. However, it was noted that there were very few black candidates being trained as "creatives" in both the Advertising and Film and Electronic Media Sub-sectors.

3.4.2 Qualifications Under Development

MICT SETA is developing qualifications still to be accredited by the QCTO in response to the findings of this and previous SSPs. A number of consultative road shows were held to explain the process followed to develop these qualifications. To date, a number of qualifications are under development and are being realigned to various occupations. These include: the Further Education and Training Certificate (FETC): Advertising, National Certificate (NC): Advertising, NC: 2D Animation, NC: 3D Animation and Visual Effects, FETC: Music Industry: Sound Technology, NC: Music Industry: Sound Technology, NC: Business, NC: Business Analysis Support Practice and FETC: Computer Programming (QCTO, 2020).

In addition to the above, qualifications for the following 4IR-related occupations are being developed:

- Artificial Intelligence
- Cybersecurity
- Cloud computing
- Data science
- Software development
- Internet of things
- Robotic Processing Automation
- Design thinking
- Quality engineering Automation
- e-waste

The process to finalise and accredit the above-mentioned qualifications is underway.

3.4.3 Higher Education

The higher education Sub-sector in South Africa comprises 26 public universities and 123 private universities. These universities are responsible for generating a skilled workforce and yield academics who are able to produce the research output and innovation needed to drive economic growth in the country (Department of Higher Education and Training, 2019).

Table 11 shows that there has been a continuous increase in students enrolling in programmes across all major fields of study at public higher education institutions. As of 2018, there were 1,085,568 total enrolments in these institutions. The major field with the highest number of enrolments was Science, Engineering and Technology, with just over 320,000 enrolments, followed by Business and Management

(283,194) and Other Humanities (267,553). While this indicates that there has been positive growth in public universities, faster growth is necessary to realise the NDP goal of a 1.6 million headcount by 2030.

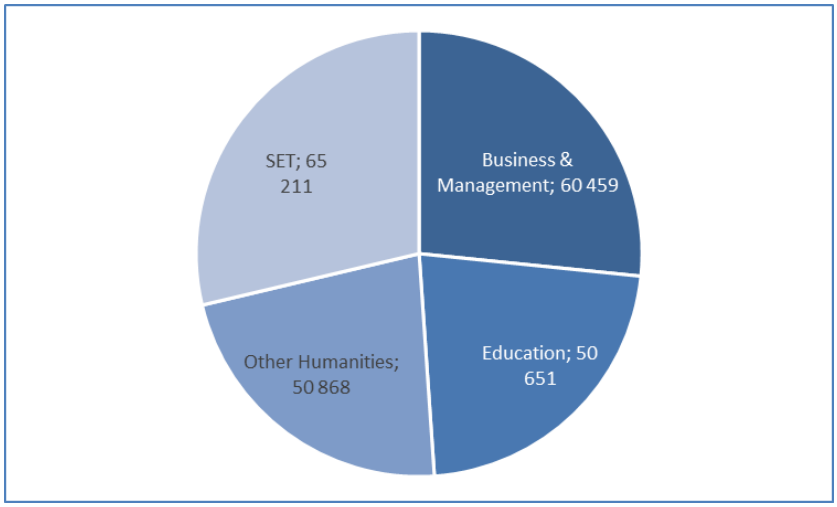
Table 11: Enrolments in public HEIs by major field of study[2]

	2016	2017	2018
Business and management	264,934	278,930	283,194
Education	176,986	195,113	214,151
Other humanities	238,535	252,826	267,553
Science, Engineering and Technology (SET)	295,383	310,115	320,671
Total	**975,837**	**1,036,984**	**1,085,568**

Source: DHET HEMIS, 2018

Figure 19presents the graduations across major fields of study in all public higher education institutions in 2018. While the total number of graduates increased by 7%, the number of people completing their qualifications as compared the number of enrolments remains a challenge in the country.

Figure 19: Graduations for 2018 in public HEIs by major field of study[3]



Source: DHET HEMIS, 2018

Science, Engineering and Technology (SET)continues to have the greatest number of graduates of the four major fields in public HEIs, with the number of Computer and Information Sciences graduates increasing steadily since 2016 (DHET, 2018). Increasingly, universities have been providing innovative opportunities for students to experiment with developing ICT applications. The Universities of the Witwatersrand and Johannesburg and the Tshwane University of Technology, for example, have "innovation hubs", which are creative spaces where people can meet, brainstorm and work on projects. The hubs are also an environment in which skills are learnt and exchanged across a number of disciplines. The MICT SETA has been involved in supporting these initiatives.

Table 12 below shows the total number of enrolments in private higher education institutions across NQF fields. Such institutions offer programmes spanning from NQF levels 5 to 10. Of the 197,898 students enrolled in these institutions in 2018, 58% (115,566) were enrolled in Business, Commerce and Management Studies. 6% of students were enrolled in Culture and Arts and 5% in Communication Studies and Language.

[2] *Publicly available data is only available up to 2018.*
[3] *Publicly available data is only available up to 2018.*

Table 12: Enrolments in Private HEIs by NQF Field[4]

NQF Field	2018	
	No.	%
Agriculture and Nature Conservation	339	0,2%
Culture and Arts	11,714	5,9%
Business, Commerce and Management Studies	115,566	58,4%
Communication Studies and Language	9,872	5,0%
Education, Training and Development	22,140	11,2%
Manufacturing, Engineering and Technology	861	0,4%
Human and Social Studies	7,469	3,8%
Law, Military Science and Security	7,992	4,0%
Health Sciences and Social Services	2,347	1,2%
Physical, Mathematical, Computer and Life Sciences	16,206	8,2%
Services	3,114	1,6%
Physical Planning and Construction	278	0,1%
Total	**197,898**	**100%**

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2018

In private institutions, the Culture and Arts and Communication Studies and Language NQF fields find expression in the Film and Electronic Media and Advertising Sub-sectors. Culture and Arts, encompassing design studies, visual and performing arts, cultural studies, music, sport, film, television, constituted 5.9% (11,714) of total enrolments in private universities. In 2018, 5% (9,872) of enrolments were in the Communication Studies and Language field, which includes communication and information studies, language, literature studies.

According to DHET's "Skills for and through SIPS" report, which assessed skills development in relation to government's Strategic Integrated Projects, university curricula have generally not kept pace with the rate of change of technology. The report argues for "curricula to be more relevant and academics to have more practical experience to ensure that graduates were prepared for the workplace". It was also suggested that "substantially more mentoring, coaching, and open learning should be available to support graduates in the workplace". Moreover, in the case of Data Scientists: "There are very few South African lecturers with expertise in this field. Currently most are foreign and need to be harnessed to develop a new breed of local data scientists for this expanding field" (Economic Development Department & DHET, 2014).

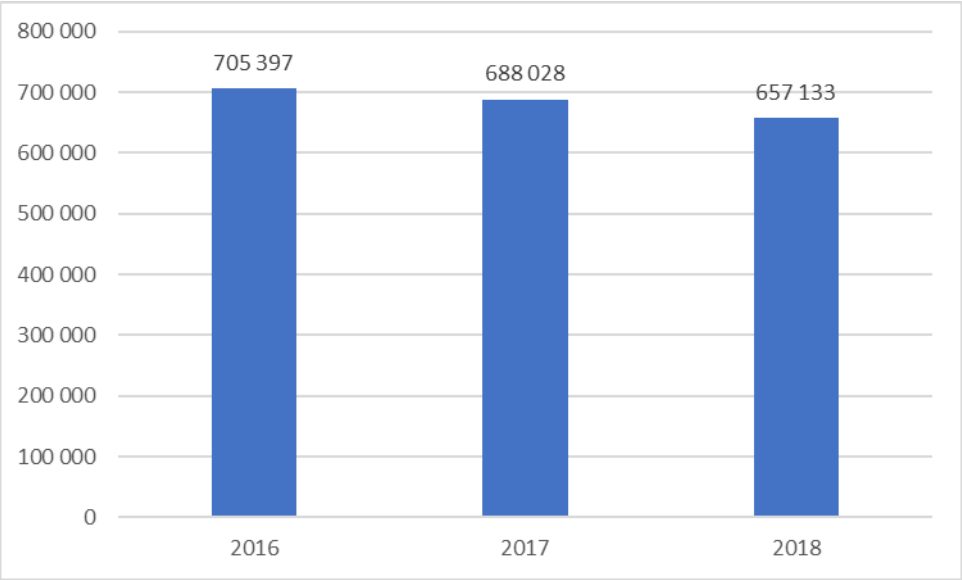
3.4.4 TVET Colleges

DHET has been promoting TVET colleges to be learning institutions of choice. The White Paper of Post School Education and Training is aspiring for a quality post school education which includes expanded access to public TVET colleges. In addition to increased access, the strategic objective of the public TVET colleges Sector is to improve success in programmes that produce quality education at intermediate and higher levels, by providing technical and vocational qualifications.

Figure 20 depicts the total student enrolments in TVET colleges over the 3-year period ending 2018.

4Publicly available data is only available up to 2018.

Figure 20: Number of students enrolled in TVET colleges, 2016 to 2018[5]



Source: DHET, Statistics on Post-School Education and Training in South Africa, 2018

As seen above, there has been a slight decline in enrolments from 2016 (705,397) to 2018 (657,133). This may be linked to potential students being discouraged by the opportunities available to TVET graduates. It has been suggested that graduates are not being absorbed enough by the Sector and many remain unemployed. Under increasing financial strain, especially under the COVID-19 pandemic, employers are hesitant to invest resources into recruiting and training interns.

The decline from 2016 (705,397) to 2018 (657,133) translates to an 7% decrease in TVET enrolments over the 3-year period. The NDP indicates that headcount enrolment in TVET colleges should reach 2.5 million by 2030.

TVET colleges offer a variety of learning programmes and qualifications, typically ranging from NQF level 2 to NQF level 5. Of particular importance are the occupational qualifications offered by TVET colleges, which encompass workplace-based learning programmes, many of which are funded by the SETA. These occupational programmes provide learners with the opportunity to obtain qualifications or part-qualifications that meet the various workplace skills demands in the Sector, as outlined in the beginning of this Chapter (DHET, 2018). However, some stakeholders noted that TVET college graduates are generally not in a position to pass requisite international exams and are therefore not always in high demand upon graduation.

3.4.5 Vendor Programmes

Vendor Specific Programmes provide opportunities for students to integrate disciplinary and theoretical knowledge with work, through the application and use of knowledge and skills in real and professional work contexts (MICT SETA, 2020). These programmes are designed to meet the advancements in the applications and technologies used by companies and business units, and as a result, are most common and relevant to the ICT Sub-sector. Vendor programmes are usually short and focused programmes that are designed by software and hardware companies as an effective means to introduce new technologies or applications to both existing and new entrants in the labour market.

Vendor courses have the benefit of keeping up to date with rapidly changing technology. But for the same reason, these courses can quickly become obsolete if the product turns out to have a short shelf-life. There is also a concern that training content is focused on the vendor's products and therefore not generic enough to educate on the underlying principles. Consequently, there has been an apparent increase in the demand for customised training solutions rather than more comprehensive off-the-shelf training that covers a broader range of technology solutions. At the same time, stakeholders in the Sector reported that employers increasingly want employees to cross-certify with multiple vendors. Having multiple skills is becoming an inherent job requirement lately, with certified skills such as CompTIA A+, Network+, MCSA,

[5] *Data on enrolments in TVETs is only publicly available up to 2018.*

MCSE, Azure, CISCO, etc. being the third most in-demand skills for midlevel to senior employees[6] across the Sector. These skills also rank in the top 10 skills gaps in Telecommunications across occupational groups (MICT SETA SSP Survey, 2020). To respond to the persistent demands for vendor certificates, the MICT SETA continues to map these programmes against existing NQF qualifications.

Assessment of Education and Training

In 2019, the SETA conducted an impact study aimed at assessing the success of the SETA's learning programmes. In addition to literature review, the study included consultations with learners, training providers and employers. The study revealed that 46% of learners are employed after completing programmes, 68% of which are employed as a result of the programmes. However, 41% of learners report that their current occupations do not match their qualifications, suggesting a misalignment between skills supply and demand. The study showed numerous benefits emanating from the programmes, relating mostly to gaining particular skills (as well exemplified in vendor specific short programmes) and work exposure, as well as significant achievement of various outcomes reported by employers. However, there is still much room for improvement.

There is an urgent need for higher education to respond to the technologies that have emerged from the Fourth Industrial Revolution (4IR), given the challenges and opportunities that are presented by such technologies (Penprase, 2018). Curricula across major fields of study will need to be redesigned and improved to address the need for students to develop the capacity in rapidly emerging areas such as data science, Artificial Intelligence and robotics, amongst others. In addition to this, lower NQF qualifications and other learning interventions will be required to incorporate an element of 4IR literacy.

COVID-19 is expected to impact education and training in the Sector. While enrolments in public and private universities prove to be increasing, graduates may find it increasingly difficult to find employment due to the negative impact of COVID-19 on employment. Online learning and the adoption of e-learning tools to facilitate blended learning are increasingly popular as they provide opportunities for continuous and efficient skills development in the Sector(Rasool, 2020).

In order to attract and retain learners, stakeholders stress the importance of keeping programmes relevant and up to date, with special regards to 4IR, and directing additional resources towards developing appropriate occupations and qualifications. The SETA continues to respond to this demand through its SSP and revised Sectoral Priority Occupations. Overall, it appears that while the learning interventions that are undertaken in the Sector have some relevance to employers and are beneficial to workers, there is room for further improvement and refinement.

Qualification and Occupation Mapping

The MICT SETA initiated a process of mapping key occupations in the Sector to various qualifications and learning pathways. From this mapping exercise the MICT SETA gained intelligence and insight from the Sector in terms of how to address key occupations in the Sector. It is anticipated that the Sectoral Priority Occupations interventions identified will help address the skills shortages in the Sector, as well as enable the employers in the Sector to bridge the gap between skills demand and supply. Table 13 below provides a list of possible qualifications mapped to occupations in the Sector.

Table 13: Possible Qualifications mapped to Occupations

Qualification	Career Prospects/Job Roles
BSc. or Nat. Dipl majoring in: – Business Computing – Computer Engineering – Computer Science/ Studies/ Systems – IT (Web Design & Development) – Information Systems/ Technology	– ICT Systems Analyst – Web Technician – Systems Administrator – Computer Network Technician – Software Developer – Computer Network and Systems Engineer – ICT Security Specialist
B. Arts/Learnerships majoring in: – Acting – Drama and Performance Studies – Film and Television	– Actor – Director
B. Arts/Learnerships majoring in:	– Scriptwriter

[6] *The OFO major group classifications do not consider seniority by experience or rank. Thus, "midlevel" and "senior" include junior to senior technicians and professionals, for example. See Table 10 (page 25).*

– Audio-Visual Communication – Translation and Professional Writing – Creative writing	– Creative Director
BTech or Nat. Dipl. majoring in: – Motion Picture Production – Multimedia – Film and Video Technology	– Multimedia Specialist – Film and Video Editor
B.Com or Nat. Dipl majoring in: – IT Management – Applied Information Systems	– Chief Information Officer – ICT Project Manager – IT Manager
B.Com/BTech/Dipl. majoring in: – Business Management/ Management Sciences – Project Management	– Management Consultant – Business Analyst – Service Solutions Project Manager
B.Engineering/Nat. Dipl/Learnership majoring in: – Electronic Engineering – Computer Engineering	– Computer Network and Systems Engineer Developer Programmer – Software Developer – Telecommunications Technologist – Electronic Engineering Technician
BA Honours in: – Film and Documentaries – Media and communication – Development and communication – Digital Media Design	– Editor – Director – Content producer
B.Com/Nat.Dipl/Learnership majoring in: – Strategic Brand Management – Digital Marketing – BA Creative Brand Communications – Marketing Management/ Communication	– Brand Strategist – Brand Auditor – Digital Marketing Strategist – Copywriter – Social Media Coordinator
Diploma/Learnerships/Higher Certificates in: – Marketing & Advertising Communications – Art Direction Diploma – Graphic Design – Copywriting	– Creative Director – Campaign Coordinator – Graphic Designer – Digital marketer
Dipl./Learnerships/Nat. Certificates in: – Electronic/ Engineering Studies – Information Technology (Networking) – Telecommunications – Information Systems	– Telecommunications Technician – Computer Network Technician – Systems Administrator – Electronic Engineering Technician

Source: DHET, The National Career Advice Portal, 2020

3.5 Sectoral Priority Occupations

The compilation of the Sectoral Priority Occupations (SPO) list follows a process that combines both analytical and qualitative inputs. This involves analysis of WSPs, employer surveys, desk-based research as well as validation through focus groups with stakeholders in the Sector. In addition, interviews are conducted with a number of stakeholders, which include industry bodies and professional associations, government stakeholders, trade unions and other key informants. Interviews focused on developments in the Sector, emerging trends as well as future skills needs. Given the dynamic nature of the MICT Sector, these interviews helped to identify new trends regarding new occupations as well as future skills needs in the economy.

With regard to the quantitative analysis, occupations and specialisations flagged as hard to fill in WSP/ATR submissions were tested for prioritisation against systemic and volumetric considerations via surveys, interviews and focus groups. Appropriate interventions were then determined per occupation based on prior and planned skills development for those occupations, adjusted based on SETA experience. The quantity to be supported by the SETA was determined based on planned APP targets per type of intervention and distributed across the occupations based on the extent of Sector demand as reported in the WSP/ATR submissions.

Given the central role that 4IR plays in the MICT Sector, important 4IR-related skills requirements were particularly taken into account in the determination of hard to fill vacancies and the SPO list. Consultations sought to unpack the business and skills fundamentals underpinning 4IR. The occupations in the SPO list are linked to 4IR change drivers articulated in Chapter 2. Following the production of the draft SPO list,

input is incorporated from deliberations at Executive Committee and Board level, and the final SPO list is signed off by the MICT SETA Board.

The limitation of the data presented is that even though it takes into account other sources such as employer surveys, interviews and focus groups, the input data from employer WSPs is not without challenges. Stakeholders who formed part of the validation processes reflected that OFO codes were vague and confusing with several overlaps in occupational descriptions. In some instances, OFO codes did not exist for their desired occupations.

The SETA is, however, confident that based on the rigorous, practical and balanced approach adopted for the determination of the MICT Sector SPO list, and that the identified priority occupations and interventions will help underpin the skills development planning and implementation required to address skills issues and opportunities in the Sector; including critical areas such as 4IR.

The following table presents the 2021/22 SPO List and the interventions planned thereof.

Table 14: Top 10 Sectoral Priority Occupations List for the MICT Sector

SETA Name	Period	OFO Code	Occupation	Specialisation/ Alternative Title	Intervention Planned by the SETA	NQF Level	NQF Aligned	Quantity Needed	Quantity to be supported by the SETA
MICT SETA	2021/22	2019-251201	Software Developer	-Software Architect -Information Architect Software -Software Designer -Software Engineer -ICT Risk Specialist	Bursary (diploma)	6	Y	2740	2600
					Bursary (degree)	7	Y		
					Bursary (degree)	8	Y		
					Internship	6	N		
					Internship	7	N		
					Internship	8	N		
					MCSD Certification	5	N		
					Scrum Certification	6	N		
MICT SETA	2021/22	2019-252301	Computer Network and Systems Engineer	-Computer Systems / Service Engineer -Systems Integrator -Computer Systems Integrator -Network Engineer -Communications Analyst (Computers) -Systems Engineer -Network Support Engineer -ICT Customer Support Officer -Network Programmer / Analyst -Computer Network Engineer	Bursary (diploma)	6	Y	1780	1710
					Bursary (degree)	7	Y		
					Bursary (degree)	8	Y		
					Bursary (degree)	9	Y		
					Internship	6	N		
					Internship	7	N		
					Internship	8	N		
					CISCO Certification	5	N		
					CISCO Certification	6	N		
					CISCO Certification	7	N		
					CompTIA Network+ Certification	5	N		
MICT SETA	2021/22	2019-251101	ICT Systems Analyst	-Computer Analyst -ICT Systems Contractor -ICT Systems Coordinator -Capacity Planner Computing -LAN / WAN Consultant / Specialist -ICT Systems Architect -Systems Programmer -Internet Consultant / Specialist -ICT Systems Consultant -ICT Business Systems Analyst -ICT Systems Specialist -ICT Systems Advisor -ICT System Designer -ICT Systems Strategist	Bursary (diploma)	6	Y	1498	1400
					Bursary (degree)	7	Y		
					Bursary (degree)	8	Y		
					Internship	6	N		
					Internship	7	N		
					Internship	8	N		
					MCSA Certification	5	N		
					MCSE Certification	5	N		
					Work integrated Learning	4	Y		
					Work integrated Learning	5	Y		

MICT SETA	2021/22	2019-242101	Management Consultant (Business Analyst)	-Management Consulting Specialist -Superannuation Transitions Specialist -Technology Development Coordinator -Operations Analyst -Service Solutions Project Manager -Small Business Consultant / Mentor -Capital Expenditure Analyst -Commercial Analyst -Corporate Planner -Farm Management Consultant -Business Coach -Financial Systems Advisor -Resource Development Analyst -Purchase Advisor -Business Support Project Manager -Strategic Developer / Facilitator -Business Consultant -Management Reporting Analyst -Business Turnaround Management Consultant -Ecommerce Programme Manager	Bursary (diploma)	6	Y	504	480
					Bursary (degree)	7	Y		
					Bursary (degree)	8	Y		
					IIBA Certification (BABOK)	5	N		
					IIBA Certification (BABOK)	6	N		
					Work integrated Learning	4	Y		
					Work integrated Learning	5	Y		
MICT SETA	2021/22	2019-252901	ICT Security Specialist	-Internet Security Architect / Engineer / Consultant -Security Administrator -ICT Security Architect -Database Security Expert -Information Technology Security Manager	Bursary (diploma)	6	Y	385	340
					Bursary (degree)	7	Y		
					Bursary (degree)	8	Y		
					Internship	6	N		
					Internship	7	N		
					Internship	8	N		
					CompTIA Security + Certification	5	N		
					CompTIA Security + Certification	6	N		
					CISSP Certification	5	N		
					CISSP Certification	6	N		
					Work integrated Learning	4	Y		
					Work integrated Learning	5	Y		

MICT SETA	2021/22	2019-251301	Multimedia Specialist	-Digital Media Specialist -Multimedia Developer -Graphical Programmer -Computer Games Programmer -Multimedia Programmer -Animation Programmer	Bursary (diploma) Bursary (degree) Bursary (degree) Internship Internship	6 7 8 6 7	Y Y Y N N	360	350
MICT SETA	2021/22	2019-251202	Programmer Analyst	-Software Configuration / Licensing Specialist -Designer (Hardware - Digital / Software) -Architect (Applications / Call Centre / Computing / Desktop / Ecommerce) -Education Systems Coordinator -Computing (Development / Field) Engineer -Cross Enterprise Integrator -Engineer (Applications / Content / IT / Software / Systems / WAN) -Architect (Enterprise / Internet / IT / Network / Software / Unix / Web) -Database Designer	Bursary (diploma) Bursary (degree) Bursary (degree) Internship Internship Internship Work integrated Learning Work integrated Learning	6 7 8 6 7 8 4 5	Y Y Y N N N Y Y	351	330
MICT SETA	2021/22	2019-251203	Developer Programmer	-ICT Developer -ICT Programmer -Applications Developer	Bursary (diploma) Bursary (degree) Internship Internship MCSD Certification	6 7 6 7 5	Y Y N N N	306	250
MICT SETA	2021/22	2019-133102	ICT Project Manager	-ICT / IT / Computer Service Manager -ICT / IT / Computer Marketing Executive -ICT / IT / Computer Support Manager -Hardware Development Manager -ICT Project Director -ICT / IT / Computer Operations Manager	Bursary (degree) Bursary (degree) Bursary (degree) PRINCE2 Certification PRINCE2 Certification	7 8 9 6 7	Y Y Y N N	174	150
MICT SETA	2021/22	2019-243403	ICT Sales Representative	-Computer Consultant -Computer Software Support Consultant -Computer Systems Consultant	Bursary (national certificate) Short Programme Internship	5 5 8	Y N N	78	65

The occupations identified in the SPO List are key cogs of the4IR. A link can be made between the SPO occupations above and 4IR change drivers. The Sector's most sought after occupation, Software Developer, is the bedrock of 4IR and the change drivers. Software developers are required in *Artificial Intelligence (AI), Cloud Computing, Internet of Things (IoT)* and, working closely with Data Scientists, *Big Data*(Rodriguez, 2018). Business Analysts are the link between all the occupations and 4IR as they interpret the changing requirements of organisations. With the growth of *Cloud Computing*, the Sector's most prevalent 4IR technology (MICT SETA SSP Survey, 2020), and data moving to the "cloud", especially in a time of COVID-19 and remote working, information needs to be secured. ICT Security Specialists are thus important as *Cybersecurity* spans all the change drivers and spectrum of 4IR. More information is being processed than ever before and cybersecurity finds increasing importance in protecting users and their information.

But 4IR does not only relate to ICT, Sub-sectors such as Film & Electronic Media are also called to the fore by occupations such as Multimedia Specialist and their importance in *Virtual and Augmented Reality* and 4D animation. To sell 4IR to consumers, ICT Sales Representative with strong product and technical knowledge will be involved across the entire spectrum of 4IR. But "there is no 4IR without *5G*" (Carew, 2019), the telecommunications Sub-sector will thus have increasing input in this regard (see Table 9), as well as network and systems occupations such as Computer Network and Systems Engineer. With between 25% and 31% of MICT companies developing products in AI, Cloud Computing (used by 66% of companies in the Sector), Big Data, 5G and IoT (MICT SETA SSP Survey, 2020), ICT Project Managers are required to deliver the projects and make benefiting from 4IR an achievable reality.

3.6 Conclusion

This chapter examined the extent and nature of demand for skilled labour in the MICT Sector and explored the types and extent of training available to the Sector. While it may be difficult to gauge the extent of the impact of COVID-19, given that the country is still in the midst of the pandemic, it is undeniable that skills development has been affected, as noted by the World Bank, "Skills development programs have been greatly affected by the COVID-19 crisis. The challenges faced by formal TVET and short-term skills training for out-of-school youth and current workers are unprecedented"(World Bank, 2020). The MICT Sector has been under cost-saving measures since the COVID-19 pandemic and subsequent lockdown, and that has in turn increased demands on employees to be multi-skilled across a number of technologies, with convergence adding to that trend. So, while there are employment opportunities in the Sector, these tend to be for high-skilled professionals. Informants in the ICT Sub-sector reported that with the shortage of skilled developers (especially in scarce coding languages such as Python or Java), there is fierce competition for talent amongst employers, and this raises salaries to levels many companies cannot afford. This is further compounded by the financial challenges presented by the COVID-19 pandemic.

Matching demand for skilled people with supply is difficult in a Sector that is changing so quickly. Long-term predictions on occupations with hard to fill vacancies are not that reliable on the shifting sands of technology, and as a result there has been a call to speed up accreditation processes and recognise vendor programmes on the NQF. Similarly, short, highly varied online courses that cater to specific employer requirements have become especially useful during the pandemic and lockdown. To this effect, employers urge speedy recognition of online learning on the NQF or at least a mechanism for such programmes to be funded more.

Regarding enrolments in MICT qualifications, Universities and Universities of Technology are the main sources of highly qualified MICT graduates and, according to stakeholders in the Sector, the main supply of internship candidates. Despite historical bias towards private colleges, the placement of public TVET graduates is gradually increasing across the MICT Sub-sectors.

CHAPTER 4: SETA PARTNERSHIPS

4.1 Introduction

Chapter 3 explored the extent and nature of demand for skilled labour, the skills gaps that exist and the training available in the MICT Sector. This section explores partnerships within the MICT SETA and responds to the mandate of the Skills Development Act of 1998, which encourages SETAs, as agents of skills development, to establish partnerships with both the public and private Sectors. This is further supported by the NSDP Outcomes, which seek to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development. The MICT SETA views partnerships as critical mechanisms to safeguard the delivery of the skills development mandate. These partnerships are thus intended to promote and sustain interaction between industry and

training institutions to ensure that curricula reflect the changing needs of a dynamic industry. This chapter presents both new and existing partnerships in the SETA.

4.2 An Analysis of Existing SETA Partnerships

The MICT SETA has entered into partnerships with various institutions to advance Sector development and growth. These partnerships are structured into the following typologies:

- Partnerships with TVET colleges
- Partnerships with Universities
- Partnerships for Special Projects
- Partnerships with Industry Vendors
- Partnerships with SMMEs
- Partnerships with Research Institutions

The table below illustrates existing partnerships with TVETs, and programmes supported by the MICT SETA. It is to be noted that in implementing these partnerships, companies that are affected by the COVID-19 pandemic will be prioritised with regard to addressing the emerging skills needs.

Table 15: Partnership with TVET Colleges

Name of TVET	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
Elangeni TVET College	Learnership	Jan 2020 –Mar 2021	The purpose of these partnerships is to ensure that there is equitable participation of people from different backgrounds. They are about being responsive to the low to middle level skills demands of the Sector, serving as one of the many mechanisms in which education and training can become more responsive to employers, learners and the overall socio-economic needs of the country.	The value lies with addressing broad Sectoral low to middle level skills issues that stimulate opportunities for job creation and poverty reduction. They contribute to the transformational gender in terms of prioritisation of race, gender, disability and geographical location.
Flavius Mareka TVET College	Learnership	Jan 2020 –Mar 2021		
Maluti TVET College	Learnership	Jan 2020 –Mar 2021		
Coastal KZN TVET	Learnership	Jan 2020 –Mar 2021		
Coastal KZN TVET	Learnership	Jan 2020 –Mar 2021		
Coastal KZN TVET	Learnership	Jan 2020 –Mar 2021		
South Cape TVET College	Learnership	Jan 2020 –Mar 2021		
Umfolozi TVET College	Learnership	Jan 2020 –Mar 2021		
Umfolozi TVET College	Learnership	Jan 2020 –Mar 2021		
Umfolozi TVET College	Learnership	Jan 2020 –Mar 2021		
South West Gauteng TVET College	Skills Programme	Jan 2020 –Mar 2021	This partnership aims to provide students with the opportunity to apply their learning from academic studies to relevant experiences and reciprocate learning back to their studies.	The value lies in developing professional identity of students, enhance their employability through partnerships between employers and TVETs.
Coastal KZN TVET	Work Integrated Learning	Jan 2020 –Mar 2021		
Buffalo City TVET College	Work Integrated learning	Jan 2020 –Mar 2021		
King Hintsa TVET College	Work Integrated learning	Jan 2020 –Mar 2021		
Northlink TVET College	Work Integrated learning	Jan 2020 –Mar 2021		
King Sabata	Work Integrated	Jan 2020 –Mar		

Dalindyebo TVET College	learning	2021		

Source: MICT SETA Commitment Registers, 2019/20, 2020/21

The partnerships outlined above mainly support Work Integrated Learning placements, but also provide for other workplace-based learning opportunities, such as learnerships and internships. Furthermore, they respond to the NSDP Outcome 2: Linking education and workplace. The reality is that TVETs are not well placed to identify the opportunities for partnership formation. Furthermore, they may lack the resources or skills needed to facilitate the development of partnerships. As a result, the MICT SETA plays a key role in proactively initiating these partnerships which in turn accelerates the realisation of the White Paper for Post-School Education and Training goal which states that TVETs need to enrol 700,000 to 2.5 million students by 2030. Similarly, University partnerships, as outlined below, provide parallel opportunities.

Table 16: Partnership with Universities

Name of University	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
Nelson Mandela Metropolitan University	Bursary	Jan – Dec 2020	The objective of the partnerships with universities is to ensure that support is offered to learners from disadvantaged communities to afford them the same opportunities as their counterparts from affluent backgrounds, while at the same time exposing them to occupations and high level skills that meet the labour market needs.	These partnerships improve the supply of skilled people in the Sector and afford learners from previously disadvantaged backgrounds opportunities to acquire high level skills critical to industry development and growth, thus creating employment for those graduates.
University of Johannesburg	Bursary	Jan – Dec 2020		
Walter Sisulu University	Bursary	Jan – Dec 2020		
Cape Peninsula University of Technology	Bursary	Jan – Dec 2020		
Mangosuthu University of Technology	Bursary	Jan – Dec 2020		
North West University	Bursary	Jan – Dec 2020		
Rhodes University	Bursary	Jan – Dec 2020		
University of Cape Town	Bursary	Jan – Dec 2020		
University of Pretoria	Bursary	Jan – Dec 2020		
University of Free State	Bursary	Jan – Dec 2020		
University of Venda	Bursary	Jan – Dec 2020		
Durban University of Technology	Skills Programmes	Apr – Nov 2020	This partnership aims to equip graduates with the necessary ICT skills to navigate a digital career. Focusing on programmes such as python, java and software development.	The value lies in addressing skills development and job creation within the information and communications technology (ICT) Sector, equipping the youth with relevant skills and making them attractive to prospective employers.

Source: MICT SETA Commitment Registers, 2019/20, 2020/21

The table above confirms that forging mutually beneficial ties with institutions contribute towards addressing industry occupational shortages and skills gaps. While bursaries have been the main partnering mechanism, key developmental and transformational imperatives remain at the heart of the abovementioned partnerships. Learners from previously disadvantaged backgrounds become better positioned to acquire high-level skills in programmes such as Honours, Masters and PHDs, which enables them to compete with those from more affluent backgrounds.

4.2.1 Partnerships for Special Priorities

The table below highlights some of the Special Projects Partnerships which are aimed at maximising the provision of job opportunities and the transformational agenda.

Table 17: Special Project Partnerships

Industry Vendor	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
Department of Communications & Digital Technologies (DCDT)	Short and Skills Programmes – Cybersecurity – Data Science – Drone Piloting – Digital Media – 3D printing Software Development	Jan 2020 - Mar 2021	This partnership is aimed at provision of new technology and innovation skillsets, particularly in relation to 4IR, while at the same time exposing beneficiaries to job opportunities within and beyond the MICT Sector. It is about ensuring that beneficiaries gather innovative skills to compete globally. Through this partnership, the SETA supported 1000 learners for Short Programmes and Skills Programmes some of whom are already in employment while others are still in training.	This partnership better prepares beneficiaries for 4IR, effectively propelling them into innovation environments and exposing them to employment opportunities at both national and international levels.
Unemployment Insurance Fund (UIF)	Labour activation programme through the implementation of Learnership Programmes	Jan 2020 - Mar 2021	This partnership is aimed at prioritising employment and business opportunities, skilling and re-skilling unemployed youth. It is about combating long-term unemployment and poverty reduction. Through this partnership, 3249 learners are trained in various learnership programmes and 4,648 in Skills Programmes.	This partnership will boost skills, create jobs and enable entrepreneurship for unemployed youth. It recognises meaningful benefits for the youth, particularly those from poverty-stricken areas, and goes a long way in addressing unemployment, skills development and stimulates economic growth in the country.
	Labour activation programme through the implementation of Skills Programmes	Jan 2020 - Mar 2021		

Source: MICT SETA Commitment Registers, 2019/20, 2020/21

It is evident from the table above that special project partnerships are of critical importance. It is for this reason that the MICT SETA continues to implement such projects, as it promotes meaningful employment and rapid growth. The table below depicts the MICT SETA partnerships with SMMEs. Similar to special projects, SMME partnerships serve as potential catalysts for employment and sustainable growth.

Table 18: Partnerships with SMMEs

SMMEs	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
143 SMMEs (please see Annexure A, attached)	Work Integrated Learning, Internships, Learnerships, Skills Programmes, Short Programmes	April 2019 – March 2021	The purpose of these partnerships is to ensure that there is equitable participation of people from different backgrounds. They are about being responsive to the low to middle level skills demands of the Sector, serving as one of the many mechanisms in which education and training can become more responsive to employers, learners and the overall socio-economic needs of the country.	The value lies with addressing broad Sectoral low to middle level skills issues that stimulate opportunities for job creation and poverty reduction. They contribute to the transformational gender in terms of prioritization of race, gender, disability and geographical location.

As illustrated in the table above, SMMEs are well placed as critical foundations for the development of skills and the creation of employment opportunities. SMMEs are responsible for up to 70% of formal employment (Francis, 2019). The table below highlights partnerships with industry vendors for the mapping of vendor programmes back to MICT SETA registered programmes.

Table 19: Partnerships with Industry Vendors to Map Qualifications

Industry Vendor	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
QCTO	Occupational qualifications development	April 2012 – December 2023	The objective of the partnership is to develop occupational qualifications.	The value of the partnership lies in the development of occupational qualifications to ensure that the system is more responsive to labour-market skills needs.
CompTIA	Alignment to US	April 2019– November 2020	The objective of the partnership is to develop occupational qualifications.	This partnership is important as it recognizes that there is a need to assist learners in getting their achievements listed on the National Learner Records Database (NLRD).
Microsoft	Alignment to US	February 2019- November 2020		

Source: ETQA, 2019/20

Since the emergence of 4IR, the MICT Sector is witnessing a major shift in the higher education landscape. Thus, the MICT SETA understands that partnering with industry vendors who have high expertise is of paramount importance – furthermore, by partnering with vendors, the MICT SETA has the opportunity to develop meaningful relationships with them. The table below highlights partnerships with research institutions.

Table 20: Partnerships with Research Institutions

Research Institution	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
Redflank	Support for the development of the SETA's Sector Skills Plan (SSP).	March - August 2020	The objective is to increase the SETA's research capacity to develop the SSP.	This partnership will help the SETA to have a more nuanced, grounded long-range view on how the MICT Sector is changing.

Source: SSP, 2020/21

Partnerships that are working successfully

Provision of exposure to relevant training and employment opportunities facilitates learners' transition into the labour market. The model that the SETA uses across all partnerships to ensure successful outcomes is based on collaborative efforts between the SETA and the Sector. It begins with the identification of the right partnerships, delineation of the roles and responsibilities for both parties and the maintenance of constant and open communication in order to mitigate potential risks that can impede the achievement of intended objectives. Figure 21 below depicts the SETA partnership model.

Figure 21: SETA Partnership Model

One of the successful partnerships based on this model was the Mzansi Scuba Diving Academy. This was an "Underwater Photography learnership Programme" that recruited and trained candidates from various townships across South Africa, with the aim of enabling beneficiaries to track sardine migration underwater using photography. This is a skill that is not readily available, more especially amongst South African youth from disadvantaged communities. The value of the partnership was that it addressed a gap this gap. This partnership followed the aforementioned process of organisational assessment, partner selection, partnership building and maintenance and evaluation. Another successful partnership that followed this model was with the Department of Communications and Digital Technologies (DCDT), whose aim was to create a pool of skills sets that respond to the emergence of 4IR. The SETA had to assess and select an efficient partner with a proven track record in implementing a project of this magnitude, ensuring

partnership stability and sustainability throughout implementation and evaluation of the impacts thereof. As a result, this partnership has been renewed and documented in Figure 21 above.

Partnerships that are not working well

TVET colleges in rural areas are lacking in skilled lecturers, infrastructure and alternative centres of excellence. Thus, TVET colleges may at times lack delivery capacity, which impacts negatively on the timeous implementation of programmes. The challenge with Universities is often an administrative one excessive deliberation on and reviewing of SLAs may result in delays with the implementation of programmes. Partnership challenges with employers are often rooted in employers delegating to training providers who are not able to deliver on the mandate of the SETA.

As a way of mitigating the risks of unsuccessful partnerships, the MICT SETA will ensure that selected employers have the necessary capacity to deliver on SLA requirements - support will be offered through constant programme Monitoring and Evaluation, from inception to completion.

4.3 Planned Partnerships

The following table highlights the SETA's planned partnerships.

Table 21: MICT SETA's Planned Partnerships

Industry Partner	Nature of Partnership	Term and Duration	Objectives of Partnership	Value of Partnership
University of Johannesburg	Professional TVET lecturer development programme on the fourth industrial revolution	June 2020 – March 2021	The aim of the partnership is to upskill lecturers in TVET colleges to align their teaching to elements of the Fourth Industrial Revolution (4IR). The partnership consists of blended online and face to face learning programmes, which also consist of short learning programmes. Core to this partnership are: Basics of Data, Programming and Applications, Big data analytics and applications, Virtual Reality (VR), Digital Advertising and Internet of Things (IoT).	The value of this partnership promises to bring increased access to occupationally directed programmes, increased and improved workplace capacity in TVET colleges to produce relevantly skilled graduates and increased support of SMEs within the MICT Sector.
South African College Principal Organisation	Candidacy programmes Bursary programmes	September 2020 – August 2021	This partnership caters for learning opportunities and developmental needs of TVET lecturers to successfully acquire the competency level in fields that lead to professional registration within the MICT Sector.	This partnership has the value to redress past social separation and its effects. It is about enabling those eligible to register and upgrade to a professional status within the MICT Sector. This will also increase and improve workplace capacity in TVET colleges to produce relevantly skilled graduates
KZN Film Commission	Mentorship and learnership programmes	September 2020 – August 2021	The aim of this partnership is to advantage young emerging film makers and producers within closed business environments, enable them to learn from more experienced professionals where networking and personal links are very strong, also neutralize gender bias. This will be supplemented by Learnership programmes that will run for 12 months, where qualifying learners will be trained on the production of films and television programmes.	This partnership has the value to equip learners with the necessary skills that can enable them to compete or evolve further at a national, regional or international level.
Gauteng Department of E-Government	Internship Programmes	September 2020 – August 2021	The aim of this partnership is to expose young emerging professionals, especially from disadvantaged backgrounds to workplace experience. It is about helping them gain skills that	The value of this partnership lies in enhancing skills development, knowledge and experience, with the potential to reduce high rate of

			can be applied to future jobs.	unemployment within the ICT environment by making unemployed graduates employable.

Source: MICT SETA Commitment Registers, 2019/20, 2020/21

Developing relevant and high-quality skills and competencies is the foundation upon which the MICT SETA bases its partnerships on. These planned partnerships respond directly to the gaps that exist in the Sector and serve as responsive mechanisms to 4IR.

4.4 Conclusion

The partnerships highlighted above are essential for the successful advancement of skills development. The SETA understands that these partnerships should be undertaken with the NDP Vision 2030 in mind. Through these partnerships, the SETA will continue to build capacity, ensuring efficient and effective implementation. Transformational imperatives will continue to be a priority – this includes race, gender and people with disabilities. Through these partnerships, the SETA will continue to increase the participation of previously disadvantaged people, especially in rural areas. The partnerships highlighted above show that the MICT SETA is a reflective organisation which has learnt to prioritise quantifiable public goals and stakeholder engagement, thus ensuring transparency and long-term planning.

CHAPTER 5: SETA MONITORING AND EVALUATION

5.1 Introduction

Chapter 4 discussed the implementation of learning programmes through partnerships, the basis upon which this chapter is built. It is vital for SETAs to be able to show tangible results and visible improvements in the implementation of learning programmes. This requires SETAs to continuously review the design and relevance of their programmes, processes and implementation strategies in order to achieve meaningful impact. Monitoring and Evaluation (M&E) is therefore of crucial importance. This chapter will reflect on MICT SETA's approach to M&E, with a focus on the three core divisions: Sector Skills Planning (SSP), Learning Programmes (LPD) and Education and Training Quality Assurance (ETQA). Moreover, it reflects on the previous financial year's strategic priorities and examines the extent to which those priorities were addressed. This chapter also identifies the mechanisms that are in place to address priorities that were not achieved in the previous financial year.

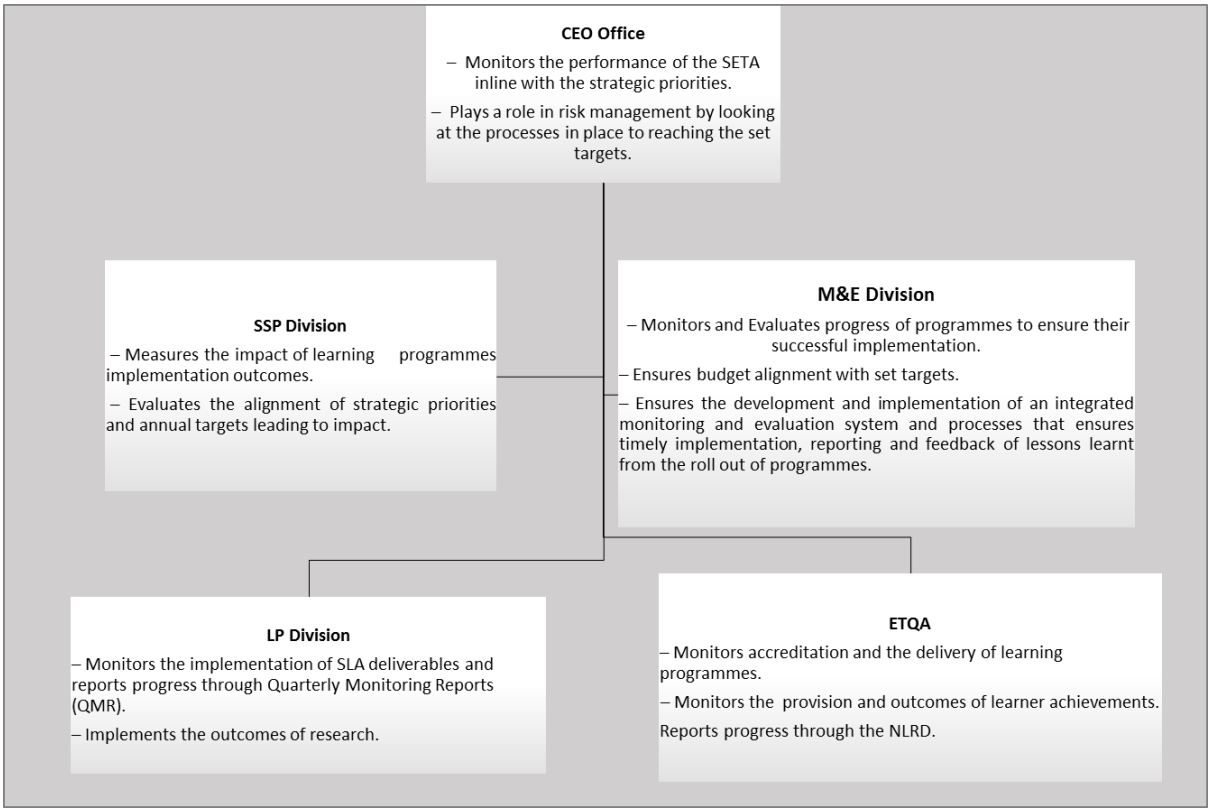
5.2 Sector Skills Planning Reflections

5.2.1 SETA's Approach to Monitoring and Evaluation

For the MICT SETA, monitoring involves a routine process of collecting data to provide information against set targets, it is a systematic assessment of performance against activities, programmes and projects. The MICT SETA employs monitoring to track progress on programme implementation to ensure consistent achievements of agreed upon deliverables. It provides early indications of progress, achievements, and challenges in programmes' implementation (Frankel & Gage, 2007)(Gage & Dunn, 2009). On the other hand, the MICT SETA uses evaluation to measure the outputs, outcomes and impact of programmes and projects. It is considered to be a systematic and objective concept that focuses on the success of predetermined objectives, examining the results chain (inputs, activities, outputs, outcomes, and impacts), processes, contextual factors and causality in order to understand achievements or the lack thereof. It provides information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process (Frankel & Gage, 2007)(Gage & Dunn, 2009).

The MICT SETA uses the Risk Management Strategy across all its core and support functions to monitor and evaluate the implementation of its strategic objectives. The monitoring part is realised through the implementation of research outcomes, Service Level Agreements (SLA) deliverables, and overall quality assurance on delivery of learning programmes. The evaluation part is realised through measuring the impact of learning programmes' implementation outcomes. The SETA has recently established a distinct M&E division to ensure a more systematic and objective approach towards the attainment of strategic objectives and the assessment of their impact thereof. The figure below is a depiction of the SETA's approach to M&E.

Figure 22: MICT SETA's Approach to Monitoring and Evaluation



The **CEO's Office** plays an oversight monitoring role, which goes hand in hand with the principles of risk management. This means that it monitors the organisation against its priority targets by looking at internal and external risks that may delay the organisation in reaching targets. The governance role played by this office is premised on the understanding that without proper risk management, the MICT SETA will not be able to achieve its goals for the future. There is thus an interrelationship between all the divisions, with the SSP division working closely with the CEO's office to define measurable strategic outcomes for the SETA.

The **SSP Division** measures the impact of learning programmes implementation outcomes. This is done through the annual Tracer and Impact (medium to long-term) studies. In addition, the division ensures the alignment of the three strategic Documents: Sector Skills Plan, Strategic Plan, and Annual Performance Plan.

The **M&E Division,** has been recently established, it will ensure a more systematic and objective approach towards the attainment of strategic objectives and the assessment of their impact thereof, will play the role of evaluating programmes at regular intervals to ensure their successful implementation, and will report on lessons learnt from the rollout of the programmes.

The **LP Division** implements the outcomes of research (Sectoral Priority Occupations List). It monitors the implementation of deliverables and tracks progress against targets outlined in the Service Level Agreement through Quarterly Monitoring Reports (QMR) submitted quarterly to DHET.

The **ETQA Division** monitors the provision and the outcomes of learner achievements, culminating in certification. Other Monitoring functions performed by the ETQA include: Monitoring of accreditation, the delivery of learning programmes, learning outcomes of learner achievements, verification processes and reporting through the NLRD.

5.2.2 Monitoring and Evaluation Data to Support Research and Planning

M&E data is important in evidence-based decision-making, and for providing accountability to stakeholders. The following table demonstrates the data used by the three core divisions and the CEO's office:

Table 22: Data Used by Three Core Divisions

Division	Monitoring and Evaluation Data
CEO's Office	• Divisional Management Committee (MANCO) reports • Risk Management Quarterly reports
Sector Skills Planning	• Workplace Skills Planning/Annual Training Reports (WSPs/ATRs)Learning Programmes Impact Study reports
M&E Division	• Quarterly Monitoring Reports (QMR), Fact file reports • Divisional Management Committee (MANCO) reports • Learning Programmes Impact Study reports
Learning Programmes Division	• Quarterly Monitoring Reports (QMR) • Learner Placement reports • Site Vetting Reports
Education, Training and Quality Assurance Division	• Quality Assurance on delivery of learning outcomes • Accreditation/Re-accreditation reports

The monitoring data that is submitted to the CEO's office by the 3 core divisions is used for strategic planning and adjustment where risks are identified. The data is used to identify risks, so that strategies may be conceived and executed to guard against these risks. Through data submitted, management identifies and prioritises critical risks that may have an adverse impact on the SETA.

Most of the Monitoring data from the LPD and ETQA divisions is submitted to the SSP division for evaluation and reporting. The LPD submits QMR reports to the SSP division to undertake Tracer and Impact studies, and the ETQA data is used in research documents such as the SSP - an example of this data is the NLRD data. These studies help the SETA to determine if the programmes implemented are producing the intended results. Learning from past implementations, the SETA prepares mitigation strategies for future implementation. Moreover, ETQA monitors the relevance of qualifications and works with the Quality Council for Trades & Occupations (QCTO) in this regard. This exercise of reporting complements the QMR produced by the LPD, as it allows the SETA to distinguish which qualifications are relevant, thus informing the SETA's funding priorities for qualifications.

5.2.3 Extent to Which Previous Strategic Priorities Were Addressed

In the previous financial year, the MICT SETA had six strategic priority areas. The table below highlights the status of implementation of these strategic priority areas:

Table 23: Status of Implementation of Strategic Priority Areas for 2019

Strategic Priority	Status of Implementation
Priority 1: Enablement of the Fourth Industrial Revolution (4IR)	This priority action responded to NSDP outcomes 1 and 2 and relates to the role the MICT Sector plays in the development of technologies and products related to 4IR. In response to the change brought about by 4IR, the SETA partnered with the University of Johannesburg to upskill lecturers in TVET colleges to align their programmes to 4IR. The partnership consisted of blended online and face to face short learning programmes. Core to this partnership was delivery on; Basics of Data, Programming and Applications, Big data analytics and applications, Virtual Reality (VR) and Digital advertising. Furthermore, the SETA partnered with Deviare and the Department of Communications & Digital Technologies (DCDT) in providing Short and Skill programmes in cybersecurity, data science, drone piloting, digital media, 3D printing and software development. Though, some of the aforementioned programmes are completed and beneficiaries already in workplaces, some are still in progress.
Priority 2: Improved access to and take-up of training for priority skills	This priority action responded to NSDP outcomes 1 and 2 and was aimed at ensuring access to and delivery of priority skills. The SETA collaborated with industry and ensured implementation of set targets through the allocation of discretionary grants. Furthermore, the SETA ensured delivery of learning programmes in accordance with the Service Level Agreements. Programmes that were prioritised addressed Sectoral occupational shortages and skills gaps that were 4IR focused. Special attention was given to programmes such as Work Integrated Learning and Internship programmes were prioritised as they provided effective bridges into employment. Furthermore, the SETA supported enrolments on short and targeted programmes that focused on addressing specific and immediate skills gaps to stimulate direct employment.

Priority 3: Expand skills development to rural areas	This priority action responded to NSDP outcome 8, which is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The SETA provided career and vocational guidance to rural communities and collaborated with TVETs and industry in implementing programmes, some of which were 4IR focused. Furthermore, the SETA assisted aspirant skills development providers to attain accreditation and deliver on MICT SETA programmes.
Priority 4: Inclusivity through technology skills development	This priority action responded to NSDP outcomes 1 and 2 and was aimed at provision of skills development programmes that address transformational targets for women learners, learners with disabilities and rural learners. Thus far, the SETA partnered with Deaf Empowerment Firm (Pty) Ltd (DEF) to empower the deaf youth through the coding learnership and skills programmes. Furthermore, the SETA supported skills development providers to successfully develop e-learning platforms as delivery platforms by ensuring that the content that they placed on the platforms were fittingly aligned to the qualification outcomes and broader NQF principles so that learners are certified on completion and records submitted NLRD.
Priority 5: SMME Support, particularly with regard to 4IR	This priority action responded to NSDP outcome 6, which is aimed at providing support to SMMEs. Previously, the SETA always ensured that SMMEs were supported through the allocation of discretionary grants to implement learning programmes that address occupational shortages and skills gaps. For this reporting period, the SETA had 309 agreements with SMMEs to implement various learning programmes and this collaboration has been quite beneficial for both parties.
Priority 6: Cross-Sectoral partnerships and projects in the delivery of learning interventions	This priority action responded to NSDP outcome 5 with the aim of partnering with strategic role players in the implementation of cross-Sectoral programmes. For this reporting period, the SETA partnered with Mzansi Scuba Diving Academy to implement the Underwater Photography programme which was related to both the MICT and transport Sectors. This was a great and beneficial programme as learners who completed went into immediate employment.

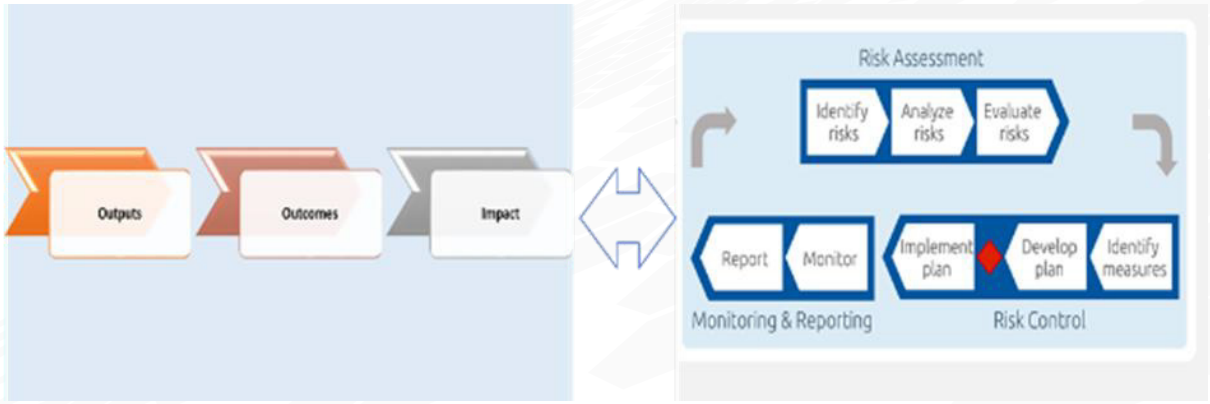
It is evident from the table above that the SETA committed itself to the implementation of its key strategic priority areas. The MICT SETA ensured that the above mentioned key strategic priorities interphase with its key strategic outcomes, ensuring that all these priority areas were integrated with performance indicators, measuring and reporting on their achievement. The SETA will continue to focus on strategic priority areas through partnerships with critical interest groups to ensure that occupational shortages and skills gaps are addressed, and their impact measured for continuous improvement.

5.3 Plan of Action

5.3.1 Mechanisms that Need to be Placed to Address Key Strategic Priority Areas

M&E is important for organisations such as the MICT SETA to assess programmes and projects. The structure of the M&E Division, which is currently being established, will comprise of a Research, Monitoring and Evaluation Manager, a Monitoring and Evaluation Advisor, and a Monitoring and Evaluation Administrator. This will allow the SETA to recognize where strategic changes should be made. This will be complemented by the Risk-Informed Monitoring and Evaluation Plan as seen below in figure 23.

Figure 23: Risk Informed Monitoring and Evaluation Plan



The above plan is a depiction of how the MICT SETA monitors its performance against set targets. Monitoring is an integral part of the risk management decision making processes, meaning that every step

of the risk management process may be related to the Monitoring. The monitoring element from the core divisions, specifically the LPD and ETQA will be assessed from an input, process/activities and up to an output level. Moreover, risk management will be key in monitoring and reporting. The SSP and M&E division will assess the data submitted at both the outcome and impact level, this will be the level where evaluation will be implemented.

5.3.2 Measures to Ensure Current Priorities are achieved

M&E, and Strategic Management should not be viewed as two separate functions, as they are both concerned with supporting fundamental decisions and actions which shape and guide the organisation. The SETA will establish innovative and strategic partnerships with public institutions, centres of specialisation, SMMEs and industry at large for maximum impact on Sectoral growth and sustainability. Key Priority Areas will be aligned to the APP, which could translate into an SLA between the MICT SETA and DHET. Moreover, the SETA will ensure that there are up to date and fit for purpose programmes which respond to skills development needs at hand, with a special focus on 4IR.

5.4 Conclusion

This chapter highlighted the SETA's approach to M&E, and demonstrated how data in relation to the concept is applied - this was useful in understanding how decisions are made, and to establish whether the existing M&E function contributes to decision making. The chapter highlighted the work of the various divisions in leveraging M&E to improve delivery of learning interventions. It was noted that the monitoring function is complemented by the risk management element. The SETA is confident that a dedicated M&E function, intertwined with risk management will strengthen the SETA's ability to detect threats and opportunities for improvement, and respond appropriately with higher degrees of flexibility.

Chapter 6: Strategic Skills Priority Actions

6.1 Introduction

Although there has been widespread transformation of the Sector's labour market, in particular the nature of skills demanded, there is some ambiguity about the extent to which these are fundamental shifts in the sectoral structure of the economy, and what the response from the training and education perspective should be. This section summarises the key findings that have emerged from the 2020/21 SSP, which in turn point to the strategic objectives of the MICT SETA and its stakeholders over the next period. This chapter is informed by the 5 preceding chapters, which are in turn informed by consultations and literature review. The recommended priority actions were drafted with strategic input from MICT SETA senior management and policy directives such as the NSDP.

6.2 Key Skills Findings from Previous Chapters

In Chapter 1 it was outlined that the MICT Sector is made up of 28 829 employers, the vast majority of which are small businesses. This will have an impact on training opportunities. Although there are fewer large and medium sized employers, resulting in limited large-scale learnership and internship programmes, smaller companies are perceived to be intensive incubators and mentors for entrants in the Sector.

In general, as all the Sub-sectors experienced growth, the MICT Sector has experienced growth over the 2019/20 period. However, this is expected to take a downturn as the year progresses and the impact of the COVID-19 pandemic becomes clearer. Gauteng, Western Cape, and KwaZulu Natal account for almost 90% of all employees in the Sector. Employment has steadily increased over the past three years and Information Technology continues to be the largest Sub-sector.

Chapter 2 illustrated that the MICT Sector is dynamic and in constant technological flux. Thirteen 4IR technologies were studied as drivers of change in the Sector, with Artificial Intelligence (AI), Cloud Computing, Big Data, 5G and the Internet of Things (IoT) coming up strongly as the biggest change drivers in the Sector. From the drivers of change, the challenges and implications for skills development, with a focus on change brought about by the fourth industrial revolution (4IR), were identified. South Africa still lags behind in terms of adopting 4IR technologies and a major contributor to this is the lack of appropriate qualifications in 4IR related fields. Thus, 4IR introduces new opportunities for training and as new hardware and software products appear on the market, these need to be accompanied with the upgrading of courses.

Current economic growth in the Sector is arguably driven by a consumer market with an appetite for imported electronics, particularly cell phones. This may increase demand for skilled labour in sales and

marketing. At the same time, investing in high-end skills in research and development could activate a new economy in this regard.

In Chapter 3 it was highlighted that skills gaps include business etiquette, certified skills (e.g. CompTIA A+), financial management, communication, leadership, and Python, amongst others. The most hard-to-fill-vacancy is Software Developer, followed by Computer Network and Systems Engineer. Completing the sectoral priority occupations list is ICT Sales Representative.

Enrolments and completions in MICT qualifications decreased in 2019, however, the qualification Information Technology: Technical Support (NQF 4) drew the most enrolments. The SETA is working on developing a number of up-to-date qualifications, including those that speak to 4IR related occupations.

There continues to be a high demand for vendor programmes and online courses. These include both short courses that have high price tags and longer, more generalised, courses that can be accessed through TVET colleges and HEIs. The MICT SETA has begun a process of mapping vendor programmes against NQF levels.

In Chapter 4, the various partnerships that MICT SETA has entered into with professional, academic and government partners were discussed. These include partnerships to provide learning programmes and increase research capacity and access to learning programmes.

Chapter 5 explored the SETA's M&E approach and articulated the functions of the various divisions of the SETA in M&E. Although all three core divisions play, to some extent, a monitoring function, the SSP division consolidates the three divisions and conducts evaluations as well. M&E is also intrinsically linked to Risk Management as handled by the Office of the CEO. A plan of action was also presented on how the SETA intends to achieve its priorities.

6.3 Recommended Priority Actions

The following sets out the proposed broad skills development objectives for the Sector. These areas are intended to include efforts made broadly by MICT Sector stakeholders.

Table 24: Recommended Priority Actions

Outcome/Priority Area	Description
1. Credible labour market information that accurately identifies occupations in high demand.	The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated in order to improve the trustworthiness of data used for skills planning purposes. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities and acclaimed research institutions. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions through a number of platforms, with online distribution being the main platform. The targeted audience will be unemployed learners and those already in employment seeking to progress to identified occupational shortages and skills gaps to ensure meaningful and sustainable employment.
2. Enablement of the Fourth Industrial Revolution (4IR).	The MICT Sector key skills change drivers articulated in Chapter 2 are all centred on 4IR technologies. In response to the change brought about by 4IR, the SETA will provide support to enable the Sector to play a key role in the development of technologies and products related to 4IR. This will be achieved through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. In recognising and planning for occupations that are on the National List of Occupations in High Demand-and linked to 4IR-this priority action fulfils NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples of which include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace. The impact of COVID-19 in relation to the enablement of 4IR cannot be ignored therefore, in implementing 4IR priority programmes, companies that have been, and will be impacted by COVID-19 are also accounted for in SETA strategies. This is seen through its inclusion in the SETA's 2020/21 Strategic Plan and Annual Performance Plan – going forward, COVID-19

	considerations will be integral to the planning process for the SETA.
3. Increased access to, and delivery on occupationally directed priority programmes that link education and the workplace.	The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. The COVID-19 phenomenon has been taken into consideration with regard to the SETA's strategic planning and has been acknowledged as a catalyst for the necessary 4IR related skills development. One of the key strategies the SETA will employ is the expansion of opportunities for Work Integrated Learning and Internship programmes as they provide effective bridges into employment and the general world of work. Furthermore, the SETA will support uptakes on short and targeted programmes focused on addressing specific and immediate skills gaps that stimulate direct employment and sustainable growth. The SETA needs to look into funding more professional qualifications as part of learnerships and skills programmes as they afford learners a greater chance of employability, such programmes include CISCO and CompTIA A+ which are linked to Technical Support and Systems Support programmes. Addressing NSDP outcome 8, learning pathways need to be communicated with learners in schools, colleges and universities as well as those already employed in the Sector who wish to seek entry to occupations that present other opportunities for employment in the Sector. This will be done through the publication of the MICT SETA career guide as well as through partnerships with industry stakeholders. Online platforms and tools will be utilised to expand on this. Improved access and awareness of MICT Sector programmes in previously disadvantaged areas will also be a focus for the SETA, speaking to NSDP outcomes 1 and 2.
4. Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.	The SETA will identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to collegelecturers and training opportunities on curriculum related studies to college managers for their continuous development and for them to be adept with industry technological advancements. The SETA will establish offices in some TVET colleges to ensure accessibility and reach, ensuring that those TVETs are duly accredited to offer the SETA's high-demand occupational qualifications. In all this, the development of skills that enable 4IR occupations and specialisations will be the main focus. All these initiatives will ensure gradual growth of the public college system, eventually ensuring that TVETs become fit for purpose skills development providers and institutions of choice.
5. Increased and focused skills development for rural and marginalised communities to ensure inclusivity through technology skills development.	The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The MICT SETA strategy aims to respond to the President's Youth Employment Service, which is known as the "YES initiative". It aims to address the most pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth. There are currently more males (58%) employed in the MICT Sector than females (42%). This gap is slowly closing, and the SETA will continue encouraging transformation in the Sector by placing focus on providing increased funding and skills development opportunities to African and female learners. This priority intends to scope the skills development needs and priorities of rural communities, provide career and vocational guidance, support government in addressing e-governance issues and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will thus collaborate with

	developmental organisations such as USAASA and industry in initiating and implementing focused Rural Development Projects on an annual basis.
6. Support for SMMEs, Entrepreneurship and community-based organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.	In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: the ability of an SMME to obtain funding for skills development; whether or not it is a levy paying company; the flexibility and accessibility of programmes that recognises the difficulty that small companies have in releasing staff for long periods; the difficulties that small companies have in meeting requirements for learning programmes implementation; and the potential for established larger companies in the Sector to mentor and provide incubator opportunities to smaller less well established businesses. Furthermore, the SETA needs to intentionally formalise partnerships with other SETAs through meaningful engagements in order to synchronise contrasting mindsets and interests. This will assist in reaching common ground for both parties to work together to reach a common outcome and long-term viability for stakeholders. These partnerships are especially important now, during the COVID-19 phenomenon (the impact of which will outlast the pandemic) as SMMEs are in a more vulnerable position attempting to keep up with 4IR trends and technology in order to stay relevant in the current MICT Sector environment. These partnerships will play an imperative role in enabling these SMMEs to sustain their businesses. Addressing NSDP outcome 6, training interventions focused on developing key skills relating to 4IR will be made available to SMMEs and community-based organisations to allow for those active in 4IR or related fields to develop more specialised or adjacent skills. This will help further innovation and commercialisation of 4IR technologies in South Africa, further encouraging local production and gradually increasing exports.
7. Improved quality of education to address programmes in high demand within the MICT Sector.	The focus will be on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. These include occupations such as software tester, network engineer and ICT security specialist. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and increase the number of accredited skills development providers offering occupational qualifications in high demand on an annual basis. Such 4IR occupations which require qualification development are in cloud computing, cybersecurity, artificial intelligence, data science and robotics and automation, amongst others. Where the relevant qualifications and training courses exist, the SETA will encourage enrolment in them, particularly for middle and high-level skills. Where qualifications and courses need to be developed, the SETA will work with industry, relevant academic and research institutions and other critical interest groups to map-out and develop programmes that respond to such new technological imperatives for sustainable growth of the Sector.

6.4 Measures Planned to Support National Strategies and Plans

The MICT SETA works with its various partners to support the achievement of the NDP objectives. Through continued funding of bursaries at research level, the SETA endeavours to propel the Sector's innovation system. The MICT SETA strives to be a reliable skills development partner that promotes growth in requisite skills (this is especially important now with the occurrence of COVID-19 and the catalyst effect it is having on the enablement of 4IR). To the effect of attaining the NDP objectives, the MICT SETA will leverage its partnerships with industry to drive innovative research and offer opportunities to small business, to enable them to play a significant role in the country's manufacturing and technology ecosystem. Equal focus will be channelled towards continued support for SMEs through more focused internships and incubation programmes. The table below shows this effort by the SETA.

Table 25: MICT SETA's Efforts to Support National Strategies and Plans

Planning Priority	*Priority Action*
National Development Plan	The MICT SETA together with stakeholders in the NSI will engage in processes to help commercialise research. The SETA strategic plan emphasises provision of financial and non-financial support to SMMEs, NGOs, NLPEs, CBOs. Partnerships with stakeholders like SEDA to encourage incubation would play a key role in achieving sustainability and growth of small businesses in the Sector.
White Paper on Post Schooling Education and Training	The White paper calls for an integrated post schooling and education system and an efficient skills development system. Many of the targets identified in the White Paper have found expression in the NDP. The MICT SETA will ensure expanded access to TVET and University education through bursaries.
National Skills Development Plan (NSDP)	In the new planning cycle, the MICT SETA responds to the NSDP outcomes by determining and addressing occupations in high demand, strengthening TVETs, CETs and work integrated learning (WIL), increasing the number of workers trained and supported and supporting SMMEs, Cooperatives and rural learners. These outcomes are pursued by the SETA in the Recommended Priority Actions above. In addition, there are efforts to mainstream provision of vendor type as well as SETA accredited programmes, especially at NQF 4 through partnerships with TVET colleges.
Strategic Integrated Projects (SIPs)	There is a need for a skill development package that includes skills programmes for those who will be entrusted with managing the broadband infrastructure. MICT SETA will, through its skills development interventions, endeavor to support the SIPs.
New Growth Path (NGP)	Some of the programmes identified in IPAP find expression through the Strategic Integrated Projects. As stakeholders in the Sector start to engage in these programmes, the MICT SETA's role as a skills development partner will become more pronounced, ensuring that requisite skills are developed.
Industrial Policy Action Plan (IPAP)	Some of the programmes identified in IPAP find expression through the Strategic Integrated Projects. As stakeholders in the Sector start to engage in these programmes, the MICT SETA's role as a skills development partner will become more pronounced, ensuring that requisite skills are developed.
National Integrated ICT Policy White Paper	The MICT SETA seeks to support this planning priority through managing supply-side issues and infrastructure roll-out, including supporting work done in scarce resources such as spectrum and interventions to facilitate open access and rapid deployment of infrastructure. The SETA commits itself to facilitating multi-stakeholder participation in the drive for an inclusive digital economy.

6.5 Conclusion

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of Sector-related changes and developments. Currently, two of the most important Sector-related developments being taken into account by the SETA, is that of COVID-19 and 4IR with regard to its impact on skills development and the stakeholders within the Sector. Therefore, the skills development interventions that the MICT SETA will be implementing provide the most relevant and up-to date learning programmes that afford learners the opportunity to acquire skills that are appropriate to economic and societal needs. The priority actions identified in this plan find expression in the MICT SETA Strategic Plan and Annual Performance Plan and will serve as a guide for the SETA in support of national and sectoral objectives in the best manner possible. Furthermore, the alignment of future strategically oriented SETA plans will also serve to strive towards the achievement of the abovementioned priority actions.

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PART B-

STRATEGIC PLAN FOR THE YEARS 2020-2025

Accounting Authority Statement

The South African skills development landscape is entering its fourth phase through the introduction of the National Skills Development Plan. The MICT SETA Strategic Plan provides a clear path towards achieving the skills development outcomes within the MICT sector. This Strategic Plan is a five-year plan aimed at supporting the sector in developing demand-driven skills that promote creativity and innovation for provision of meaningful employment, entrepreneurship and overall sectorial growth.

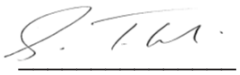
The main change driver that has immense implications on skills planning with the MICT sector is the advent of the Fourth Industrial Revolution (4IR). The need for 4IR related skills has been clearly identified in the MICT SETA Sector Skills Plan (SSP). Furthermore, broad categories of critical skills gaps exist amongst employees working across the five sub-sectors, they include Customer service, leadership, management, professional, Production efficiency skills.

As the MICT SETA Strategic Plan is informed by its SSP, the SETA will collaborate with employers, service providers, government and the community at large to channel available resources into creating the pool of talent that matches demand for such skills and those that brought about by technological advancement as outlined in the SSP. Aligning this Strategic Plan and those of the SETA's respective partners will ensure immeasurable contribution towards addressing occupational shortages and skills gaps within and beyond the MICT sector.

The combined efforts from all stakeholders to produce this Strategic Plan are acknowledged and gratefully appreciated. The following deserves special mention:

- The Ministerial representatives on MICT SETA's Board
- Industry, via representation on MICT SETA's Board
- Organised Labour, through representation on MICT SETA's Board

Sharing of knowledge is the catalyst for achieving South Africa's skills development potential and economic growth.



Simphiwe Thobela
Chairperson: Accounting Authority

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Media Information and Communication Technologies Sector Education and Training Authority (MICT SETA) under the guidance of the MICT Board and the Department of Higher Education and Training;
- Takes into account all the relevant policies, legislation and other mandates for which the MICT SETA is responsible;
- Accurately reflects the strategic outcome oriented goals and objectives which the MICT SETA will endeavour to achieve over the period 2020-2025.

Programme 1: Administration

Sub- Programme 1.1: Finance:	Tiny Mokhabuki	Signature:
Sub-Programme 1.2: Corporate Services:	Matome Madibana	Signature:
Sub- Programme1.3: Information Technology	Moloti Nkune	Signature:
Sub- Programme 1.4: Monitoring and Evaluation	Ernest Nemugavhini	Signature:
Sub- Programme 1.5: Governance:	Ayanda Manqele	Signature:
Programme 2: Sector Skills Planning:	Sekgana Makhoba:	Signature
Programme 3: Learning Programmes:	Sithembiso Hlongwane:	Signature:
Programme 3: Sub- Programme 4IR	Gugu Sema	Signature:
Programme 4: ETQA:	Matome Madibana	Signature:

Mdu Zakwe

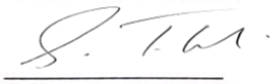
Chief Executive Officer

Signature:

Approved by:

Simphiwe Thobela

Chairperson: Accounting Authority

Signature: 

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PART A: MICT SETA MANDATE

1. CONSTITUTIONAL MANDATES

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) has been duly considered during the development of this Strategic Plan and the MICT SETA will ensure compliance with all sections of the Constitution and specific focus will be on:

1.1 Promoting and maintaining high standards of ethics (Section 195 of the Constitution of the Republic of South Africa, 1996)

The MICT SETA will continue to implement fraud prevention, detection and response strategies in its drive to promote ethics and fight fraud and corruption when delivering its mandate.

1.2 Providing service impartially, fairly, equitably and without bias (Section 196 (4) of the Constitution of the Republic of South Africa, 1996)

The MICT SETA will ensure accessibility and accuracy of information to its stakeholders. The SETA has over the years provided equitable opportunities to vulnerable groups in the society, particularly black people, women and persons with disabilities to access skills development opportunities within the MICT sector.

1.3 Utilising resources efficiently and effectively(Section 195 of the Constitution of the Republic of South Africa, 1996)

The MICT SETA will continue to ensure accountability, transparency, and value for money, ensuring that available resources are used effectively and efficiently without wastage, and in a way that optimises the public benefit. This will be done with fairness and integrity.

1.4 Responding to people's needs; the citizens are encouraged to participate in policy-making(Section 195 of the Constitution of the Republic of South Africa, 1996)

In complying with this mandate, the SETA will ensure that its stakeholders' needs are responded to, and in accordance with available resources at its disposal. The MICT SETA will continue to promote a people centred approach, characterised by equity, equality, and a strong code of ethics. Respective stakeholders will be included in its structures to provide opportunities for collective decision making.

1.5 Rendering an accountable, transparent, and development-oriented administration (Section 195 of the Constitution of the Republic of South Africa, 1996)

The SETA will continue to deploy effective, efficient and transparent systems for financial management, risk management and overall internal controls. Constant monitoring and risk mitigation processes will ensure achievement of MICT SETA's objectives and good governance practices. The MICT SETA will promote representation, equity and eliminate all forms of discrimination in compliance with the relevant legislations.

2. LEGISLATIVE AND POLICY MANDATES

- Skills Development Act 1998 (Act No 97 of 1998) as amended
- MICT SETA Constitution
- Skills Development Levies Act, 1999 (Act No 09 of 1999)
- Regulations published in the Government Gazette, No. 35940, 03 December 2012 regarding Monies Received by a SETA and Related Matters
- The National Qualifications Framework Act, (Act No. 67 of 2008)
- Public Finance Management Act (Act No 29 of 1999)
- Employment Equity Act, 1998 (Act No 55, 1998)
- Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).

2.1. The Skills Development Act 1998 (Act No 97 of 1998) as amended:

The MICT SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998). In contributing to the objectives of this Act, this SETA will support skills development within its sector by:

- implementing its Sector Skills Plan
- promoting Learnerships in each of its sub-sectors
- performing the functions of an Education and Training Quality Assurance Body
- liaising with the National Skills Authority on skills development matters
- concluding a service level agreement with the Director-General of the Department of Higher Education and Training in terms of section 10A of the Act
- promoting the national standard established in terms of section 30B of the Act
- submitting budgets, reports and financial information that are required in terms of the Public Finance Management Act, 1999 to the Director-General of the Department of Higher Education and Training.
-

2.2 MICT SETA constitution

Further to the SDA mandate outlined above, the MICT SETA Constitution published in Government Gazette no. 35336 of 11 May 2012 commits the SETA to:

- Facilitate the involvement of line function government departments in SETA activities
- Promote SMME training to enable them to qualify for public contracts
- Perform any duties imposed by the Act and to actively pursue concrete measures to achieve the objectives of all applicable Acts.

2.3 The skills development levies act, 1999 (act no 09 of 1999) as amended:

The Skills Development Levies Act requires the MICT SETA to use all monies received in terms of the Skills Development Levies Act to administer the activities of the SETA. The MICT SETA will pay all compliant employers within its sector their mandatory grants. It will implement its SSP and APP as contemplated in the Treasury Regulations through the allocation of the discretionary grants, and in accordance with the Skills Development Levies Act.

2.4 Regulations published in the government gazette, no. 35940, 03 December 2012 regarding monies received by a seta and related matters:

The MICT SETA will comply with Government Gazette, No. 35940 Regulations when administering all levies received from employers falling within its sector in the following manner:

Table 1 : Grant Breakdown

Total levies received by a SETA	**80%**
Mandatory grants	**20%**
Discretionary Grants	**49.5%**
Administration	**10.5%**

2.5 The National Qualifications Framework Act, (Act No. 67 of 2008)

The objectives of the NQF are to create a single integrated national framework for learning achievements; facilitate access, mobility and progression within education, training and career paths; enhance the quality of education and training; accelerate the redress of past unfair discrimination in education, training and employment opportunities. In contributing to the afore-mentioned objectives, the MICT SETA will support its sector through the allocation of 80% of its discretionary grants to implement NQF aligned PIVOTAL programmes in the form of Learnerships, Skills Programmes, Bursaries, Work Integrated Learning and Professional programmes.

2.6 Public Finance Management Act (Act No 29 of 1999)

The Public Finance Management Act (PFMA) requires all public entities to ensure financial prudence and good governance. The MICT SETA as a public entity will ensure that all revenue, expenditure, assets and liabilities entrusted to it are managed efficiently and effectively. The MICT SETA will manage the budget preparation process; monitor the implementation and report to National Treasury accordingly. Furthermore, the MICT SETA will ensure compliance with the PFMA by establishing banking accounts, use all monies received in terms of the Skills Development Levies Act to:

- Administer the activities of the SETA
- Pay employers their mandatory grants
- Implement its SSP and APP as contemplated in the Treasury Regulations issued in terms of the Public Finance Management Act, through the allocation of the discretionary grants
- Transfer any unclaimed mandatory funds and any interest earned thereon each financial year into the discretionary fund.

The MICT SETA will allocate 80% of its available discretionary grants within a financial year to PIVOTAL programmes that address occupational shortages and skills gaps in its sectors in compliance with these Regulations. The MICT SETA has set out in its APP a reasonable estimate of discretionary grants that will be available in the sector for training on industry skills needs in accordance with these legislations.

2.7 Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017

Section 217 of the Constitution of the Republic of South Africa states that when an organ of state in the National, Provincial or Local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective. Furthermore, it stipulates the need to implement a Procurement Policy that will provide for categories of preference in the allocation of contracts; and the protection or advancement of persons, or categories of persons disadvantaged by unfair discrimination. The purpose of the Preferential Procurement Policy Framework Act is to promote an inclusive economy and to ensure that Small Medium and Micro enterprises are afforded more opportunities in government procurement. The MICT SETA will ensure full compliance with this legislation in order enhance participation for inclusive economy.

2.8 Employment Equity Act, 1998 (Act No 55, 1998)

The main purpose of the Employment Equity Act is to achieve equality in the work place by promoting equal opportunity and fair treatment through the elimination of unfair discrimination, implementing positive measures (affirmative action) to ensure the equitable representation of black people, women and people with disabilities at all levels in the workplace. In contributing to the decrees of this Act, the MICT SETA will ensure that steps to prevent discrimination in any employment policy or practice are taken. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status and religion amongst others will be curbed at all times.

2.9 Broad-Based Black Economic Empowerment

The Broad-Based Black Economic Empowerment (B-BBEE) protocol has an important influence on the MICT sector. The Broad-Based Codes of Good Practice were launched in 2007 and provided a framework for measurement of B-BBEE in terms of the BEE Act 53 of 2003. Although the 2007 codes encouraged voluntary compliance with B-BBEE, the current codes appear to be punitive in nature. The codes, which came into effect in 2015, provide some guidance in dealing with various elements. Skills Development has been classified as a priority element and thus the measurement principles cannot be deviated from, yet the sector (e.g. through a revised ICT charter) can adjust targets and weightings.

As a priority element, a sub-minimum of 40% of the total weighing points must be achieved. This means employers will be obliged to score at least 8 out of a possible 20 points on the Skills Development Scorecard. Failure to achieve sub-minimum results in overall BEE score being automatically docked by one level. The target for skills development is 6% of payroll, which is an increase from the previous codes' 3%. The 6% however can be spent on both employed and unemployed persons although the training must mirror the economically active population of the province or region in which the business operates.

The MICT SETA constantly engages with employers in the sector as well as with industry bodies to advance B-BBEE in the sector. Given that internships are now fully recognised on the same level as Learnerships in the score card (as well as placement after completion), the SETA will intensify its support for employers implementing both programmes for B-BBEE purposes while at the same time addressing youth unemployment challenges. Additionally, the SETA will continue to align vendor programmes with the NQF registered programmes for employers to benefit in terms of B-BBEE while at the same time, maximising support in addressing their skills needs.

3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE YEAR PLANNING PERIOD

South Africa's development strategy is underpinned by the National Development Plan (NDP) which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of "levers", "pillars" or policy interventions that are understood to contribute to this planned growth. As an integral part of the South African society, the MICT sector is impacted by various national strategies and plans and it therefore needs to respond to those by addressing skills development challenges within its context. The government's key planning policies and priorities that impact the MICT sector, a brief description of how each will be provided for and the implications for the sector are outlined below:

3.1 National Development Plan

The NDP Vision 2030 (November 2011) identifies as one of the core priorities: reducing unemployment to 6% by 2030. The intention is to increase the number of people in employment from the current 13-14 million to around 24 million in that period. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of this Plan, the MICT has identified the following areas of action to be supported through its learning interventions:

- A larger, more effective innovation system closely aligned with firms that operate in sectors consistent with the growth strategy
- Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators
- An expanded skills base through better education and vocational training
- Business incubation for SMEs generally and the expansion of business services in particular as priority actions for growth and development.

The MICT sector is at the centre of the National System of Innovation (NSI) and would thus have to play a leading role in supporting effectiveness and efficiency so that the economy could grow at the requisite levels to achieve NDP objectives. Through continued funding of bursaries at research level the MICT endeavours to propel the sector's innovation system. Similarly, equal focus will be channelled towards continued support for SMEs through more focused internship and incubation programmes. TVETs will also continue to receive particular attention in order to ensure expanded technical skills through vocational training.

3.2 NDP Five Year Implementation Plan: Medium-Term Strategic Framework (MTSF)

The NDP five-year implementation plan promotes the Medium-Term Strategic Framework (MTSF) which is a prioritization framework to focus the government's efforts on a set of manageable programmes, and provides guidance regarding the allocation of resources across all spheres of government. In contributing to the MTSF, the MICT SETA will continue to prioritise specific NDP targets when allocating resources at its disposal. This will be done through strengthening integrated planning with its stakeholders, and ensuring collaborations and partnerships in planning. The realization of national development priorities requires that all sectors develop and implement sector plans that are aligned to the NDP, guided by a common planning approach, hence the aforementioned planning collaborative efforts.

3.3 Monitoring Framework for NDP Five-Year Implementation Plan

The development of an effective monitoring and evaluation framework is crucial for the successful implementation of any programme, particularly for the NDP in this instance. The MICT SETA values the importance of monitoring and evaluation, and will continue to use it to assess progress made towards the achievement of targets and to measure impact in the long-term.

3.4 Industrial Policy Action Plan (IPAP)

IPAP has identified a number of priority sectors which it aims to support for development in the country. Those that have a direct link with the MICT sector include:

- Facilitate the upgrade of manufacturing facilities and capabilities to increase domestic production and growth of exports
- Green industries
- Commercialisation of technologies
- Skills development for the business process outsourcing sector

As stakeholders in the sector start to engage in these programmes, the MICT SETA would continue to be a skills development partner, ensuring that along the way the requisite skills are being developed. Similarto the NDP objectives, the MICT SETA will leverage its partnerships with industry to drive innovative research in areas such green skills that also offer opportunities to small business to play a significant role in the country's manufacturing and technology ecosystem.

3.5 White Paper on Post Schooling Education and Training

The White Paper envisages an expanded, effective and integrated post-school system in South Africa. It is premised on achieving:

- Expanded access to TVET and university education;
- Establishment of community colleges and skills centres to mainstream vocational education and training;
- Establishment of a national skills planning mechanism within DHET;
- A strengthened NSA to perform a monitoring and evaluation role in the skills system;
- Opening up workplaces to give more youth access to work integrated learning opportunities.

The white paper further notes that, in future SETAs will be given a clearer and to some extent, a narrower and more focused role. In supporting the White Paper's calls for an efficient skills development system, the MICT SETA engages in a rigorous strategic planning process that ensures the delivery of technical and vocational skills demanded by its sector and the broader economy. The SETA will continue to strengthen its partnerships with TVETs and industry in order to deliver middle level technical skills through expanded access to internships programmes and work integrated learning.

3.6 The National Integrated ICT Policy Review Report

The National Integrated ICT Policy Review Report (final) was published in March 2015. It made a number of recommendations on skills development in anticipation of infrastructure rollout:

- Widespread basic technology skills to take advantage of universal access to broadband and increase demand for ICT products and services;
- Public service skills to ensure public servants in all three tiers of government are adequately skilled to drive more efficient delivery of services using Government-to-Business, Government-to-Government, Government-to-Citizen and Citizen-to-Government modes;
- A diverse skills base across professions, from both user and ICT developer perspectives, which catalyses the growth of ICT-enabled industries;
- A sufficient supply of skilled professionals, researchers and innovators to build the ICT products and services industry, so that we are not dependent on the import market; and
- Skills development to ensure the anticipated infrastructure expansion is built, serviced and maintained by a majority South African workforce.

All of the above are emphasised in SA Connect which provides for interventions within the basic education and post-school sectors, in government and adult e-literacy as well as youth development and sectoral programmes. The MICT SETA, in developing learning programmes, will align to the goals of this plan, with emphasis on advocating the creation of a dynamic and connected information society and a vibrant knowledge economy that is more inclusive. Through continued championing of skills development interventions, the SETA will contribute to expanding the national system of ICT research, development and innovation.

3.7 Strategic Integrated Projects (SIPs)

One of the Strategic Integrated Projects outlined by the Presidential Infrastructure Coordinating Commission (PICC) is SIP-15: "Expanding Access to Communication Technology". It includes:

- Infrastructure development for higher education focusing on lecture rooms, student accommodation, libraries and laboratories as well as ICT connectivity. Development of university towns with a combination of facilities from residence, retail, recreation and transport. Creating a potential to ensure shared infrastructure such as libraries at universities, TVETs and other educational institutions.
- Provide for 100% broadband coverage to all households by 2020 by establishing core Points of Presence (POP's) in district municipalities, extend new Broadband Infraco fibre networks across provinces linking districts, establish POP's and fibre connectivity at local level, and further penetrate the network into deep rural areas.
- While the private sector will invest in ICT infrastructure for urban and corporate networks, government will co-invest for township and rural access as well as for e-government, school and health connectivity.

- The school rollout focuses initially on the 125 Dinaledi (science and maths focussed) schools and 1525 district schools. Part of digital access to all South Africans includes TV migration nationally from analogue to digital broadcasting.
- Square Kilometre Array (SKA) is a global mega science project, building an advanced radio-telescope facility linked to research infrastructure & provides an opportunity for Africa and South Africa to contribute towards advance science.

The DHET published report that assesses the skills needs "for and through SIPs" {Economic Development Department, 2014 #18} points specifically to the demand for database and network professionals. These professionals are expected to design, develop, control, maintain and support the optimal performance and security of information technology systems and infrastructure including databases, hardware and software, networks and operating systems. The need for specialist data scientists able to deal with large volumes of data was identified by the SKA and various sub-disciplines within industrial and electrical engineering".

MICT SETA is and will continue to be the skills development partner to support SIP 15 dealing with universal access to broadband. In this regard, the SETA already works with a number of partners within the sector, they including the CSIR, DST, DTPS and USASSA, this is aimed at ensuring sound delivery and provision of requisite services and products by skilled professionals and specialists.

3.8 Provincial and Local Government Plans

Municipal integrated development plans as well as provincial growth and development strategies are key as they guide planning and development across the nine provinces and 278 municipalities. With the country's rural development strategy, these plans and strategies have to be considered to identify areas for potential growth. Each province's PGDS identifies areas for economic development as well as plans of the province to develop such industries. Where MICT SETA related industries have been identified as key areas for development, the SETA will prioritise those and ensure that support is offered and partnerships are effective.

3.9 National Skills Development Plan (NSDP)

In the new planning cycle, the MICT SETA responds to the eight NSDP outcomes by identifying and addressing occupations in high demand, linking MICT SETA education and training providers with respective workplaces, contribute to the improvement of industry's workforce skills levels, supporting the growth of the TVETs and CETs through work integrated learning (WIL), supporting skills development for entrepreneurship and cooperatives and rural learners, encouraging and supporting worker initiated (unions/federations), supporting career development services. These outcomes will be achieved through the implementation of the SETA's key strategic outcomes listed below.

Table 2: NSDP Outcomes

NSDP OUTCOMES	MICT SETA OUTCOMES
Outcome 1: **Identify and increase production of occupations in high demand**	**Outcome 2:** **Increase and improve labour market information that accurately identifies occupations in high demand.**
Outcome 2: **Linking education and the workplace**	**Outcome 4:** **Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.**
Outcome 3: **Improving the level of skills in the South African workforce**	**Outcome 11:** **Improve the quality of education to address programmes in high demand within the MICT sector.**
Outcome 4: **Increase access to occupationally directed programmes**	**Outcome 4:** **Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.**

Outcome 5: **Support the growth of the public college system**	**Outcome 7:** **Support the growth of the public college system.**
Outcome 6: **Skills development support for entrepreneurship and cooperative development**	**Outcome 8:** **Increased skills development support for SMMEs, entrepreneurship, cooperatives development and community based organizations.**
Outcome 7: **Encourage and support worker initiated training**	**Outcome 4:** **Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.**
Outcome 8: **Support career development services**	**Outcome 3:** **Supported career development services within the MICT sector.**

3.10 Sector Priorities

While it is the MICT SETA's ambition to work with and service the entire employer base for the sector, there are a number of inhibiting factors. Primarily, levy payers represent almost 25% of all employers in the sector, as the sector base is predominately constituted by small sized companies; representing almost 96% of all employers in the sector (as supplied by SARS). Additionally, the MICT sector does not, in reality, comprise all organisations demarcated to its five sub-sectors by SARS. There are employers that provide ICT services together with other professional services and who are located in other clusters. Though such employers are generally recognised as falling within the MICT sector, they define themselves outside of this sector in terms of skills development system.

In response, the MICT SETA will continue to prioritise its role as a strategic skills development partner that can enhance the sustainability and growth of small businesses in the sector. Support for SMMEs will focus on sustained collaboration with key stakeholders to encourage incubation of these businesses. Additionally, the SETA will continue to bolster rural outreach initiatives. Primarily, this Strategy will focus on collaborating with public TVET colleges as the primary modes of delivery of e-readiness skills and other skills required in rural areas. The establishment of new, small-scale firms and cooperatives focused on ICT services in rural areas has opened up opportunities for skills development.

The MICT SETA supports government's various policy and planning interventions aimed at achieving the objectives of the National Development Plan (NDP). These policies and plans have a direct bearing on the sector's skills development endeavours and as such, they will a coherent response from the MICT SETA and its stakeholders will be neatly woven into this Strategic Plan. Listed below are the SETA's strategic key priorities in order of priority. They are further detailed in the research findings section of this Strategic Plan.

Priority 1	Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
Priority 2	Ensure good corporate governance and a productive workforce.
Priority 3	Increase and improve labour market information that accurately identifies occupations in high demand.
Priority 4	Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity
Priority 5	Increase access to, and delivery of industry and occupationally directed priority

	programmes and work placements.
Priority 6	Improve the quality of education to address programmes in high demand within the MICT Sector.
Priority 7	Enablement of the Fourth Industrial Revolution (4IR)
Priority 8	Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.

These aforementioned priorities will be implemented in accordance with the MICT SETA policies and procedures. In some instances, they will be addressed through special projects to ensure support for the sector and government while at the same time, assisting in the achievement of quarterly SETA targets. Below is an alignment between the strategic key priorities and the MICT SETA strategic oriented goals.

Priority Area 01
Support sustainability and growth of SMMEs, Entrepreneurship and community-based organisations.
Strategic Oriented Goal 06
Improve participation of SMME's, Unions, and NGO's in skills development within the MICT Sector.
Priority Area 02
Ensure good corporate governance and productive workforce.
Strategic Oriented Goal 01
Ensure sound corporate management.
Priority Area 03
Increase and improve labour market information that accurately identifies occupations in high demand.
Strategic Oriented Goal 02
Establish credible mechanisms within the MICT Sector.
Priority Area 04
Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity.
Strategic Oriented Goal 07
Increase access to quality programmes.
Priority Area 05
Increase access to, and delivery of industry and occupationally directed priority programmes work placements.
Strategic Oriented Goal 04
Increase access to occupationally directed learning programmes within the MICT Sector
Strategic Oriented Goal 05
Increase and improve workplace capacity to meet workplace skills development needs.
Priority Area 06
Improve quality of education to address programmes in high demand within the MICT Sector.
Strategic Oriented Goal 07
Increase access to quality programmes.
Priority Area 07
Enablement of the Fourth Industrial Revolution (4IR)
Strategic Oriented Goal 02
Establish credible mechanisms within the MICT Sector.
Priority Area 08
Enable growth of the public college system through sectoral partnerships in the delivery of learning interventions.
Strategic Oriented Goal 03
Increase access to career and vocational guidance within the MICT Sector.
Strategic Oriented Goal 04
Increase access to occupationally directed learning programmes within the MICT Sector

3.11 Relevant Court Rulings

Business Unity South Africa versus the Minister of Higher Education and Training (DHET):

SETA Grant Regulations 3 December 2012 as re-promulgated: Mandatory Grants

Regulation 4(4) of the 2012 Grant Regulations, as promulgated in 2012, reduced the mandatory grant that an Employer could claim from 50% to 20% of the total levies paid. The way that the Regulations were promulgated led to litigation by Business Unity South Africa (BUSA), to which a ruling was ultimately made by the Labour Appeal Court in October 2019, the effect of which Regulation 4(4) was set aside.

The ruling is silent on the percentage quantum that can be claimed back by employers and on the effective date of the order. The effect is that the Minister would have to decide on the percentage for mandatory grants, in consultation with the sector. To date, there has been no communication regarding the approved mandatory grant percentage. The Minister is in consultation with the sector regarding this matter.

DHET splits the mandatory grant levy income portion at a rate of 20% in the monthly levy download information. Consequently, the SETA has continued to pay and accrue mandatory grants at 20% in the 2019/20 financial year, which is also aligned to the approved annual performance plan. For the 2020/21 financial year and MTEF period, the mandatory grant has been accrued at 20% until such time as a decision is made on the percentage as per directive no11/2020 as issued by DHET.

PART B: MICT SETA STRATEGIC FOCUS

4. VISION

A global leader in the development and delivery of revolutionary ICT skills.

5. MISSION

We provide opportunities through the funding of skills developmentfor our stakeholders to participate in the economy, through meaningful employment and entrepreneurship, in building a capable, creative and innovative developmental state.

6. VALUES

- Honesty
- Integrity
- Excellence
- Meritocracy
- Accountability
- Customer Centricity
- Innovation

7. SITUATIONAL ANALYSIS

This situational analysis seeks to provide an environmental context in which the MICT SETA functions. The section provides a multidimensional analysis of current sector performance, identifying factors impacting on the sector as outlined in the MICT SETA Sector Skills Plan 2021/2022. The Standard Industrial Classification (SIC) codes classify business establishments and other standard units by the type of economic activity in which they are engaged. A submission will be made to the Department to request their review and remove the obsolete ones and to add new ones to ensure relevance. The table below represent the SIC Codes falling within the MICT SETA economic sector and were published in Government Notice, No. 42589, Government Gazette, 22 July 2019.

Table 3: The MICT SETA Standard Industry Classification Codes (SIC)

Sub-sector	SIC Code	Main Activity Description
Advertising	88310	Advertising
	88311	Activities of Advertising Agents
	88313	Commercial Design
Film and Electronic Media	96110	Motion Picture and Video Production and Distribution
	96112	Related Activities - Film and Tape Renting to Other Industries, Booking, Delivery and Storage
	96113	Film and Video Reproduction
	96132	Production and Broadcast of Radio and Television Broadcast Content
	96200	News Agency Activities
	88940	Photographic Activities
Electronics	35791	Manufacture of Alarm Systems
	75216	Security Systems Services Except Locksmiths
	75217	Office Automation, Office Machinery and Equipment Rental Leasing Including Installation and Maintenance
	86004	Electronic and Precision Equipment/ Computer Repairs and Maintenance
	86010	Consumer Electronics Repair and Maintenance
	86013	Other Electronic and Precision Equipment Repair and Maintenance
	86014	Repair and Maintenance of Electronic Marine Equipment
	87142	Research and Development of Electronic Equipment and Systems
	87143	Information Technology Import and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	87146	Research and Development in The Physical and Engineering Sciences
	87147	Electronics Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96133	Installation, Maintenance and Repair of Tracking Devices for Cars
Information Technology	86001	Software Publishers
	86002	Computer Systems Design and Related Services
	86003	Computer Facilities Management Services
	86005	Computer Rental and Leasing
	86006	Computer Programming Services
	86007	Other Computer Related Activities
	86008	Call Centre and Customer Relationship Management Systems Development and Installations Activities
	86009	Computer System Design Services and Integrated Solutions
	86011	Computer and Office Machine Repair, Maintenance and Support Services
Tele-communications	75200	Telecommunication
	75201	Wired Telecommunications Carriers
	75202	Television and Radio Signal Distribution

	75203	Cable Networks and Programme Distribution
	75204	Telephone
	75205	Wireless Telecommunications Carriers except Satellite Radio Telephone
	75209	Television Broadcasting
	75211	Telecommunications and Wired Telecommunication Carriers
	75212	Paging
	75213	Cellular and Other Wireless Telecommunications
	75214	Satellite Telecommunications
	75215	Other Telecommunications
	86012	Communication Equipment Repair and Maintenance
	87148	Telecommunications Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96131	Providing Radio and Television Transmission Signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019

– **Strategic focus of the MICT SETA over the five-year planning period.**

The strategic focus of the MICT SETA over the next five years includes ensuring effective leadership and commitment in the development of skills for the sector and beyond. Further focus will be on leveraging the private sector investment in research and development and support learners to acquire digital technology skills and better understanding of the MICT career opportunities, ensuring informed choices and decisions by respective stakeholders.

– **Recent statistics relevant to the MICT SETA and the sector**

The MICT sector is made up of five sub-sectors that are inter-related but also quite distinct and identifiable in their own right, they are: Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications. These sub-sectors are increasingly converging into a single ICT ecosystem using similar technologies. The MICT sector covers an array of segments such as market research, business process automation, media, data services, software, hardware, telecommunications, financial and risk information, and security among others. The sector is anchored by the role of unified communications which enables access, storage, transmission, and manipulation of information.

The MICT sector is currently made up of 28,829 employers spread across the five sub-sectors. These estimates represent only companies allocated to the MICT SETA through the SARS registration process. The Information Technology Sub-sector is the largest Sub-sector, accounting for 51% of employers. Telecommunications and Electronics Sub-sectors each account for 13%, closely followed by Advertising (12%) and Film and Electronic Media (11%). The number of levy-paying employers decreased slightly from 7,902 in 2019 to 7,207 in 2020 as companies' battle tough economic times and a rise in self-employment (e.g. freelancers, mobile filmmaking, and social media "influencers"). However, levy contributions increased as they emanate from a percentage of an employer's payroll. Furthermore, an increase in salaries for existing employees or an increase in the number of employees (especially those earning higher salaries) increases the payroll and, consequently, the levy contribution.

The Information Technology Sub-sector contributes the highest total value at 50% amongst levy paying employers. This Sub-sector's contribution increased from 46% in 2019. The percentage of levy paying employers in the Telecommunications Sub-sector increased from 11% in 2019 to 16% in 2020. While the Advertising and Electronics Sub-sectors showed a similar contribution to the Sector at 12% and 13%, respectively, levy payers in the Film and Electronic Media Sub-sector made the smallest levy contribution, at 8%.

– **Demographic data that will be used to inform planning for three-year period.**

Small sized enterprises have consistently dominated the MICT Sector, accounting for approximately 96% of all employers. The number of small enterprises in the Sector sits at 27 505 in 2020. Medium enterprises

make up 3% of the employer base in the Sector, whilst enterprises employing over 150 employees (large enterprises) make up only 1% of the Sector.

Table 4: MICT Sector Size of Employers per Sub-sector

	Large (150+)		Medium (50-149)		Small (0-49)	
	2019	**2020**	**2019**	**2020**	**2019**	**2020**
Advertising	21	24	74	61	3 485	3 353
Electronics	77	77	139	140	3 624	3 445
Film and Electronic Media	57	57	79	73	3 256	3 124
Information Technology	181	184	454	452	14 696	13 998
Telecommunications	68	67	132	147	3 592	3 585
Grand Total	**404**	**409**	**878**	**873**	**28 653**	**27 505**

Source: MICT SETA Levy Huge File, 2019 & 2020

Gauteng province hosts the largest proportion (47% - 62%) of employers across the five Sub-sectors. Overall, Northern Cape reflected the smallest proportion of employers, after Mpumalanga, North West and Limpopo.

The table below illustrates employer base per province.

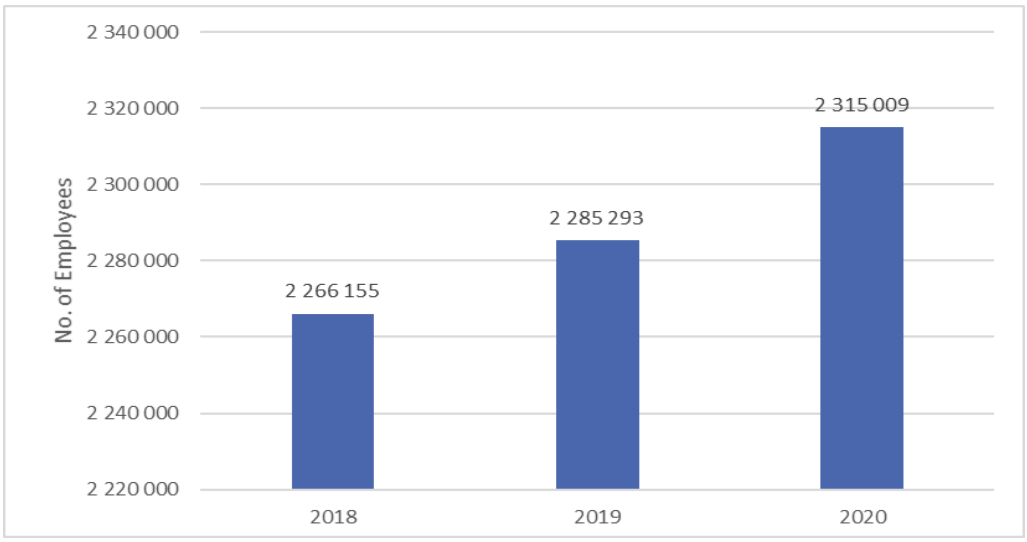
Table 5: MICT Sector Size of Employers Per Province

	Advertising		Electronics		Film and Electronic Media		Information Technology		Tele-communications	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
EC	91	2.63%	129	3.53%	77	2.36%	549	3.75%	154	4.06%
FS	32	0.92%	101	2.76%	66	2.02%	281	1.92%	115	3.03%
GP	2018	58.51%	2086	57.02%	1520	46.62%	8749	59.70%	2366	62.33%
KZN	481	13.96%	470	12.86%	220	6.74%	1813	12.37%	325	8.56%
LP	9	0.26%	43	1.18%	59	1.81%	133	0.91%	62	1.64%
MP	22	0.63%	140	3.82%	60	1.83%	283	1.93%	132	3.48%
NW	55	1.58%	65	1.78%	35	1.08%	154	1.05%	69	1.82%
NC	2	0.06%	19	0.52%	9	0.28%	55	0.38%	29	0.78%
WC	740	21.45%	605	16.53%	1214	37.25%	2638	18.00%	543	14.31%
Total	**3449**	**100%**	**3658**	**100%**	**3260**	**100%**	**14655**	**100%**	**3795**	**100%**

Source: MICT SETA Levy Huge File, 2020

Employment in the MICT Sector has grown steadily over the past three years, reaching a total of 2,315,009 employees in 2020. This translates to a 2.2% increase in employment from 2018 to 2020. This can be seen in the figure below.

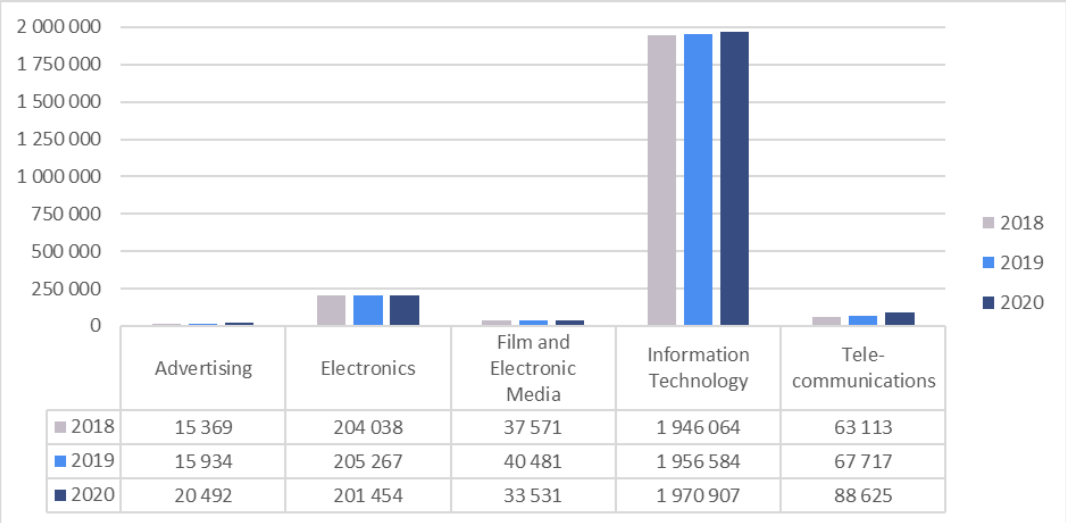
Figure 1: Employment in the MICT Sector



Source: MICT SETA Levy Huge File, 2020

Employment in the Information Technology Sub-sector is the largest of the Sub-sectors with 85.14% of employees in 2020. The Sub-sectors with the smallest portion of employees are Advertising (0.89%) and Film and Electronic Media (1.45%). As with the relative share of the number of companies in each Sub-sector, the relative share in terms of number of employees has remained stable between 2018 and 2020.

Figure 2: Number of Employees by Sub-sector

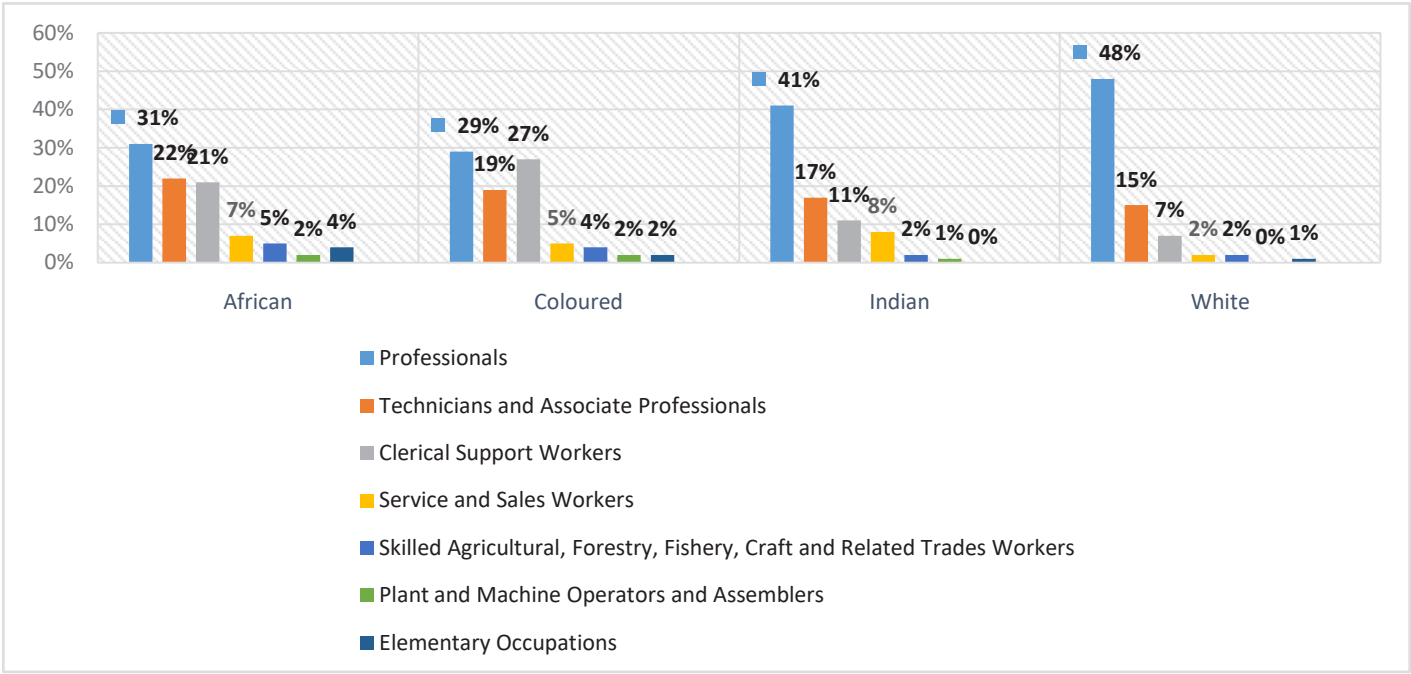


	Advertising	Electronics	Film and Electronic Media	Information Technology	Tele-communications
2018	15 369	204 038	37 571	1 946 064	63 113
2019	15 934	205 267	40 481	1 956 584	67 717
2020	20 492	201 454	33 531	1 970 907	88 625

Source: MICT SETA Levy Huge File, 2020

The highest proportion of people employed in the Sector is African (48%), followed by White (30%). These two race categories make up just over three quarters (78%) of the total number of employees in the MICT Sector. Compared to 2019, the proportion of African and White employees in the MICT Sector changed slightly, with African employees increasing by 4,2% and White employees decreasing by 3%, although this is largely in the lower and midlevel occupational groups as demonstrated in the figure below:

Figure 3: Employees by Race and Occupational Categories

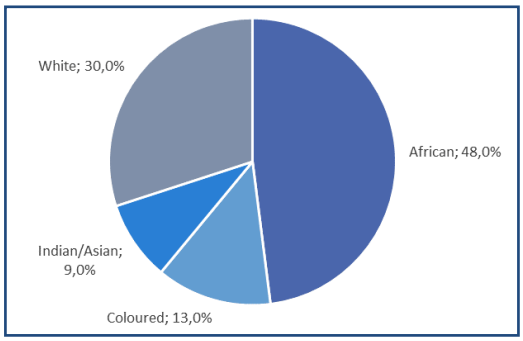


Source: MICT SETA OGS, 2020

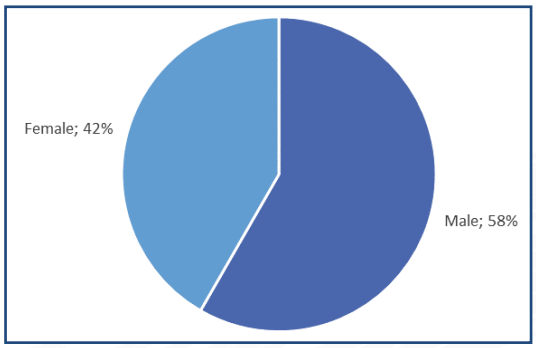
Coloured employees account for 13% and Indian/Asian employees account for 9% of employees in the Sector. Moreover, there are more male employees (58%) in the Sector than females. These results have remained similar over the past 3 years. The SETA will continue to ensure gradual progress in addressing the race and gender disparities through the delivery of all its Plans. The figures below illustrate the sector's race and gender profile.

Figure 3: Race and Gender Profiles of Employees

Race



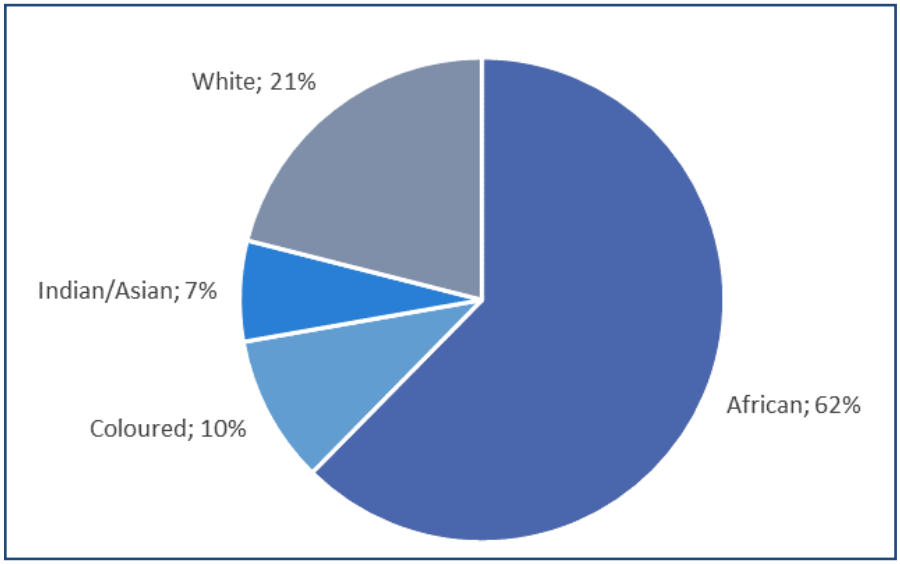
Gender



Source: MICT SETA Levy Huge File, 2020

Within the MICT Sector, the majority of the employees with disabilities are African at 62%. This is followed by White employees (21%) and Coloured employees (10%). The Indian/Asian category only accounts for 7% of employees with disabilities within the MICT Sector.This SETA has set itself dedicated targets to ensure gradual progress in the development of skills for people with disabilities, and in so doing, supporting their ideal of being integrated into the mainstream. The figure below represents disability profile of the sector.

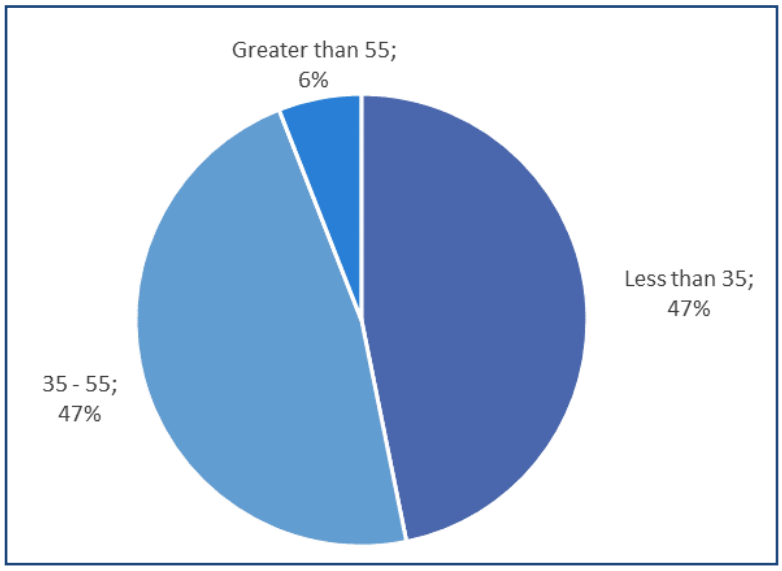
Figure 4: Employees with Disabilities



Source: MICT SETA Levy Huge File, 2020

Although the MICT Sector is characterised by rapid technological change, research points to conservative economic growth for the Sector. While the current COVID-19 pandemic has significantly disrupted the economy, the South African MICT Sector is placed favourably to leverage the opportunities created. The MICT Sector is dominated by younger employees. In 2020, only 6% of people employed in the MICT Sector are older than 55 years of age, a 1% decrease from 2019. Of the remaining 94% of employees, half (47%) are younger than 35 years of age, and the other half (47%) are between the ages of 35 and 55.

Figure 5: Employees by Age



Source: MICT SETA Levy Huge File, 2020

– **Relevant stakeholders contributing to the institution's achievement of its outcomes**

The MICT SETA views partnerships as a critical mechanism that safeguards the delivery of its skills development mandate. The SETA had previously established partnerships (and will continue doing so) with TVETs and universities to encourage learners from previously disadvantaged backgrounds to enrol in middle level skills through TVETs and high level skills through universities and universities of technology.

Such partnerships brought about great value of investing in such skills, especially when these public institutions became critical contributors to technical and vocational middle levels skills, and high level skills with regards research and development, creativity and innovation.

The MICT SETA entered into partnerships with various stakeholders through bursary programmes for the attainment of high level skills and occupationally directed programmes such as internships, learnerships, skills programmes, short programmes for the provision of work integrated skills for sectorial development and growth. The main partnerships were with:

- Employers
- Industry Bodies and Associations
- Industry Unions and Federations
- SMMEs
- Government Departments
- TVET colleges
- Community Education and Training Colleges
- Universities and Universities of Technology
- Research Institutions
- South African Qualifications Authority
- Quality Council for Trades and Occupations

This Strategic Plan will accordingly ensure that these partnerships are sustained and continue to promote invaluable relations and collaborations amongst stakeholders, industry and skills development institutions. They will be aimed at bridging the demand and supply skills mismatches and ensuring that curricula align to disruption and the ever-changing skills needs of this dynamic sector. Having painted a picture of the core elements of the MICT SETA environment, the section below will then analyse the external and internal environment.

7.1 EXTERNAL ENVIRONMENT ANALYSIS

- **Factors contributing to the performance of policy and regulatory institutions**

Within the MICT SETA external environment, factors contributing to the performance of policy and regulatory institutions exploration is drawn from the Political, Economic, and Social, Technological, Environmental and Legal (PESTEL) analysis as outlined below.

PESTEL ANALYSIS	
Political Factors	**Economic Factors**
– Increased focus on inter-departmental cooperation and planning. – Increased focus on accountability Monitoring and Evaluation systems.	– Though there is overall slow economic growth at less than 1%, the MICT sector experienced a steady growth and is favourably placed to leverage on inadvertent opportunities brought about by digitisation and COVID-19 – Introduction of the 4 month skills development levy holiday resulted in reduced revenue and implementation of learning interventions. – International competition threatens local firms, small-sized firms. – Increased productivity and improved information flows in the economy.
Environmental	**Legal Factors**
– More consumers working remotely and most educational institutions resorting to online learning due to COVID-19.	– Revised Regulations on the allocation of the skills development levies and BUSA case with the Minister likely to impact on skills development imperatives.

– Increased demand for ICT and digital services – Opportunities in sector for green technologies and their applications	– SETA re-licensing for the next 10 years (as opposed to the previous 5 year licencing) offers more stability and an opportunity for long term strategic planning prospects.
Social Factors	**Technological Factors**
– Societal increased use of virtual connections in mitigation to reduce the impact of the COVID-19 at both individual and business operations levels. – Increased youth unemployment in both urban and rural areas, ongoing inequalities, gender biasness in employment – Technological advancement resulting increased digital technology solutions and posing the potential to reduce labour and transactional costs.	– Digitization and an increase in innovation – Increased accessibility and appeal of cloud based systems – Introduction of the more hyper scale data centres – Advent of the fifth Generation wireless technology – Expansion in fibre network and data centre markets

Additional to the analysis above, the South Africa political environment trajectory is underpinned by the National Development Plan (NDP). The NDP encourages the country to achieve sustained levels of economic growth through to 2030. The MICT sector is not exempt from the NDP imperatives, but rather, perceives itself as an enabler for the realization of the NDP ideals through sustained skills development initiatives. Additionally, the introduction of the new NSDP 2030 calls for SETAs to reorient themselves towards the development of skills that are of impact and that are outcomes oriented. Other policy interventions such as; White Paper on Post Schooling Education and Training (WP-PSET), New Growth Path (NGP), Industrial Policy Action Plan (IPAP), National Integrated ICT Policy White Paper have been considered and their implications on the sector are duly outlined in the succeeding sections of this Strategic Plan.

– **Demand for services and other factors which informs the development of the Strategic Plan**

The 4th Industrial Revolution (4IR) will alter the way communities live and work through convergence and the fusion of technologies. The change drivers shaping the demand for the development of skills within the sector include Artificial Intelligence, Cloud Computing, Big Data, 5G and the Internet of Things

Artificial Intelligence

Artificial Intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal. Nearly half (46%) of South African companies are actively piloting AI within their organisations. Businesses are experimenting with a range of different technologies, including Chatbots, Robotic Process Automation and Advanced Analytics. AI technologies most useful to 67% of South Africa organisations include machine learning, smart robotics and biometrics (Business Tech, 2019).

AI experts have highlight that the simple lack of technical skills is not the only thing that slows the progress of AI, but also a greater need for a culture of experimentation. "Though AI is in its early stages of development in South Africa, it bodes well for AI maturity in the country that businesses are actively experimenting with exciting new AI use cases," said Lillian Barnard, MD at Microsoft (Business Tech, 2019). The level of skill required by AI is advanced and needs to be financially and technically supported by the industry and government. Other examples of AI relevant to the MICT Sector include virtual agents such as "chatbots" and recommendation systems. Ultimately, South Africa still lags behind in terms of improving the quality of education, research, innovation and infrastructure required to create an enabling environment for AI adoption (Accenture South Africa, 2017). An example of the use of robotics in the MICT

Sector is the use of drones, as opposed to handheld cameras, in filming. Drone and AI technologies may also be integrated to create autonomous drones that are able to perceive their environments and self-operate (Built In, 2019)

Cloud Computing

Cloud Computing is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. Companies offering these computing services, called cloud providers, typically charge based on usage, similar to the billing of utility services such water or electricity. Cloud computing has become a new reality in South Africa, with software spending reaching an estimated R32 billion in 2019, an 11.4% increase from 2018. South African organisations are consuming significant amounts of cloud services, including software as a service, platform as a service and infrastructure as a service (Gartner, 2019).

The rise of cloud computing puts pressure on skills development, more so now during the COVID-19 pandemic, as more companies are becoming dependent on cloud computing services. Individuals with the skills to design and deploy such technology are in high demand and often poached not only in South Africa, but by global companies. A study by the International Data Corporation (IDC) revealed that more than 90% of South African organisations are either already engaged in developing these skills or in the process of planning for the development of such skills (Nebula, 2018). Furthermore, it was stated that providing data access from any place or time is the top reason for cloud adoption. It is said that globally, cloud data centres will process 94% of workloads in 2021, further emphasising the importance of meeting the demand for these skills (Hosting Tribunal, 2020).

Big data analytics

Big data refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing 'Big data' is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

Big data has grown by more than 50% CAGR since 2010, which has in turn enabled AI uptake (Accenture, 2018). In South Africa, many organisations have now realised the potential of 'Big Data and Analytics', however, limited IT budgets and the dearth of skilled resources impede its adoption. Furthermore, organisations are now developing skills internally by sharing resources, undertaking training programmes, and partnering with vendors. This plays a crucial role for organisations to establish a data-driven culture and encourage knowledge sharing to develop internal capabilities (IDC, 2017). The demand for highly qualified big data analysts and artificial intelligence professionals is outperforming supply to the point where it can take many months to fill vacancies (IOL, 2017). This is due to big data analytics being a relatively new field, and the existing workforce is having to retrain in work with large sophisticated datasets. Larger companies swiftly recruit new graduates, thus, making it difficult for smaller MICT companies to keep up with the changing labour market.

Fifth-generation wireless technology ("5G")

The fifth-generation wireless technology ("5G") has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands driven by growing internet data traffic increases – further emphasised by the current world of remote work during the COVID-19 pandemic – 5G will significantly speed up data communication (Statista, 2020). 5G will also advance machine-based, IoT-centric functionalities, for example, in automotive for autonomous and self-driving cars. While 5G is going to be a big enabler for economies and will drive efficiency for many complex operations, much needs to be done right before 5G can be rolled out (Connecting Africa, 2020). Governments need to find ways to mitigate the risk of being left behind as technology sweeps the rest of the world into 5G and beyond.

Companies currently struggle to attract and retain staff with scarce skills in hard-to-fill occupations (i.e. computer network and systems engineers, cybersecurity specialists, and those with cloud computing skills), and 5G will make this task even more difficult. Organisations will need to find new resources and capabilities by increasing the skillsets of their own staff, as well as demanding new skills of their providers (GCN, 2019). Once the relevant skills to enable such technology are developed, 5G will ultimately be "a big game changer".

Internet of Things (IoT)

The "Internet of Things' (IoT) refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of "smart" devices, from industrial machines that transmit data about the production process to sensors that track information about the human body (Investopedia, 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on data received. IoT will continue to grow as cloud computing and cloud app offerings expand in the coming years. IoT thus links to virtually all of 4IR change drivers, further expanding the impact of 4IR. There is limited recognition of emerging 4IR occupations in the OFO, thus limiting funding and formalised training opportunities in "new-age" fields such as IoT. In consultations, stakeholders expressed a need for more "IoT specialists". However, currently no such occupation exists in the strictest sense, instead IoT specialists may emerge as specialisations of existing fields such as software development and design.

– **Skills Implications of the Change Drivers**

Change drivers affect how businesses operate and survive into the future. Thus, new ways of doing things, including skills training, are required to exploit new opportunities in the market that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills. Whilst it may be true that 4IR may invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs.

To this effect, South African organisations are increasingly investing in 4IR technologies. However, funding, formalised training and overall development of emerging occupations is hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. In general, due to the limited number of candidates possessing 4IR relevant skills and experience such as cybersecurity specialists within the 5G or cloud computing space; or an appropriate skills base to expand from, there is increased competition amongst employers for the few relevantly skilled candidates in the Sector such as drone operators, thus exerting further pressure to accelerate the development of skills.

In order to keep up with the increasing use of artificial intelligence and robotics: accelerating the reskilling of workers, redirecting the workforce to areas that create new forms of value and strengthening the talent

pipeline from its source (Accenture, 2018). These suggestions may be adopted for other change drivers and speak to the need for increased research output, technical upskilling (especially for unskilled labourers) and collaboration amongst stakeholders. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands.

- **Challenges to be addressed**

There are strategic challenges and tensions between the aspirations of different stakeholders within the sector that need to be managed for the benefit of the sector. They include:

- aligning the skills agenda to the needs of the sector
- supporting innovation and promoting creativity
- promoting a more local based production and solutions
- increased exports
- development and support for small businesses as potential bedrocks for employment
- deepening the transformation agenda within the sector

- **Mitigation Strategies**

In mitigation of the aforementioned challenges, the SETA will ensure implementation of priority sector development initiatives that include:

- recognizing, planning and prioritizing occupations that are on the National List of Occupations in High Demand and linking occupations and specializations that address the above-mentioned change drivers; namely; AI, Cloud Computing, Big Data Analytics, 5G and IoT to enable 4IR. In that way, the SETA will be fulfilling NSDP outcome 1 (identifying and increasing production of occupations in demand), and outcome 2 (linking education and the workplace).
- expanding opportunities for Work Integrated Learning.
- designing effective internships that serve as effective bridges into employment and collaborating with stakeholders on work-based training
- support innovation and commercialization of 4IR technologies in South Africa, further encouraging local production and increased exports.

- **Trend analysis based on annual reports and end term reports that will inform the strategy going forward.**

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. The MICT SETA will continue to support the implementation of demand-led learning programmes that afford beneficiaries opportunities for sustainable growth, mobility and progression. The table below presents performance for the previous five-year period of the Strategic Plan (2015/16 to 2019/20).

Programme Performance Indicator	Audited Actual Performance					
	2015-16	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**Totals**
Number of qualifying unemployed/employed learners entering Learnerships on an annual basis.	3539	4162	2890	3593	3612	17796
Number of qualifying unemployed/employed learners receiving Bursaries on an annual basis.	1132	664	706	443	421	3366
Number of qualifying TVET/University students placed at workplaces on an annual basis.	565	1500	678	1461	878	5082

Number of TVET/University students completed workplace experience on an annual basis.	500	500	849	434	501	2784
Number of qualifying unemployed learners entering Internship programmes on an annual basis.	1751	1500	1673	1567	1453	7944
Number of qualifying unemployed learners entering Skills/Short programmes on an annual basis.	3485	3845	1633	3562	4408	15073
Number of unemployed/employed learners completing Learnership programmeson an annual basis.	1769	2084	1056	1596	2548	9053
Number of unemployed/employed learners completing Bursary programmes on an annual basis.	160	394	183	175	404	1316
Number of unemployed learners completing Internship programmeson an annual basis.	543	750	573	887	1021	3774
Number of unemployed/employed learners completing Skills Programmes on an annual basis.	1750	1550	1124	1192	1434	7050
SETA/TVET College Partnerships established on an annual basis.	07	08	05	8	07	35
Number of Collaborative Agreements signed with Universities and Stakeholders on an annual basis	05	07	04	14	06	36
Number of qualifying Lecturers entering Development Programmes on an annual basis	New Target	100	156	104	107	451
Number of Lecturers completed Development Programmes on an annual basis	New Target	100	116	104	91	411
Number of Rural development programmes implemented on an annual basis	New Target	11	12	09	20	52

– **Research Findings**

The priority actions below were unveiled through research and ensure alignment between the SSP and this Strategic Plan. They found expression into this Strategic Plan to ensure support for the eminent change and development within the sector, they set out the broad skills development agenda for the sector and are in order of priority:

Outcome/Priority Area	Description
Priority 1 **Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.**	In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: the ability of an SMME to obtain funding for skills development; whether or not it is a levy paying company; the flexibility and accessibility of programmes that recognises the difficulty that small companies have in releasing staff for long periods; the difficulties that small companies have in meeting requirements for learning programmes implementation; and the potential for established larger companies in the Sector to mentor and provide skills development incubator opportunities to smaller less well established businesses. Furthermore, the SETA needs to intentionally formalise partnerships with other SETAs through meaningful engagements in order to synchronise contrasting mind-sets and

	interests. This will assist in reaching common ground for both parties to work together to reach a common outcome and long-term viability for stakeholders. These partnerships are especially important now, during the COVID-19 phenomenon (the impact of which will outlast the pandemic) as SMMEs are in a more vulnerable position attempting to keep up with 4IR trends and technology in order to stay relevant in the current MICT Sector environment. These partnerships will play an imperative role in enabling these SMMEs to sustain their businesses. Addressing NSDP outcome 6, training interventions focused on developing key skills relating to 4IR will be made available to SMMEs and community-based organisations to allow for those active in 4IR or related fields to develop more specialised or adjacent skills. This will help further innovation and commercialisation of 4IR technologies in South Africa, further encouraging local production and gradually increasing exports.
Priority 2 **Ensure good corporate governance and a productive workforce.**	The MICT SETA will ensure that the internal systems and processes that are put in place shall ensure effective corporate governance in order to establish a good corporate citizen that is accountable to its stakeholders. This will be done through ensuring elimination of fraud and corruption by putting in place effective fraud management plan strategies and policies as part of Risk Management. Further organisational performance will be measured against compliance through the establishment of a Compliance Framework and Plan that will be monitored and reported on, on a quarterly basis. In terms of management organisational ethics, a rigorous Ethics Management Framework will be developed with milestones which will be measurable in terms of annual milestones that will include, establishment, implementation and effectiveness of activities undertaken and rolled out as part of the management programme. Lastly, to ensure that there is an approved Corporate Governance Framework and Operating Model that will measure the deliverables of the Board Secretariat as a support structure to the Accounting Authority, to ensure that the Board is one that competent, qualified, transparent and accountable. This will be effected through ensuring that there is compliance to internal policies, legislative and regulatory requirements, timeous delivery of key deliverables as per timelines that will be defined in the Corporate Governance Framework and Its Operating Model.
Priority 3 **Increase and improve labour market information that accurately identifies occupations in high demand.**	The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated in order to improve the trustworthiness of data used for skills planning purposes. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities and acclaimed research institutions. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions through a number of platforms, with online distribution being the main platform. The targeted audience will be unemployed learners and those already in employment seeking to progress to identified occupational shortages and skills gaps to ensure meaningful and sustainable employment.
Priority 4 **Ensure increased and focused skills development for rural and marginalised communities to ensure inclusivity**	The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The MICT SETA strategy aims to respond to the President's Youth Employment Service, which is known as the "YES initiative". It aims to address the most pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth. There are currently more males (58%) employed in the MICT Sector than females (42%). This gap is slowly closing, and the SETA will continue encouraging transformation in the Sector by placing focus on providing increased funding and skills development opportunities to African and female learners.

	This priority intends to scope the skills development needs and priorities of rural communities, provide career and vocational guidance, support government in addressing e-governance issues and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will thus collaborate with developmental organisations such as USAASA and industry in initiating and implementing focused Rural Development Projects on an annual basis.
Priority 5 **Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.**	The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. One of the key strategies the SETA will employ is the expansion of opportunities for Work Integrated Learning and Internship programmes as they provide effective bridges into employment and the general world of work. Furthermore, the SETA will support uptakes on short and targeted programmes focused on addressing specific and immediate skills gaps that stimulate direct employment and sustainable growth. The SETA needs to look into funding more professional qualifications as part of learnerships and skills programmes as they afford learners a greater chance of employability, such programmes include CISCO and CompTIA A+ which are linked to Technical Support and Systems Support programmes. Addressing NSDP outcome 8, learning pathways need to be communicated with learners in schools, colleges and universities as well as those already employed in the Sector who wish to seek entry to occupations that present other opportunities for employment in the Sector. This will be done through the publication of the MICT SETA career guide as well as through partnerships with industry stakeholders. Online platforms and tools will be utilised to expand on this. Improved access and awareness of MICT Sector programmes in previously disadvantaged areas will also be a focus for the SETA, speaking to NSDP outcomes 1 and 2.
Priority 6 **Improve quality of education to address programmes in high demand within the MICT Sector.**	The focus will be on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. These include occupations such as software tester, network engineer and ICT security specialist. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and increase the number of accredited skills development providers offering occupational qualifications in high demand on an annual basis. Such 4IR occupations which require qualification development are in cloud computing, cybersecurity, artificial intelligence, data science and robotics and automation, amongst others. Where the relevant qualifications and training courses exist, the SETA will encourage enrolment in them, particularly for middle and high-level skills. Where qualifications and courses need to be developed, the SETA will work with industry, relevant academic and research institutions and other critical interest groups to map-out and develop programmes that respond to such new technological imperatives for sustainable growth of the Sector.
Priority 7 **Enablement of the Fourth Industrial Revolution (4IR)**	The MICT Sector key skills change drivers articulated in Chapter 2 are all centred on 4IR technologies. In response to the change brought about by 4IR, the SETA will provide support to enable the Sector to play a key role in the development of technologies and products related to 4IR. This will be achieved through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. In recognising and planning for occupations that are on the National List of Occupations in High Demand-and linked to 4IR-this priority action fulfils NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples of which

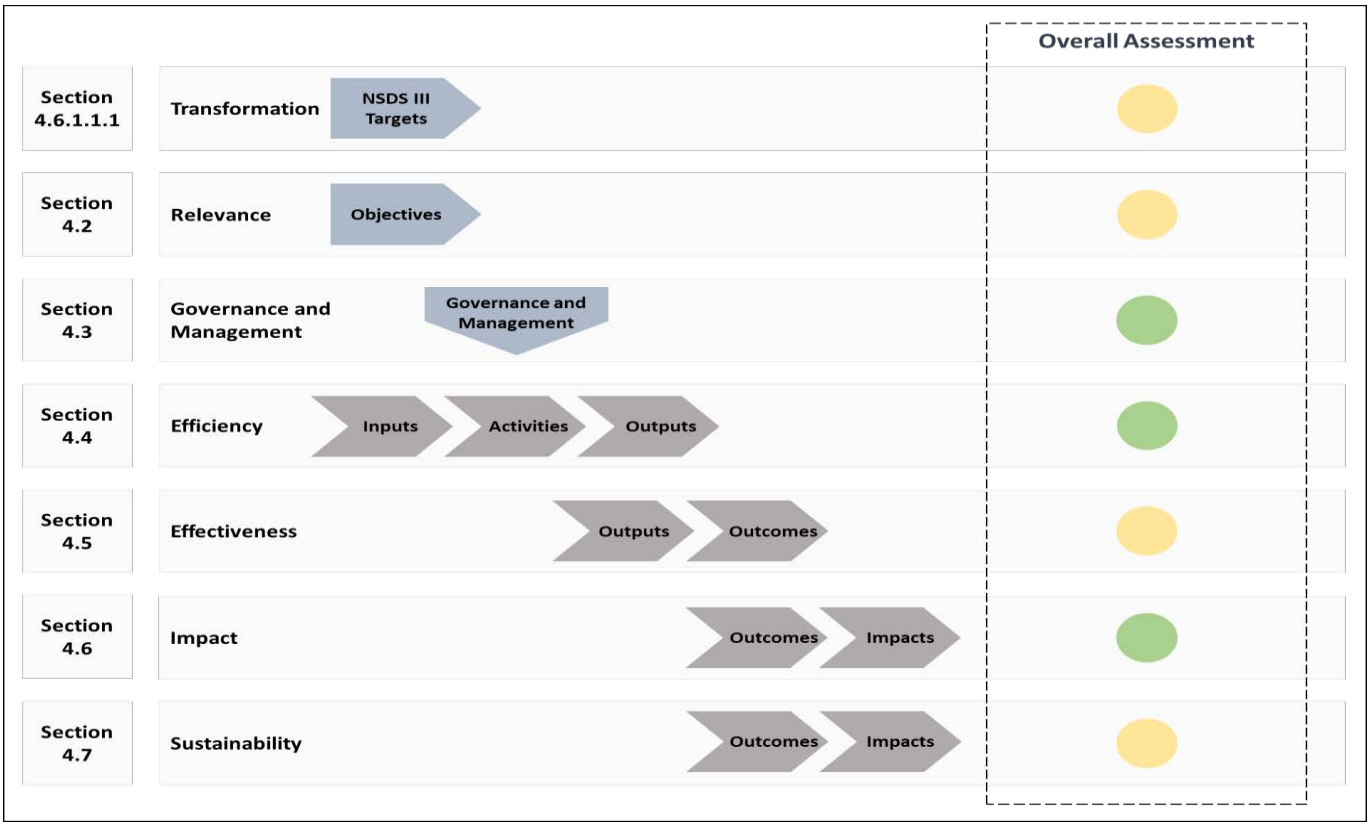
	include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace. The impact of COVID-19 in relation to the enablement of 4IR cannot be ignored therefore, in implementing 4IR priority programmes, companies that have been, and will be impacted by COVID-19 are also accounted for in SETA strategies. This is seen through its inclusion in the SETA's 2020/21 Strategic Plan and Annual Performance Plan – going forward, COVID-19 considerations will be integral to the planning process for the SETA.
Priority 8 **Support the growth of the public college system through sectoral partnerships in the delivery of learning interventions.**	The SETA will identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to college lecturers and training opportunities on curriculum related studies to college managers for their continuous development and for them to be adept with industry technological advancements. The SETA will establish offices in some TVET colleges to ensure accessibility and reach, ensuring that those TVETs are duly accredited to offer the SETA's high-demand occupational qualifications. In all this, the development of skills that enable 4IR occupations and specialisations will be the main focus. All these initiatives will ensure gradual growth of the public college system, eventually ensuring that TVETs become fit for purpose skills development providers and institutions of choice.

– **Findings of internal and external evaluations that will be used to inform this Strategic Plan**

In achieving the NDP targets, the element of monitoring and evaluation becomes important in assessing progress made towards the achievement of targets. The MICT SETA has been consistent in conducting evaluation studies to measure its programmes' impact. Internationally recognized criteria for measuring the success of developmental programmes and projects, as defined by the Organization for Economic Co-operation and Development (OECD) have been consistently used, they include:

- Relevance;
- Efficiency;
- Effectiveness;
- Impact; and
- Sustainability.

Findings from evaluations conducted by the SETA revealed the following:



Exemplary (80%-100%)	Met (66%-79%)	Partially Met (33%-65%)	Not Met (0%-32%)

The evaluation assessed the achievement of NSDS III transformation imperatives and programme governance and management. The programmes can be seen as partially successful in terms of increasing employment in alignment to transformation imperatives and increasing learners' earning capacity and career advancement. Although the benefits that emanated from participating in programmes, including obtaining a relevant qualification and receiving adequate training, are likely to persist, these may be dampened by declining sector growth, "programme hopping" and missed opportunities in terms of creating strategic partnerships.

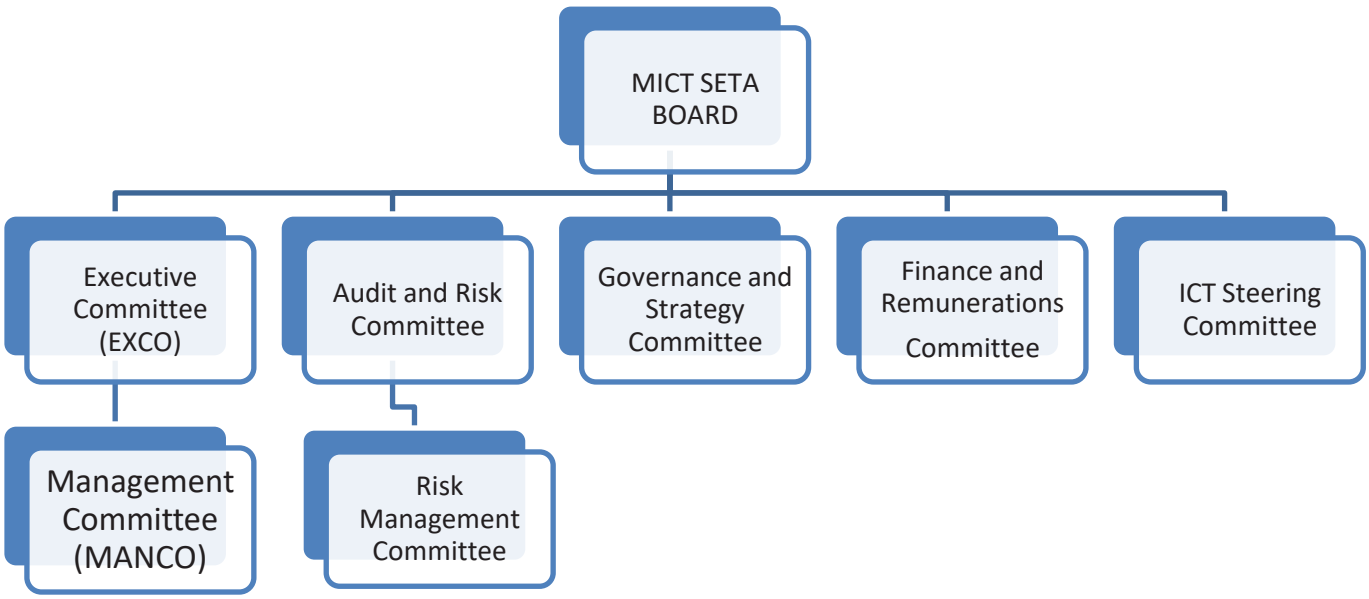
The implementation of programmes was successful overall. In consultations conducted, programmes received generally positive comments for their demonstrable impact on learners and the sector. In line with this, exemplary practices that were noted include programme planning (including the process adopted for sector skills planning), resource management and increasing the sizes of the MICT cooperative and small business subsectors. In addition, MICT SETA has been commended by stakeholders for being "one of the best SETAs", whilst one learner remarked: "I went from poverty with just Matric. Today I'm a technician... I'm so thankful to MICT SETA...Thank you and keep doing SA proud!"

As a forward looking strategy, the MICT SETA will continue with positive practices, propagate them through knowledge sharing sessions, and create awareness of successes to foster support and take-up. Furthermore, the SETA will keep abreast of relationships with employers and training providers and there will be a strong oversight and accountability measures that will attend to ineptitude. In conjunction with QCTO, the SETA will improve the consultative processes for updating or developing courses by accelerating the process to include interested parties. To improve employability and entrepreneurship, the SETA will Introduce or emphasize unit standards on soft skills and business management skills for all courses, this is expected to reduce the number of learners moving from one programme to another.

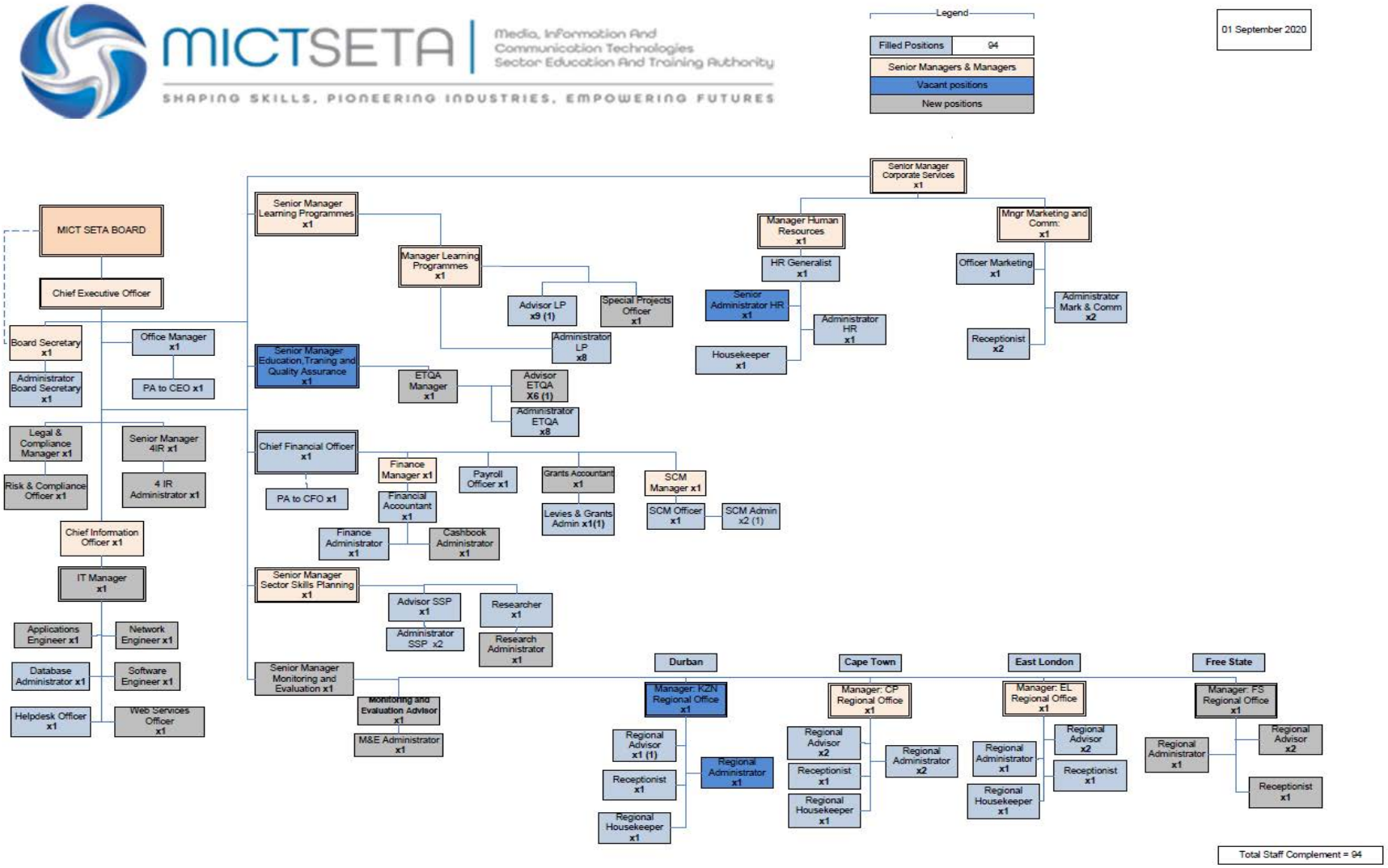
7.2 INTERNAL ENVIRONMENT ANALYSIS

– **MICT SETA Capacity to deliver on the mandate**

The SETA is governed by a representative Accounting Authority and its sub-committees to provide strategic direction to the organisation. The figure below represents the MICT SETA Accounting Authority and its Sub-Committees:



MICT SETA ORGANOGRAM



CORPORATE SERVICES

The Corporate Services Division plays a key role within MICT SETA by providing support functions in the form of Human Resources and Marketing and Communications.

It is through these functions that Corporate Services Division supports the MICT SETA Management, employees, social partners and stakeholders in the process of fulfilling its legislative mandate. Other non-core Corporate Services support functions such as Security Services and Facilities Management are contracted to the current Landlords of MICT SETA.

HR PURPOSE

Deliver HR support that enables MICT SETA employees to meet all stakeholder needs as timeously as possible.

HR Objectives

- Driving HR excellence and innovation that leads to successful outcomes and moves MICT SETA forward while leveraging on its human resources capabilities.
- Deploying recruitment and retention strategies to attract and retain qualified and diverse individuals for the organisation
- Investing in employee development and expanding on our succession management programme that reinforces the principle of growing our own;

The HR plan aligns with MICT SETA direction that is aligned to the NDP 2030 vision, specifically contributing to the collaborative national outcome.

MICT SETA staff comprises of 95 employees as follows:

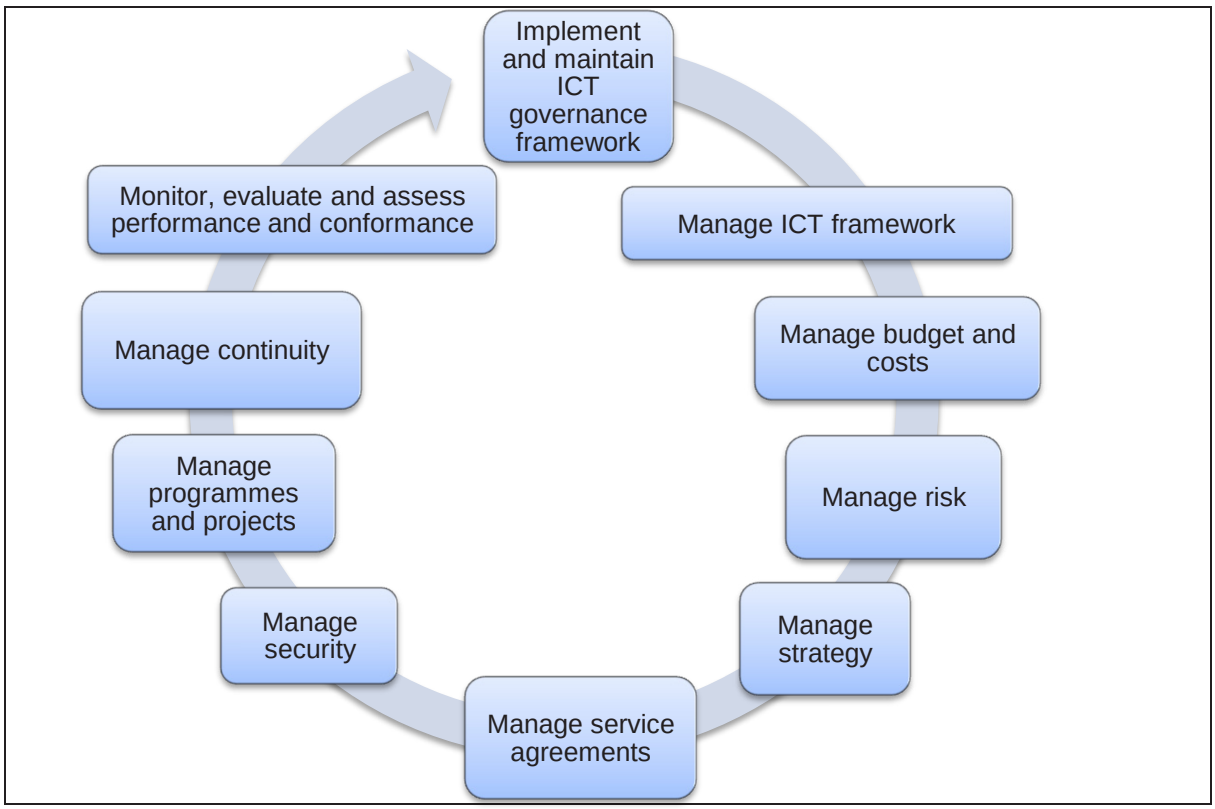
Title	Number of Employees
Administrators	29
Advisors	22
CEO	1
CFO	1
CIO	1
Board Secretary	2
Personal Assistants	2
Senior Managers	4
Receptionist	5
Interns	11
Managers	7
Housekeepers	4

Officers	4
Researcher	1
HR Generalist	1
Total	**95**

The SETA comprises three core divisions, namely: Sector Skills Planning (SSP), Learning Programmes Division (LPD) and Education and Training Quality Assurance (ETQA). The support divisions are Finance with SCM Business Unit, Corporate Services with Human Capital, and Marketing and Communications Business Units, Information and Communications Technology with Quality Management Systems Business Unit, Legal and Compliance, Monitoring and Evaluation and 4IR. The SETA recruited and retained competent staff and implemented an effective performance management system to ensure delivery on this Strategic Plan and will continue doing so. Regular customer satisfaction surveys will be conducted to evaluate and ensure continuous improvement and to strengthen customer relations. A detailed organogram is hereto attached.

– **Information Technology**

The MICT SETA is committed to adopt technology as a driver and an enabler to achieve its strategic objectives and realising its values. Governance of technology and information will continue to align to best practices such as Principle 12 of King IV Report and COBIT *inter alia*. Implementation of the Public Service Corporate Governance of ICT Policy Framework has reach Phase 3. This phase enables the organisation to introduce iterative processes aimed at achieving continuous improvement of the Corporate Governance of ICT as indicated in the diagram below.



The organisation shall focus most of its resources to implement its Digital Strategy and digitise most of its business processes. The ERP system implementation is underway with most business processes being phased into production. The digitisation of processes shall ensure that our values of excellence, responsiveness and customer centricity are lived by the organisation. Furthermore, the MICT SETA shall drive the conversation and implementation on shared services platforms amongst the SETAs.

BUDGET FOR STRATEGIC PLAN

- **Financial Resources**

The SETA obtains its revenue from levies collected from its constituent employers as legislated through the Skills Development Levies (SDL) Act. Levies received are allocated in accordance with Mandatory Grants, Discretionary Grants and Administration costs as per the requirements of the SDL Act and the new SETA Grant Regulations that were published in December 2012, with the intention to regulate the proportion of funds available for skills development and to encourage training on National Qualifications Framework (NQF) registered qualifications. Other revenue sources include interest and penalties received on late SDL payments and interest on investments The SETA is committed to service delivery improvement through a targeted customer response program on its website wherein seamless communication between SETA and its stakeholders is enabled.

Due to the 4 months' skills development levy holiday, 2020/21 has an overall deficit in which discretionary grants will be financed from reserves; however, administration costs will be financed from surpluses in mandatory grants, as well as interest income through the approval of the Minister and the Director General. As a result, some of the deficit in administration costs will be funded out of income from 2021/22 financial year, hence the surplus in 2021/22 financial year which will bridge the deficit gap coming from 2020/21 financial year. The budget summary is as follows:

OVERVIEW OF 2020/21 TO 2024/25 BUDGET FOR THE MTEF ESTIMATES

Description		AUDITED OUTCOMES 2017/18 Actual	AUDITED OUTCOMES 2018/19 Actual	UNAUDITED 2019/20 Actual	CURRENT 2020/21 Approved Budget	FORECAST 2020/21 Forecast (submitted, not yet approved)	MEDIUM TERM EXPENDITURE ESTIMATE 2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Revenue		**856 322 000**	**907 020 000**	**982 716 256**	**601 782 981**	**746 038 581**	**960 782 344**	**999 849 841**	**1 049 842 333**	**1 101 870 077**
Levy Income		**817 844 000**	**866 992 000**	**938 277 205**	**590 082 981**	**590 082 981**	**938 197 944**	**985 107 841**	**1 034 363 233**	**1 086 081 395**
• Administration Income	10,50%	107 365 000	113 801 000	123 153 889	77 448 391	77 448 391	123 138 480	129 295 404	135 760 174	142 548 183
• Mandatory Income	20,00%	202 957 000	216 162 000	234 052 123	147 520 745	147 520 745	234 549 486	246 276 960	258 590 808	271 520 349
• Discretionary Income	49,50%	507 522 000	537 029 000	581 071 193	365 113 845	365 113 845	580 509 978	609 535 477	640 012 251	672 012 863
Interest and Penalties		17 328 000	13 099 000	17 596 241	-	-	-	-	-	-
Other Income		215 000	379 000	111 779	-	144 255 600	8 544 400	-	-	-
Investment/Interest Income		20 935 000	26 550 000	26 731 031	11 700 000	11 700 000	14 040 000	14 742 000	15 479 100	15 788 682
Expenditure		**844 987 000**	**820 079 000**	**1 056 179 315**	**834 417 350**	**978 672 951**	**919 578 195**	**999 849 841**	**1 049 842 333**	**1 101 870 077**
Administration Costs		79 403 000	92 835 000	96 308 659	135 653 451	141 873 091	123 138 480	129 295 404	135 760 174	142 548 183
Mandatory Grants		154 245 000	166 826 000	175 081 779	125 392 633	118 016 596	187 639 589	197 021 568	206 872 647	217 216 279
Discretionary Costs		611 339 000	560 418 000	784 788 877	573 371 266	718 783 264	508 800 126	673 532 869	707 209 512	742 105 615
Special/Strategic Projects (4IR IT Capital Costs + Qualification Development)		-	-	-	-	-	**100 000 000**	-	-	-
Surplus (Deficit)		**11 335 000**	**86 941 000**	**(73 463 059)**	**(232 634 369)**	**(232 634 369)**	**41 204 149**	-	-	-
Mandatory Grants Payout ratio		***76,0%***	***77,2%***	***74,8%***	***85,0%***	***80,0%***	***80,0%***	***80,0%***	***80,0%***	***80,0%***
Administration Ratio		***7,8%***	***8,6%***	***8,2%***	***18,4%***	***19,2%***	***10,5%***	***10,5%***	***10,5%***	***10,5%***
Administration Ratio (with special projects)							***19,0%***			
Average growth rates:										
Revenue		8%	6%	8%	-39%	0%	60%	4%	5%	5%
Levy Income		10%	6%	8%	-37%	0%	59%	5%	5%	5%
• Administration Income		10%	6%	8%	-37%	0%	59%	5%	5%	5%
• Mandatory Income		11%	7%	8%	-37%	0%	59%	5%	5%	5%
• Discretionary Income		10%	6%	8%	-37%	0%	59%	5%	5%	5%
Interest and Penalties		-22%	-24%	34%	0%	0%	0%	0%	0%	0%
Other Income		-41%	76%	-71%	0%	-100%	0%	0%	0%	0%
Investment/Interest Income		-16%	27%	1%	-56%	0%	20%	5%	5%	2%
Expenditure		-10%	-3%	29%	-21%	-15%	10%	9%	5%	5%
Administration Costs		7%	17%	4%	41%	-4%	-9%	5%	5%	5%
Mandatory Grants		7%	8%	5%	-28%	6%	50%	5%	5%	5%
Discretionary Costs		-15%	-8%	40%	-27%	-20%	-11%	32%	5%	5%
Special Projects		0%	0%	0%	0%	0%	100%	-100%	0%	0%

Budget and Programmes Reconciliation

Programme	Outcomes	Discretionary	Administration
Programme 1: Administration	Efficient Financial Management, Corporate Services, ICT Support and performance monitoring and evaluation to ensure effective governance.	N/A	R123 138 480
	Special Projects (4IR IT systems implementation + 4IR Qualifications Development)		R100 000 000
Programme 2: Sector Skills Planning	Increased and improved labour market information that accurately identifies occupations in high demand.	N/A	Costs for running the Sector Skills Planning division which includes research costs of R1 000 000, has been incorporated within the budget for Administration
	Supported career development services within the MICT sector.	N/A	
Programme 3: Learning Programmes **4IR**	Supported growth of the public college system.	R470 640 116	R38 160 009
	Increased delivery on programmes that link Education and the Workplace.		
	Increased Workplace Training of workers already in employment.		
	Increased access to occupationally directed programmes.		
	Skills development support for entrepreneurship and cooperative development.		
	Increased skills development support for worker initiated training.		
	A 4IR strategy that is responsive to skills requirements of the MICT sector.		
Programme 4: Education and Training Quality Assurance	Improved quality of education to address programmes in high demand within the MICT sector.	N/A	Costs for running the Education and Training Quality Assurance division which includes QCTO qualification development of R2 000 000, has been incorporated within the budget for Administration

2021/22 Levies Budget Calculation

MICT SETA estimated levy income - 80%	**(938 197 944)**
NSF Allocation - 20%	(234 549 486)
Estimated levy income - 100%	(1 172 747 430)
	(938 197 944)
Administration income (10.5%)	(123 138 480)
Discretionary Income (49.5%)	(580 509 978)
Mandatory Income (20%)	(234 549 486)
Other Income - UIF Project	(8 544 400)
Investment Income	(14 040 000)
Total Income	**(960 782 344)**

ASSUMPTIONS AND CONSIDERATIONS:

1. Annual inflation rate of 7% was applied on the latest levies data projections that have taken into account
2. Final tranche revenue on the UIF Project
3. Interest and penalties have not be budgeted for - budget assumption is that it will not be received

UTILISATION:

Administration expenditure	(123 138 480)
Mandatory expenditure	(187 639 589)
Discretionary expenditure	(508 800 126)
Special Projects (4IR system implementation + 4IR Qualifications Development)	(100 000 000)
	(919 578 195)
Discretionary grant split	
- *Pivotal*	(376 512 093)
- *Non Pivotal*	(94 128 023)
	(470 640 116)
- *Discretionary Admin Expenditure (7.5%)*	(38 160 009)
	(508 800 126)

2021/22 BUDGET SUMMARY - Level 1

Description		2020/21 Approved Budget	2020/21 Forecast (submitted, not yet approved)	2021/22 Proposed Budget
Total Revenue		**601 782 981**	**746 038 581**	**960 782 344**
Levy Income		590 082 981	590 082 981	938 197 944
• Administration Income	10,50%	77 448 391	77 448 391	123 138 480
• Mandatory Income	20,00%	147 520 745	147 520 745	234 549 486
• Discretionary Income	49,50%	365 113 845	365 113 845	580 509 978
Other Income - UIF Project		-	144 255 600	8 544 400
Investment/Interest Income		11 700 000	11 700 000	14 040 000
Total Expenditure		**834 417 350**	**978 672 951**	**919 578 195**
Administration Costs		135 653 451	141 873 091	123 138 480
Mandatory Grants		125 392 633	118 016 596	187 639 589
Discretionary Grants		573 371 266	718 783 264	508 800 126
Special/Strategic Projects (4IR IT Capital Costs + Qualification Development)		-	-	100 000 000
Surplus (Deficit)		**(232 634 369)**	**(232 634 369)**	**41 204 149**

2021/22 BUDGET SUMMARY - Level 2

	2019/20 FINANCIAL YEAR	2020/21 FINANCIAL YEAR		2021/22 FINANCIAL YEAR	Variance: Proposed Budget vs 2019/20 Financial Year		Variance: Proposed Budget vs Approved Budget		Commentary on Proposed Budget vs 2019/20 Financial Year Actuals (AC) vs 2020/21 Approved Budget (BU)
	Unaudited Actuals	Approved Budget	Forecast (submitted not yet approved)	Proposed Budget					
	R	*R*	*R*	*R*	*R*	%	*R*	%	
Revenue	**982 716 256**	**601 782 981**	**746 038 581**	**960 782 344**	**(21 933 912)**	**-2,2%**	**358 999 363**	**59,7%**	
Skills Development Levy	**938 277 205**	**590 082 981**	**590 082 981**	**938 197 944**	**(79 261)**	**0,0%**	**348 114 963**	**59,0%**	AC: On par BU: 4 months SDL payment holiday
Administration levy income	123 153 889	77 448 391	77 448 391	123 138 480	(15 409)	0,0%	45 690 089	59,0%	
Mandatory grant levy income	234 052 123	147 520 745	147 520 745	234 549 486	497 363	0,2%	87 028 741	59,0%	
Discretionary grant levy income	581 071 193	365 113 845	365 113 845	580 509 978	(561 215)	-0,1%	215 396 133	59,0%	
Other income - Interest on bank and investments	**44 439 051**	**11 700 000**	**155 955 600**	**22 584 400**	**(21 854 651)**	**-49,2%**	**10 884 400**	**93,0%**	AC: Interseta transfers not budgeted for, as well as interest rate reduction BU: Increase due to UIF project revenue receivable
Skills development levy: penalties and interest	17 596 241	-	-	-	(17 596 241)	-100,0%	-	0,0%	AC: Interseta transfers not budgeted for BU: On par
Net seta transfers	111 779	-	-	-	(111 779)	-100,0%	-	0,0%	AC: SDL penalties and interest not budgeted for BU: On par
Interest income from bank and investments	26 731 031	11 700 000	11 700 000	14 040 000	(12 691 031)	-47,5%	2 340 000	20,0%	AC: Lower cash receivable and interest rate reduction BU: Assumption that economy will adjust
Other income - UIF	-	-	144 255 600	8 544 400	8 544 400	100,0%	8 544 400	100,0%	AC: On par BU: UIF project revenue receivable
Costs	**1 056 179 315**	**834 417 350**	**978 672 951**	**919 578 195**	**(136 601 120)**	**-12,9%**	**85 160 845**	**10,2%**	
Mandatory grant expenses	**175 081 779**	**125 392 633**	**118 016 596**	**187 639 589**	**12 557 810**	**7,2%**	**62 246 955**	**49,6%**	**AC: Actual payout ratio 74% vs budget payout ratio 80% based on approved WSPs** **BU: Approved budget payout ratio of 85% vs proposed budget payout ratio of 80% on a higher revenue base**
Discretionary grant expenses	**784 788 877**	**573 371 266**	**718 783 264**	**508 800 126**	**(275 988 751)**	**-35,2%**	**(64 571 140)**	**-11,3%**	**AC: Discretionary grants claims less due to prior year having to finance overcommitments from 2018/19 Financial Year** **BU: Discretionary grants claims based on signed SLAs - approved budget assumed fewer SLAs signed due to 4 months SDL payment holiday**
Administration Costs	**96 308 659**	**135 653 451**	**141 873 091**	**123 138 481**	**26 829 822**	**27,9%**	**(12 514 970)**	**-9,2%**	**See below for individual items:**
Audit Fees	4 393 949	4 200 948	4 794 836	3 991 985	(401 964)	-9,1%	(208 963)	-5,0%	AC/BU: Internal audit cost of +/- R1million not budgeted for due to the services being insourced in 2021/22 financial year
Board and Subcommittee Expenditure	3 886 535	4 440 000	4 840 000	4 662 000	775 465	20,0%	222 000	5,0%	AC: Budget has been increased by 20% from 2019/20 actuals due to provision for training costs of the newly appointed board committee BU: Inflationary increase
Building Admin Costs	6 077 001	10 945 321	8 944 028	9 282 795	3 205 793	52,8%	(1 662 527)	-15,2%	AC: New head office accommodation, with additional sqm + opening of regional office BU: Adjusted budget to take into account contracted costs of newly concluded lease for head office
Communication Costs	637 010	392 460	392 460	617 400	(19 610)	-3,1%	224 940	57,3%	AC: COVID-19 impact resulting in less telephone costs due to virtual meetings and usage of MS Teams BU: Assumption is for 100% operations back to normal in 2021/22 financial year
Consultants	6 394 666	16 513 540	6 260 000	2 000 000	(4 394 666)	-68,7%	(14 513 540)	-87,9%	AC: Actuals included outsourced Financial Management Services, which is now insourced, as well as SIU costs in which the case is now concluded. BU: Budget included costs for business process reengineering, which should be concluded before 2021/22 financial year; SIU not budgeted for due to the case being closed; Legal fees budget reduced due to stabilised operations
Information Technology Costs	7 322 734	6 000 416	6 959 672	3 915 337	(3 407 398)	-46,5%	(2 085 079)	-34,7%	AC/BU: Included outsourced costs for learner management system, which is now SETA owned, therefore consultants no longer required

2021/22 BUDGET SUMMARY - Level 2 - continued

	2019/20 FINANCIAL YEAR	2020/21 FINANCIAL YEAR		2021/22 FINANCIAL YEAR	Variance: Proposed Budget vs 2019/20 Financial Year		Variance: Proposed Budget vs Approved Budget		Commentary on Proposed Budget vs 2019/20 Financial Year Actuals (AC) vs 2020/21 Approved Budget (BU)
	Unaudited Actuals	Approved Budget	Forecast (submitted not yet approved)	Proposed Budget					
	R	*R*	*R*	*R*	*R*	*%*	*R*	*%*	
Administration Costs (continued)									
Maintenance	204 449	1 050 000	1 050 000	750 000	545 551	266,8%	(300 000)	-28,6%	AC/BU: Provision for adhoc repairs and maintenance costs
Marketing Costs	3 024 691	8 998 000	6 798 500	3 628 722	604 032	20,0%	(5 369 278)	-59,7%	AC: Visibility of the SETA BU: Marketing budget reprioritised
Other Administration Costs	1 905 338	3 103 507	3 103 507	3 563 509	1 658 171	87,0%	460 001	14,8%	AC:COVID related costs (PPE, masks, sanitisers, COVID tests) BU: Budget provision for increased printer lease costs when the lease comes to an end.
QCTO Expenditure	5 924 974	6 100 000	6 100 000	3 551 756	(2 373 218)	-40,1%	(2 548 244)	-41,8%	AC/BU: Budget takes into account the overcharge on QCTO costs in 2020/21 financial year due to 4 months skills development levy holiday
Qualifications Development	204 000	1 900 000	8 900 000	2 000 000	1 796 000	880,4%	100 000	5,3%	AC/BU: Development of current and 4IR qualifications
Research	859 988	1 900 000	1 900 000	1 000 000	140 012	16,3%	(900 000)	-47,4%	AC: Focused research on the industry BU: Less reliance on consultants and co-sourcing the research function
Staff Costs	49 892 696	59 253 760	70 974 589	73 994 095	24 101 400	48,3%	14 740 335	24,9%	AC: New divisions - effective running of operations (CIO, 4IR, Monitorint & Evaluation, Legal & Compliance) BU: Reallocation of budget from DG Admin (monitoring and evaluation division). Effective increase is 4.3%. Assumption is 6% salary increases on current approved structure and no interns within the organisation.
Travel Costs	3 228 601	2 484 630	2 484 630	3 390 031	161 430	5,0%	905 400	36,4%	AC: Inflationary increrase BU: Anticipated travel costs for more site vetting of more stakeholders than 2020/21 due to lesser available DG grant during lockdown period
Amortisation	277 797	4 709 841	4 709 841	3 209 841	2 932 044	1055,5%	(1 500 000)	-31,8%	AC: In-house of Learner Management System, In-house of ERP system in the budget BU: Budget for shared service centre reprioritised
Depreciation	2 074 230	3 661 026	3 661 026	3 581 010	1 506 779	72,6%	(80 016)	-2,2%	AC: Refresh of tools of trade and furniture and fittings BU: Fixed Assets that come to the end of the useful life
Special/Strategic Projects (4IR IT Capital	**-**	**-**	**-**	**100 000 000**	**100 000 000**	**100,0%**	**100 000 000**	**100,0%**	4IR IT Capital Costs + 4IR Qualification Development
Net surplus (deficit) for the period	**(73 463 059)**	**(232 634 369)**	**(232 634 369)**	**41 204 149**	**114 667 208**	**-156,1%**	**273 838 518**	**-117,7%**	

- **MICT SETA Status on Compliance with B-BBEE Act**

The fundamental objectives of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) is to promote the achievement of the constitutional right to equality, increase broad-based and effective participation of black people in the economy and promote a higher growth rate, increased employment and more equitable income distribution; and establish a national policy on broad-based black economic empowerment so as to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

The MICT SETA is fully committed to achieving the B-BBEE objectives as outlined above. The MICT SETA regards B-BBEE as an opportunity to increase economic activity by creating sustainable livelihoods for many of the country's inhabitants, as well as developing a sustainable consumer market. The MICT SETA will continue to ensure progress in increasing the number of people from designated groups at management levels, to ensure that its workplace remains free of unfair discrimination and that reasonable progress is made towards employment equity in the workplace. Employee training and development remains a key business strategy to support MICT SETA's performance and growth and to position it as the industry's employer of choice.

- **MICT SETA Status on compliance with women and people living with disabilities legislative requirements**

The MICT SETA is committed to employing, empowering and developing competent people with the necessary skills to sustain the services to the local communities. The SETA sees this happening through skills development initiatives that are aimed at creating a racially and culturally diverse team. The SETA is devoted to equality in the workplace and will promote equal opportunity and fair treatment through the elimination of unfair discrimination, equitable representation of black people, women and people living with disabilities at all levels in the workplace.

In contributing to the decrees of this Act, the MICT SETA will ensure that steps to prevent discrimination in any employment policy or practice are taken. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status, religion and people living with disabilities amongst others will be curbed at all times. In achieving this, the SETA will prioritize women and people living with disabilities. The table below demonstrates the MICT SETA commitment to Employment Equity in terms of race and gender.

Key demographics of the MICT Seta

The total staff headcount is ninety-five (95) which is made up as follows:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	3	0	0	0	4	0	0	0	0	0	7
Professionally qualified and experienced specialists and mid-management	4	0	0	0	3	0	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	11	0	0	0	19	0	0	0	0	0	30
Semi-skilled and discretionary decision making	18	0	0	0	16	1	0	0	0	0	35
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1
TOTAL PERMANENT	**37**	**0**	**0**	**0**	**42**	**1**	**0**	**0**	**0**	**0**	**80**
Temporary employees	6	0	0	0	8	0	0	0	0	0	14
GRAND TOTAL	**43**	**0**	**0**	**0**	**51**	**1**	**0**	**0**	**0**	**0**	**95**

8. INSTITUTIONAL PERFORMANCE INFORMATION

8.1 MEASURING IMPACT

IMPACT STATEMENT	**An agile organisation that support development of cutting-edge creative and innovative skills for sustainable employment and entrepreneurships by 2025.**

8.2 MEASURING OUTCOMES

OUTCOME 1	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Ensured sound corporate management	Unqualified Audit opinion and compliance with relevant legislation for this strategic period.	2014/15 – 2016/17 Clean Audit. 2017/18 – 2019/20 Unqualified Audit.	5 Unqualified Audit for this strategic planning period.
	Sound Corporate Services for this strategic period.	83% attainment of 2019-2020 prescribed targets.	High performance team capable of attaining at least 85% of prescribed targets.
	Business processes re-engineered and digitized.	New Target	40Re-engineered and digitized Business Processes.
	Monitoring and Evaluation Framework policy to improve business processes for increased performance and reporting.	New Target	100% implementation of M&E Framework
	Implemented strategic and annual performance Plan	2014/15 – 2019/20 Annual Performance Reports.	20 SETMIS Quarterly Performance Reports to be submitted to DHET.
	Corporate Governance Framework that ensures compliance with Regulatory requirements, DHET and overall sound corporate governance.	2014/15 – 2016/17 Clean Audit. 2017/18 – 2019/20 Unqualified Audit.	100% compliance with Regulatory requirements, DHET and overall sound corporate governance.
	Key Risk		**Risk Mitigation**
	– Failure to comply with relevant legislations resulting to failure to implement mandate.		– Effective combined assurance model and efficient oversight by Accounting Authority and its Sub-Committees. – Ongoing Capacity building on regulatory framework and relevant legislations.
	– Failure to eliminate fraud and corruption		– Adequate training on internal controls, and the compliance and regulatory framework – Enforcement of Consequence Management due to non-compliance.

OUTCOME 2	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased and improved labour market information that accurately identifies occupations in high demand.	A Sector Skills Plan that records occupations in high demand developed and approved for this strategic period.	**5** approved Sector Skills Plans.	**5** approved Sector Skills Plans for this strategic planning period.
	Key Risk	**Risk Mitigation**	
	– Inaccurate list of occupations in high demand resulting in the funding programmes that are irrelevant.	– Triangulation approach to research and multiple data sources used.	

OUTCOME 3	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Supported career development services within the MICT sector.	Career guide with research-based labour market information developed and distributed for this strategic period.	**5** career guides developed and distributed.	**5** career guides developed, **13 000** distributed for this strategic planning period.
	Trained career development practitioners for this strategic period.	**New target**	**500** career development practitioners trained.
	Career Development Events on occupations in high demand attended by the MICT sector for this strategic planning period.	**New target**	**250** Career Development Events attended by the MICT sector for this strategic planning period.
	Key Risk	**Risk Mitigation**	
	– Inaccurate list of occupations in high demand published in Career guide and distributed.	– Triangulation approach to research and multiple data sources used.	
	– Career development practitioners not being available for training.	– Career guidance schedule in place.	
	– Career Development Events not attended.	– Improved and effective marketing strategies.	

OUTCOME 4	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Increased **enrolments** on WIL, Internships, Learnerships, Candidacy, Skills Programmes and Short Programmes for unemployed learners in TVETs and HET institutions for this strategic planning period.	**2 442** learners on TVET WIL programme	**3951** learners on TVET WIL programme
		1 299 learnerson HET WIL programme	**2046** learners onHET WIL programme
		8 016 Interns	**8 050** Interns
		16 374 learners on learnerships	**15079** learners on learnerships
		Candidacy: **New target**	**260** Candidacy
		9092 learners on Skills Programmes	**6333** learners on Skills Programmes
		4738 learners on Short Programmes	**4637** learners on Short Programmes
	Increased **completions** on WIL, Internships, Learnerships, Candidacy, Skills Programmes and Short Programmes for unemployed learners in TVETs and HET institutions for this strategic planning period.	**2 049**learnerson TVET WIL programme	**3050** learners on TVET WIL programme
		438learners on HET WIL	**1547** learners on HET WIL
		3442 Interns	**3471** Interns
		7046 learners on learnerships	**11006** learners on learnerships
		Candidacy: **New target**	**182** learners on candidacy
		7406 learners on Skills Programmes	**3348** learners on Skills Programmes
		Short Programmes: **New Target**	**2152** learners on Short Programmes

	KEY RISK	RISK MITIGATION
	– Failure by stakeholders to provide relevant workplace experience for learners and skills development providers to provide quality training. – Failure by stakeholders to implement programmes in accordance with the Service Level Agreement stipulations.	– Strong partnerships established between the SETA, MICT employers, TVET colleges and Universities. – Effective programme management, monitoring and evaluation processes in place. Policy and procedures in place to determine suitability of participating workplaces. – All programmes quality assured and subjected to monitoring and evaluation.

OUTCOME 5	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased workplace training of workers already in employment.	Increased **enrolments** on Bursaries, Skills Programmes and CET programmes for workers already in employment for this strategic planning period.	**160**learners on Bursaries	**205** learners on Bursaries
		1025 learners on Skills Programmes	**1332** learners on Skills Programmes
		CET programmes: **New target**	**190** learners on CET programmes
	Increased **completions** on Bursaries, Skills Programmes and CET programmes for workers already in employment for this strategic planning period.	**35**learners on Bursaries	**143** learners on Bursaries
		649 learners on Skills Programmes	**999** learners on Skills Programmes
		CET programmes: **New target**	**143** learners on CET programmes
	KEY RISK	**RISK MITIGATION**	
	Failure by stakeholders to provide relevant workplace experience for learners and skills development providers to provide quality training.	Strong partnerships established between the SETA and the MICT employers, TVET colleges and Universities.	
	– Failure by stakeholders to implement programmes in accordance with the Service Level Agreement stipulations.	– Effective programme management, monitoring and evaluation processes in place. – Policy and procedures in place to determine suitability of participating workplaces. – All programmes quality assured and subjected to monitoring and evaluation.	

OUTCOME 6	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased access to occupationally directed programmes	Increased **enrolments** on Bursary Programmes for **unemployed learners** for this strategic planning period.	**2 733** learners on Bursaries	**1451** learners on Bursaries
	Increased completions on Bursary Programmes for unemployed learners for this strategic planning period.	**1 535** learners on Bursaries	**1030** learners on Bursaries

	Established partnerships with HETs, TVETs and CETs to develop skills for the unemployed learners for this strategic planning period.	**29** partnerships with HETs	**75** partnerships with HETs
		28 partnerships with TVETs	**74** partnerships with TVETs
		CETs: **New Target**	**37** partnerships with CETs
	KEY RISK	**RISK MITIGATION**	
	– Failure by stakeholders to engage on a meaningful partnership.	– Strong partnerships established between the SETA, employers and public institutions and skills development benefits communicated continuously.	

OUTCOME 7	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased support for the growth of the public college system.	Established offices in TVET colleges, TVET college lecturers exposed to industry and together with CET lecturers afforded Bursary opportunities. College managers trained on financial and leadership management for this strategic planning period.	**1** Office	**49** Offices
		360 TVET lecturers exposed to industry	**460** TVET lecturers exposed to industry
		TVET lecturers on Bursary programmes: **New Target**	**340** TVET lecturers on Bursary programmes
		CET lecturers on Bursaries programmes: **New target**	**230** CET lecturers on Bursaries programmes
		Managers on management programmes: **New target**	**230** Managers on management programmes
	KEY RISK	**RISK MITIGATION**	
	– Failure by stakeholders to provide relevant workplace experience for learners.	– Strong partnerships established between the SETA and the MICT employers, TVET colleges and Universities. – Effective programme management, monitoring and evaluation processes in place. – Policy and procedures in place to determine suitability of participating workplaces.	

OUTCOME 8	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased skills development support for SMMEs, entrepreneurship, cooperatives development and community based organisations.	Cooperatives, CBOs (people), small businesses (people) and NGOs/NPOs (people) supported with training interventions, trained on entrepreneurial skills and supported on starting their business for this strategic planning period.	Cooperatives (people)**: New target**	**550** people/beneficiaries in Cooperatives
		Small businesses (people): **New target**	**550** people/beneficiaries in Small businesses
		Entrepreneurial skills (people): **New target**	**550** people/beneficiaries in entrepreneurial skills

		Business start-ups (people): **New target**	**550** people/beneficiaries in business start-ups
		CBOs (people): **New target**	**550** people/beneficiaries in CBOs
		NGOs/NPOs (people): **New target**	**550** people/beneficiaries in NGOs/NPOs
	KEY RISK	**RISK MITIGATION**	
	– Failure by entrepreneurs to sustain their business.	– Strong partnerships established between the SETA and entrepreneurs and skills development benefits communicated continuously. – Entrepreneurship development strategy in place.	

OUTCOME 9	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Increased skills development support for worker initiated training.	Worker initiated training (federations/trade unions) (people) supported through Skills Programmes and Short Programmes for this strategic planning period.	Skills Programmes: **New target**	**650** learners in Skills Programmes
		Short Programmes: **New target**	**200** learners in Short Programmes
	KEY RISK	**RISK MITIGATION**	
	– Failure by employers to release unions/ federations members to attend training for respective learning programmes.	– Strong partnerships established between the SETA, MICT employers and unions/federations and skills development benefits communicated continuously.	

OUTCOME 10	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
A 4IR strategy that is responsive to 4IR skills development needs of the MICT sector.	– Partnerships with 4IR key role players in MICT sector established on an annual basis.	– 30 partnership	– 30 Partnerships with 4IR key role players in MICT sector established in a five year period.
	– 4IR Advisory Committee established and reviewed on an annual basis.	– 16 Advisory committees	– 1 4IR Advisory Committee established and reviewed annually.
	– 4IR research chairs established and maintained on annual basis.	– 70 research chairs	– Research chairs established in five years with 320 students funded under the five sub-sectors.
	– 4IR occupational qualifications developed	– 13 Occupational qualifications	– 30 4IR occupational qualifications developed and approved annually.
	KEY RISK	**RISK MITIGATION**	
	– Misaligned 4IR strategy that is not responding to skills requirements of supply and demand.	– Develop a stakeholder engagement framework that promotes inclusive decision making.	

OUTCOME 11	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Improved quality of education to address programmes in high demand within the MICT sector.	Availability of occupational qualifications in high demand.	**40** MICT SETA existing qualifications developed and reviewed annually	**100%** review of existing qualifications and development of new qualifications to comply with QCTO requirements.
	Key Risk	**Risk Mitigation**	
	– Outdated programmes resulting in non-responsive skills supply.	– Established partnerships with skills development providers and Industry to ensure demand-led and responsive programmes.	

8.3 EXPLANATION OF PLANNED PERFORMANCE OVER A FIVE-YEAR PLANNING PERIOD

The MICT SETA with the planned outcomes as outlined above seeks to contribute to the NDP in terms of skills development programmes, allocating limited resources with the purpose to ensure efficiency in the delivery of outcomes. The element of monitoring these resources will be through a sound financial and supply chain management systems and processes, meaning that there will be continuous timeous management accounts on annual basis, alignment to operational and procurement plans. The oversight of this will be through an increased role from the SETAs Accounting Authority and Subcommittees, paying close attention to financial performance, and oversight on corrupt and fraudulent activities.

Furthermore, the vision and mission of the MICT SETA can only manifest through having an agile organization through efficient processes, human capital whilst maintaining good governance and effective stakeholder relations. Simply, this means that the SETA will need to continue recruiting a talented and capable workforce to implement the organizational mandate. This will also depend entirely on raising awareness to increase stakeholder participation in MICT initiatives.

The allocation of resources as a broader goal to achieve skills development at a national level depends on the MICT SETA having a comprehensive mechanism for sector skills planning. This means that the MICT SETA should be able to consistently identify shortages and skills gaps in the sector. By doing this as a consistent effort, the SETA will enable resource allocation to be directed in the right areas through learning programmes. Career guides used by the SETA contribute to a wider system in which the SETA can have a wider reach even in areas such as rural, also enlighten those disadvantaged such as people with disabilities making them aware of possible opportunities that exist.

In understanding that efforts or outcomes by the SETA are linked to contributing to one common goal, which is achieving the targets of the NDP in terms of skills development. The SETA through its research division will ensure that scarce and critical skills are identified and investment is on the right programmes which will contribute to increased production of occupations in high demand. Linking education and the workplace will also continue to be a priority as that provides a real-life experience for the target youth in the MICT SETA programmes, partnerships with TVETs will not be side-lined, they will remain key to programmes implementation.

The MICT SETA will ensure that there are Quality programmes addressing occupations in high demand, meaning that there will be a need to increase the number of accredited training providers offering occupational qualifications in high demand on an annual basis, taking note of the role played by assessors, moderators reviewing the quality of programmes.

Key in the context of 4IR is creating a capable South African youth which can start businesses, produce products and solutions. The SETA understands this as a gap and will continue to align its strategies to respond to 4IR pulling factors. The MICT SETA values the importance of monitoring and evaluation, and will continue to use it to assess progress made towards the achievement of targets and to measure impact in the long-term. The NDP Five Year Implementation Framework remains key to the SETA in assessing itself towards the achievement of the NDP skills development targets.

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

8.4 PROGRAMME 1: ADMINISTRATION

INDICATOR TITLE	**Unqualified Audit opinion and compliance with relevant legislation for this strategic period.**
DEFINITION	Ensure financial prudence and compliance with relevant legislation through the attainment of an audit opinion that is free of material findings from the Auditor General (AG).
SOURCE OF DATA	– Audit report from the AGSA – Audited Annual Financial Statements – Annual Report
METHOD OF CALCULATION/ASSESSMENT	Simple count; each audit opinion is counted once each year
MEANS OF VERIFICATION	– Audited Annual Financial Statements – Audit report from the AGSA – Annual Report
ASSUMPTIONS	– Adequate and proficient Human Capital – Functional Financial Management System – Functional Learner Management System – Explicit processes and procedures – Approved Budget
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	Financial prudence and compliance with relevant legislation.
INDICATOR RESPONSIBILITY	Chief Financial Officer

8.4.1Sub-Programme 1.1 Finance

8.4.2 Sub-Programme 1.2 Corporate Services

INDICATOR TITLE	**Sound Corporate Services for this strategic period.**
DEFINITION	Skilled and completive human capital capable of delivering on the strategic outcomes of the organisations in a timely manner.
SOURCE OF DATA	– Audit report from the AGSA – Annual Report
METHOD OF CALCULATION/ASSESSMENT	Simple count, each employee is counted once.
MEANS OF VERIFICATION	– Performance Management Reports – Timeous submission of statutory reports – Stable and loyal capital
ASSUMPTIONS	– Functional HR Information System – Approved policies, processes, procedures and checklists – Approved Budget
CALCULATION TYPE	Cumulative
REPORTING CYCLE	– Monthly – Quarterly – annually
DESIRED PERFORMANCE	High performing human capital that delivers on the organisational mandate.
INDICATOR RESPONSIBILITY	Senior Manager Corporate Services

8.4.3Sub-Programme 1.3 IT

INDICATOR TITLE	**Business processes re-engineered and digitized**
DEFINITION	Achievement of business process re-engineering and digitised as an enabler for the MICT SETA values of excellence, accountability and stakeholder centricity
SOURCE OF DATA	– User Acceptance Testing (UAT) and / or – Closeout Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– User Acceptance Testing (UAT) and / or – Closeout Reports
ASSUMPTIONS	– Approved Digital Strategy and Digital Strategy Implementation Plan with costing – Allocation of funding
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	N/A
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly Annually
DESIRED PERFORMANCE	Increase in digitisation of business processes to improve organisational delivery of its mandate.

INDICATOR RESPONSIBILITY	Chief Information Officer

8.4.4 SUB-PROGRAMME 1.4: MONITORING AND EVALUATION

INDICATOR TITLE	**Monitoring and Evaluation Framework policy to improve business processes for increased performance and reporting.**
DEFINITION	Percentage of Business Processes, Policies and standard operating procedures developed, implemented and reviewed for improved performance and overall compliance on an annual basis.
SOURCE OF DATA	– Updated Policies – Updated Standard Operating Procedures
METHOD OF CALCULATION/ASSESSMENT	Simple Count; Percentage of Policies and Procedures assessed quarterly
MEANS OF VERIFICATION	– Updated Policies – Updated Standard Operating Procedures – New Business Process
ASSUMPTIONS	– Proficient Human Capital – Functional Monitoring and Evaluation Framework – Explicit Policies, processes and procedures
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	– Quarterly – Annually
INDICATOR RESPONSIBILITY	Senior Manager Monitoring and Evaluation

INDICATOR TITLE	**Implemented strategic and annual performance plan**
DEFINITION	Number of SETMIS Performance reports submitted to DHET Annually
SOURCE OF DATA	- Monthly reports - Quarterly Management Reports - Annual Reports
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; Number of report submitted quarterly and Annually
MEANS OF VERIFICATION	Proof of Submission
ASSUMPTIONS	– Proficient Human Capital – Functional Monitoring and Evaluation Framework – Explicit Policies, processes and procedures – SETMIS Data
CALCULATION TYPE	– Non-Cumulative
REPORTING CYCLE Annually	– Quarterly – Annually
INDICATOR RESPONSIBILITY	Senior Manager Monitoring and Evaluation

INDICATOR TITLE	**Efficient governance and compliance with relevant legislations for this strategic period.**
DEFINITION	To ensure adherence to relevant legislative frameworks resulting in accountability and good governance.
SOURCE OF DATA	– Financial and Performance Reports – Annual Reports – Auditors' Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Annual Report – Auditors' Reports
ASSUMPTIONS	– Proficient Human Capital and Accounting Authority – Functional Financial and Performance Management Information Systems – Effective Internal controls
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– N/A
CALCULATION TYPE	– Non-Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	– 100% Compliance with relevant legislation and good governance for this strategic planning period.
INDICATOR RESPONSIBILITY	– Accounting Authority – Board Secretary – Chief Executive Officer

8.4.4Sub-Programme 1.5 Governance

INDICATOR TITLE	**Corporate Governance Framework that ensures compliance with Regulatory requirements, DHET and overall sound corporate governance.**
DEFINITION	Ensure reporting of SETA activities for the realisation of SETA legislated mandate. Establish corporate governance framework that will speak to compliance and sound corporate governance practices.
SOURCE OF DATA	– Management Reports – Audit Reports – Annual Reports – Approved Policies
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; SETA governance reports submitted quarterly. – Elimination of non-compliance – Reduced incidents of risk and corruption
MEANS OF VERIFICATION	– SETA Governance Reports – Audit Reports – Approved Policies – Approved initiatives of the frameworks
ASSUMPTIONS	– Strategies, Policies and Processes in place.
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	– Accounting Authority – Chief Executive Officer – Board Secretary

8.5 PROGRAMME 2: SECTOR SKILLS PLANNING

INDICATOR TITLE	**A Sector Skills Plan that records occupations in high demand developed and approved for this strategic period.**
DEFINITION	To ensure that the development of the Sector Skills Plan uses diverse data collection methods and is validated through consultation with relevant stakeholders.
SOURCE OF DATA	– WSP/ATR data – Interviews – Online surveys – Focus Group discussions
METHOD OF CALCULATION/ASSESSMENT	– Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Sector Skills Plan – Annual Report – Audit Reports
ASSUMPTIONS	– Cooperation by relevant stakeholders – Credible data collection methods and tools – Research partners – Reliable Management Information System – Research Budget
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Non-Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	5 approved Sector Skills Plans for this strategic planning period.
INDICATOR RESPONSIBILITY	Senior Manager: Sector Skills Planning

INDICATOR TITLE	**Career guide with research-based labour market information developed and distributed for this strategic period.**
DEFINITION	To develop Career Guide in order to communicate information and opportunities to prospective young emerging talent, raising awareness on existing offerings within the MICT sector.
SOURCE OF DATA	– Approved Sector Skills Plan
METHOD OF CALCULATION/ASSESSMENT	– Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Career Guide – Annual Report – Auditor's Reports
ASSUMPTIONS	– Approved Sector Skills Plan
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Non-Cumulative (career guide) – Cumulative (Distribution)
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	– 5 career guides developed – 13 000 distributed for this strategic planning period
INDICATOR RESPONSIBILITY	– Senior Manager: Sector Skills Planning – Manager: Marketing and Communications

INDICATOR TITLE	**Trained Career Development Practitioners for this strategic period.**
DEFINITION	To train career development practitioners to support leaners in making informed decisions about career choices within the MICT sector.
SOURCE OF DATA	– Approved Sector Skills Plan – Career Guide
METHOD OF CALCULATION/ASSESSMENT	– Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Monthly Reports – Quarterly Reports – Audit Reports – Annual Report
ASSUMPTIONS	– Budget – Approved Sector Skills Plan – Career Guide – Cooperation from Career Development Practitioners
DISAGGREGATION OF BENEFICIARIES	– Target for Women: 54%

(WHERE APPLICABLE)	– Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	– To train 500 Career Development Practitioners to communicate career opportunities within the MICT sector.
INDICATOR RESPONSIBILITY	Manager: Marketing and Communications

INDICATOR TITLE	**Number of Career Development Practitioners trained for this strategic period.**
DEFINITION	Training of Career Development Practitioners to showcase career opportunities within the MICT sector for learners to make informed choices about the MICT sectoral occupations on an annual basis.
SOURCE OF DATA	– Career Opportunities Guide – Training Schedule
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each career development practitioner is counted separately and once every year.
MEANS OF VERIFICATION	– Training Execution Reports – Attendance Registers
ASSUMPTIONS	– Availability of Career Opportunities Guide – Availability of career development Practitioners
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Marketing and Communications Manager

8.6 PROGRAMME 3: LEARNING PROGRAMMES

8.6.1 Sub-Programme 3.1: Programmes Implementation

INDICATOR TITLE	**Increased enrolments on WIL, Internships, Learnerships, Candidacy, Skills Programmes and Short Programmes for unemployed learners in TVETs and HET institutions for this strategic planning period.**
DEFINITION	To ensure delivery of learning programmes that expose learners to workplace experience, thus affording them employment opportunities.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports

ASSUMPTIONS	– Cooperation by employers, training institutions and beneficiaries – Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased enrolments in respective learning programmes that expose beneficiaries to workplace experience and provision of placement opportunities.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Increased completions on WIL, Internships, Learnerships, Candidacy, Skills Programmes and Short Programmes for unemployed learners in TVETs and HET institutions for this strategic planning period.**
DEFINITION	To ensure completions on learning programmes that expose learners to workplace experience, in that way, affording graduates employment opportunities.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Cooperation by employers, training institutions and beneficiaries – Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased completions in respective learning programmes that expose beneficiaries to workplace experience and provision of placement opportunities.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Increased enrolments on Bursaries, Skills Programmes and CET programmes for workers already in employment for this strategic planning period.**
DEFINITION	To ensure delivery of learning programmes for workers already in employment, thus improving their skills sets.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Cooperation by employers, training institutions and beneficiaries – Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased enrolments in respective learning programmes that expose beneficiaries to workplace experience and provision of placement opportunities.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Increased completions on Bursaries, Skills Programmes, RPL and CET programmes for workers already in employment for this strategic planning period.**
DEFINITION	To ensure completions of learning programmes for workers already in employment, thus improving their skills sets.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports

ASSUMPTIONS	– Cooperation by employers, training institutions and beneficiaries – Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased completions in respective learning programmes that expose beneficiaries to workplace experience and provision of placement opportunities.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Increased enrolments on Bursary Programmes for unemployed learners for this strategic planning period.**
DEFINITION	To ensure enrolments on bursaries for unemployed learners, in that way, increasing access to middle and high level skills.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Training Institutions-Learner Agreements – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased enrolments on bursaries for unemployed learners, in that way, increasing their access to middle and high level skills.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Increased completions on Bursary Programmes for unemployed learners for this strategic planning period.**
DEFINITION	To ensure completions on bursaries for unemployed learners, in that way, increasing access to middle and high level skills.
SOURCE OF DATA	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Training Institutions-Learner Agreements – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Increased completions on bursaries for unemployed learners, in that way, increasing their access to middle and high level skills.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Established partnerships with HETs, TVETs and CETs to develop skills for the unemployed learners for this strategic planning period.**
DEFINITION	To establish strong partnerships with HETs, TVETs and CETs to ensure alignment of demand and supply of skills.
SOURCE OF DATA	– Monthly reports – Quarterly Management Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Cooperation from HETs, TVETs and CETs
DISAGGREGATION OF BENEFICIARIES	– Target for Women: 54%

(WHERE APPLICABLE)	– Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	Established partnerships with HETs, TVETs and CETs, in that way, aligning demand and supply of skills.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	**Established offices in TVET colleges, TVET college lecturers exposed to industry and together with CET lecturers afforded Bursary opportunities. College managers trained on financial and leadership management for this strategic planning period.**
DEFINITION	To establish offices in TVET colleges in order to increase access to MICT SETA offerings, to expose college lecturers to industry in order to link demand with supply of skills, to offer bursaries to lecturers and to train managers on leaderships skills, in that way, supporting the growth of the public college system.
SOURCE OF DATA	– Monthly reports – Quarterly Management Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Cooperation from TVETs and CETs
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	Established partnerships with TVETs and CETs, in that way, aligning demand and supply of skills.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	Cooperatives, CBOs (people), small businesses (people) and NGOs/NPOs (people) supported with training interventions, trained on entrepreneurial skills and supported on starting their business for this strategic planning period.
DEFINITION	Provide entrepreneurship programmes for beneficiaries in cooperatives, CBOs, small businesses and NGOs/NPOs to assist them to acquire targeted business skills, thereby contributing to business development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	– MOUs

	– SLAs between MICT SETA and Cooperatives, small businesses, NGOs/NPOs and Training Institutions – Beneficiary/Learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Monitoring Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Cooperation from cooperatives, CBOs, small businesses and NGOs/NPOs and training institutions
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	Established partnerships with cooperatives, CBOs, small businesses and NGOs/NPOs and training institutions to assist them to acquire targeted business skills, thereby contributing to business development, creation of sustainable job opportunities and growth.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

INDICATOR TITLE	Worker initiated training (federations/trade unions) (people) supported through Skills Programmes and Short Programmes for this strategic planning period.
DEFINITION	To provide skillsprogrammes and short programmes to federations/union/SETA initiated training to their beneficiaries/members to assist them to acquire targeted skills, thereby contributing to their development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	– MICT SETA, Federations/trade unions and Training Institutions SLAs – MOUs
METHOD OF CALCULATION/ASSESSMENT	Simple count (Both qualitative and quantitative)
MEANS OF VERIFICATION	– Monthly reports – Quarterly Management Reports – Auditors' Reports – Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Federations/trade unions and Training Institutions Learner Agreements – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Target for Women: 54% – Target for Youth: 80% – Target for People with Disabilities: 4%

CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	Established partnerships with federations/trade unions and training institutions to assist them to acquire targeted skills, thereby contributing to their development, creation of sustainable job opportunities and growth.
INDICATOR RESPONSIBILITY	Senior Manager: Learning Programmes

8.6.2 Sub-Programme 3.2: 4IR

INDICATOR TITLE	Programmes that address 4IR skills development needs.
DEFINITION	Established partnerships with MICT stakeholders, Academics, Civil societies for implementing 4IR initiatives.
SOURCE OF DATA	MICT SETA, NGOs/NPOs and Training Institutions SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count, (quantitative).
MEANS OF VERIFICATION	– Monthly reports – Quarterly Management Reports – Annual Reports
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Women – Youth – Marginalised South African communities – People with disabilities
SPATIAL TRANSFORMATION (WHERE APPLICABLE)	– Women – Youth – Marginalised South African communities
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
DESIRED PERFORMANCE	– 5 4IR strategies (1 annually).
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

PROGRAMME 4: EDUCATION AND TRAINING QUALITY ASSURANCE

INDICATOR TITLE	Availability of occupational qualifications in high demand.
DEFINITION	This means that the MICT SETA will support for the development of MICT SETA occupational qualifications in high demand in collaboration with the Industry and quality skills development providers.
SOURCE OF DATA	– Monthly reports – Quarterly Management Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple count (Quantitative)

MEANS OF VERIFICATION	– Annual Report – Audit Reports
ASSUMPTIONS	– The assumption is that if the MICT SETA implements the well-researched scarce and critical skills list funding, skills development gaps will be bridged and there will be economic growth in the sector.
DISAGGREGATION OF BENEFICIARIES (WHERE APPLICABLE)	– Women – Youth – Marginalised South African communities – People living with disabilities
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	100% review of existing qualifications and development of new qualifications to comply with QCTO requirements.
INDICATOR RESPONSIBILITY	Senior Education and Quality Assurance Manager

PART C-

ANNUAL PERFORMANCE PLAN FOR THE YEARS 2021-2022

Accounting Authority Statement

The South African skills development landscape is entering its fourth phase through the introduction of the National Skills Development Plan. The MICT SETA Annual Performance Plan provides a clear path towards achieving the skills development outcomes within the MICT sector. This Plan is a one-year plan aimed at supporting the sector in developing demand-driven skills that promote creativity and innovation for provision of meaningful employment, entrepreneurship and overall sectorial growth.

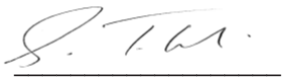
The main change driver that has immense implications on skills planning with the MICT sector is the advent of the Fourth Industrial Revolution (4IR). The need for 4IR related skills has been clearly identified in the MICT SETA Sector Skills Plan (SSP). Furthermore, broad categories of critical skills gaps exist amongst employees working across the five sub-sectors, they include Customer service, leadership, management, professional, Production efficiency skills.

As this Annual Performance Plan is informed by its SSP, the SETA will collaborate with employers, service providers, government and the community at large to channel available resources towards creating a pool of talent that matches demand for such skills and those that are brought about by technological advancement as outlined in the SSP. Aligning this Annual Performance Plan and those of the SETA's partners will ensure immeasurable contribution towards addressing occupational shortages and skills gaps within and beyond the MICT sector.

The combined efforts from all stakeholders to produce this Annual Performance Plan are acknowledged and gratefully appreciated. The following deserves special mention:

- The Ministerial representatives on MICT SETA's Board
- Industry, via representation on MICT SETA's Board
- Organised Labour, through representation on MICT SETA's Board

The sharing of knowledge is the catalyst for achieving South Africa's skills development potential and economic growth.



Simphiwe Thobela
Chairperson: Accounting Authority: MICT SETA

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Media Information and Communication Technologies Sector Education and Training Authority (MICT SETA) under the guidance of the MICT Board and the Department of Higher Education and Training;
- Takes into account all the relevant policies, legislation and other mandates for which the MICT SETA is responsible;
- Accurately reflects the strategic outcomes and outputs that the MICT SETA endeavours to achieve over the 2021-2022 financial year.

Programme 1: Administration

Sub- Programme 1.1: Finance:	Tiny Mokhabuki	Signature:
Sub-Programme 1.2: Corporate Services:	Matome Madibana	Signature:
Sub- Programme1.3: Information Technology	Moloti Nkune	Signature:
Sub- Programme 1.4: Monitoring and Evaluation	Ernest Nemugavhini	Signature:
Sub- Programme 1.5: Governance:	Ayanda Manqele	Signature:
Programme 2: Sector Skills Planning:	Sekgana Makhoba:	Signature
Programme 3: Learning Programmes:	Sithembiso Hlongwane:	Signature:
Programme 3: Sub- Programme 4IR	Gugu Sema	Signature:
Programme 4: ETQA:	Matome Madibana	Signature:

Mdu Zakwe

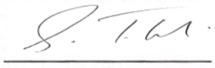
Chief Executive Officer

Signature:

Approved by:

Simphiwe Thobela

Chairperson: Accounting Authority

Signature: 

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2. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

1.1 Constitutional Mandates

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) has been duly considered during the development of this Annual Performance Plan and the MICT SETA will ensure compliance with all sections of the Constitution and specific focus will be on:

- **Promoting and maintaining high standards of ethics (Section 195 of the Constitution of the Republic of South Africa, 1996)**

  The MICT SETA will continue to implement fraud prevention, detection and response strategies in its drive to promote ethics and fight fraud and corruption when delivering its mandate.

- **Providing service impartially, fairly, equitably and without bias (Section 196 (4) of the Constitution of the Republic of South Africa, 1996)**

  The MICT SETA will ensure accessibility and accuracy of information to its stakeholders. The SETA has over the years provided equitable opportunities to vulnerable groups in the society, particularly black people, women and persons with disabilities to access skills development opportunities within the MICT sector.

- **Utilising resources efficiently and effectively (Section 195 of the Constitution of the Republic of South Africa, 1996)**

  The MICT SETA will continue to ensure accountability, transparency, and value for money, ensuring that available resources are used effectively and efficiently without wastage, and in a way that optimises the public benefit. This will be done with fairness and integrity.

- **Responding to people's needs; the citizens are encouraged to participate in policy-making (Section 195 of the Constitution of the Republic of South Africa, 1996)**

  In complying with this mandate, the SETA will ensure that its stakeholders' needs are responded to, and in accordance with available resources at its disposal. The MICT SETA will continue to promote a people centred approach, characterised by equity, equality, and a strong code of ethics. Respective stakeholders will be included in its structures to provide opportunities for collective decision making.

- **Rendering an accountable, transparent, and development-oriented administration (Section 195 of the Constitution of the Republic of South Africa, 1996)**

  The SETA will continue to deploy effective, efficient and transparent systems for financial management, risk management and overall internal controls. Constant monitoring and risk mitigation processes will ensure achievement of MICT SETA's objectives and good governance practices. The MICT SETA will promote representation, equity and eliminate all forms of discrimination in compliance with the relevant legislations.

1.2 The Skills Development Act 1998 (Act No 97 of 1998) as amended

The MICT SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998). In contributing to the objectives of this Act, this SETA will support skills development within its sector by:

- implementing its Sector Skills Plan
- promoting Learnerships in each of its sub-sectors
- performing the functions of an Education and Training Quality Assurance Body
- liaising with the National Skills Authority on skills development matters
- concluding a service level agreement with the Director-General of the Department of Higher Education and Training in terms of section 10A of the Act
- promoting the national standard established in terms of section 30B of the Act
- submitting budgets, reports and financial information that are required in terms of the Public Finance Management Act, 1999 to the Director-General of the Department of Higher Education and Training.

1.3 MICT SETA Constitution

Further to the SDA mandate outlined above, the MICT SETA Constitution published in Government Gazette no. 35336 of 11 May 2012 commits the SETA to:

- Facilitate the involvement of line function government departments in SETA activities
- Promote SMME training to enable them to qualify for public contracts
- Perform any duties imposed by the Act and to actively pursue concrete measures to achieve the objectives of all applicable Acts.

1.4 The Skills Development Levies Act, 1999 (Act No 09 of 1999) as amended

The Skills Development Levies Act requires the MICT SETA to use all monies received in terms of the Skills Development Levies Act to administer the activities of the SETA. The MICT SETA will pay all compliant employers within its sector their mandatory grants. It will implement its SSP and APP as contemplated in the Treasury Regulations through the allocation of the discretionary grants, and in accordance with the Skills Development Levies Act.

1.5 Regulations published in the Government Gazette, No. 35940, 03 December 2012 regarding Monies Received by a SETA and Related Matters:

The MICT SETA will comply with Government Gazette, No. 35940 Regulations when administering all levies received from employers falling within its sector in the following manner:

Table 1: Grant Breakdown

Total levies received by a SETA	**80%**
Mandatory grants	**20%**
Discretionary Grants	**49.5%**
Administration	**10.5%**

1.6 The National Qualifications Framework Act, (Act No. 67 of 2008)

The objectives of the NQF are to create a single integrated national framework for learning achievements; facilitate access, mobility and progression within education, training and career paths; enhance the quality of education and training; accelerate the redress of past unfair discrimination in education, training and employment opportunities. In contributing to the afore-mentioned objectives, the MICT SETA will support its sector through the allocation of 80% of its discretionary grants to implement NQF aligned PIVOTAL programmes in the form of Learnerships, Skills Programmes, Bursaries, Work Integrated Learning and Professional programmes.

1.7 Public Finance Management Act (Act No 29 of 1999)

The Public Finance Management Act (PFMA) requires all public entities to ensure financial prudence and good governance. The MICT SETA as a public entity will ensure that all revenue, expenditure, assets and liabilities entrusted to it are managed efficiently and effectively. The MICT SETA will manage the budget preparation process; monitor the implementation and report to National Treasury accordingly. Furthermore, the MICT SETA will ensure compliance with the PFMA by establishing banking accounts, use all monies received in terms of the Skills Development Levies Act to:

- Administer the activities of the SETA
- Pay employers their mandatory grants
- Implement its SSP and APP as contemplated in the Treasury Regulations issued in terms of the Public Finance Management Act, through the allocation of the discretionary grants
- Transfer any unclaimed mandatory funds and any interest earned thereon each financial year into the discretionary fund.

The MICT SETA will allocate 80% of its available discretionary grants within a financial year to PIVOTAL programmes that address occupational shortages and skills gaps in its sectors in compliance with these Regulations. The MICT SETA has set out in its APP a reasonable estimate of discretionary grants that will be available in the sector for training on industry skills needs in accordance with these legislations.

1.8 Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017

Section 217 of the Constitution of the Republic of South Africa states that when an organ of state in the National, Provincial or Local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective. Furthermore, it stipulates the need to implement a Procurement Policy that will provide for categories of preference in the allocation of contracts; and the protection or advancement of persons, or categories of persons disadvantaged by unfair discrimination. The purpose of the Preferential Procurement Policy Framework Act is to promote an inclusive economy and to ensure that Small Medium and Micro enterprises are afforded more opportunities in government procurement. The MICT SETA will ensure full compliance with this legislation in order enhance participation for inclusive economy.

1.9 Employment Equity Act, 1998 (Act No 55, 1998)

The main purpose of the Employment Equity Act is to achieve equality in the work place by promoting equal opportunity and fair treatment through the elimination of unfair discrimination, implementing positive measures (affirmative action) to ensure the equitable representation of black people, women and people with disabilities at all levels in the workplace. In contributing to the decrees of this Act, the MICT SETA will ensure that steps to prevent discrimination in any employment policy or practice are taken. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status and religion amongst others will be curbed at all times.

1.10 Broad-Based Black Economic Empowerment

The Broad-Based Black Economic Empowerment (B-BBEE) protocol has an important influence on the MICT sector. The Broad-Based Codes of Good Practice were launched in 2007 and provided a framework for

measurement of B-BBEE in terms of the BEE Act 53 of 2003. Although the 2007 codes encouraged voluntary compliance with B-BBEE, the current codes appear to be punitive in nature. The codes, which came into effect in 2015, provide some guidance in dealing with various elements. Skills Development has been classified as a priority element and thus the measurement principles cannot be deviated from, yet the sector (e.g. through a revised ICT charter) can adjust targets and weightings. As a priority element, a sub-minimum of 40% of the total weighing points must be achieved. This means employers will be obliged to score at least 8 out of a possible 20 points on the Skills Development Scorecard. Failure to achieve sub-minimum results in overall BEE score being automatically docked by one level. The target for skills development is 6% of payroll, which is an increase from the previous codes' 3%.

The 6% however can be spent on both employed and unemployed persons although the training must mirror the economically active population of the province or region in which the business operates. The MICT SETA constantly engages with employers in the sector as well as with industry bodies to advance B-BBEE in the sector. Given that internships are now fully recognised on the same level as learnerships in the score card (as well as placement after completion), the SETA will intensify its support for employers implementing both programmes for B-BBEE purposes while at the same time addressing youth unemployment challenges.

Additionally, the SETA will continue to align vendor programmes with the NQF registered programmes for employers to benefit in terms of B-BBEE while at the same time, maximising support in addressing their skills needs. Furthermore, the SETA strives to ensure that the level of engagement with its suppliers is one that seeks to attract designated groups in the effort to transform the sector and the economy

3. UPDATE TO INSTITUTIONAL POLICIES AND STRATEGIES

South Africa's development strategy is underpinned by the National Development Plan (NDP) which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of "levers", "pillars" or policy interventions that are understood to contribute to this planned growth. As an integral part of the South African society, the MICT sector is impacted by various national strategies and plans and it therefore needs to respond to those by addressing skills development challenges within its context. The government's key planning policies and priorities that impact the MICT sector, a brief description of how each will be provided for and the implications for the sector are outlined below:

3.1 National Development Plan

The NDP Vision 2030 (November 2011) identifies as one of the core priorities: reducing unemployment to 6% by 2030. The intention is to increase the number of people in employment from the current 13-14 million to around 24 million in that period. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of this Plan, the MICT has identified the following areas of action to be supported through its learning interventions:

- A larger, more effective innovation system closely aligned with firms that operate in sectors consistent with the growth strategy
- Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators
- An expanded skills base through better education and vocational training
- Business incubation for SMEs generally and the expansion of business services in particular as priority actions for growth and development.

The MICT sector is at the centre of the National System of Innovation (NSI) and would thus have to play a leading role in supporting effectiveness and efficiency so that the economy could grow at the requisite levels to achieve NDP objectives. Through continued funding of bursaries at research level the MICT endeavours to propel the sector's innovation system. Similarly, equal focus will be channelled towards continued support for SMEs through more focused internship and incubation programmes. TVETs will also continue to receive particular attention in order to ensure expanded technical skills through vocational training.

2.2 NDP Five Year Implementation Plan: Medium-Term Strategic Framework (MTSF)

The NDP five-year implementation plan promotes the Medium-Term Strategic Framework (MTSF) which is a prioritization framework to focus the government's efforts on a set of manageable programmes, and provides guidance regarding the allocation of resources across all spheres of government. In contributing to the MTSF, the MICT SETA will continue to prioritise specific NDP targets when allocating resources at its disposal. This will be done through strengthening integrated planning with its stakeholders, and ensuring collaborations and partnerships in planning. The realization of national development priorities requires that all sectors develop and implement sector plans that are aligned to the NDP, guided by a common planning approach, hence the aforementioned planning collaborative efforts.

2.3 Monitoring Framework for NDP Five-Year Implementation Plan

The development of an effective monitoring and evaluation framework is crucial for the successful implementation of any programme, particularly for the NDP in this instance. The MICT SETA values the importance of monitoring and evaluation, and will continue to use it to assess progress made towards the achievement of targets and to measure impact in the long-term.

2.4 Industrial Policy Action Plan (IPAP)

IPAP has identified a number of priority sectors which it aims to support for development in the country. Those that have a direct link with the MICT sector include:

- Facilitate the upgrade of manufacturing facilities and capabilities to increase domestic production and growth of exports
- Green industries
- Commercialisation of technologies
- Skills development for the business process outsourcing sector

As stakeholders in the sector start to engage in these programmes, the MICT SETA would continue to be a skills development partner, ensuring that along the way the requisite skills are being developed. Similar to the NDP objectives, the MICT SETA will leverage its partnerships with industry to drive innovative research in areas such green skills that also offer opportunities to small business to play a significant role in the country's manufacturing and technology ecosystem.

2.5 White Paper on Post Schooling Education and Training

The White Paper envisages an expanded, effective and integrated post-school system in South Africa. It is premised on achieving:

- Expanded access to TVET and university education;
- Establishment of community colleges and skills centres to mainstream vocational education and training;
- Establishment of a national skills planning mechanism within DHET;
- A strengthened NSA to perform a monitoring and evaluation role in the skills system;
- Opening up workplaces to give more youth access to work integrated learning opportunities.

The white paper further notes that, in future SETAs will be given a clearer and to some extent, a narrower and more focused role. In supporting the White Paper's calls for an efficient skills development system, the MICT SETA engages in a rigorous strategic planning process that ensures the delivery of technical and vocational skills demanded by its sector and the broader economy. The SETA will continue to strengthen its partnerships with TVETs and industry in order to deliver middle level technical skills through expanded access to internships programmes and work integrated learning.

2.6 The National Integrated ICT Policy Review Report

The National Integrated ICT Policy Review Report (final) was published in March 2015. It made a number of recommendations on skills development in anticipation of infrastructure rollout:

- Widespread basic technology skills to take advantage of universal access to broadband and increase demand for ICT products and services;
- Public service skills to ensure public servants in all three tiers of government are adequately skilled to drive more efficient delivery of services using Government-to-Business, Government-to-Government, Government-to-Citizen and Citizen-to-Government modes;
- A diverse skills base across professions, from both user and ICT developer perspectives, which catalyses the growth of ICT-enabled industries;
- A sufficient supply of skilled professionals, researchers and innovators to build the ICT products and services industry, so that we are not dependent on the import market; and
- Skills development to ensure the anticipated infrastructure expansion is built, serviced and maintained by a majority South African workforce.

All of the above are emphasised in SA Connect which provides for interventions within the basic education and post-school sectors, in government and adult e-literacy as well as youth development and sectoral programmes. The MICT SETA, in developing learning programmes, will align to the goals of this plan, with emphasis on advocating the creation of a dynamic and connected information society and a vibrant knowledge economy that is more inclusive. Through continued championing of skills development interventions, the SETA will contribute to expanding the national system of ICT research, development and innovation.

2.7 Strategic Integrated Projects (SIPs)

One of the Strategic Integrated Projects outlined by the Presidential Infrastructure Coordinating Commission (PICC) is SIP-15: "Expanding Access to Communication Technology". It includes:

- Infrastructure development for higher education focusing on lecture rooms, student accommodation, libraries and laboratories as well as ICT connectivity. Development of university towns with a combination of facilities from residence, retail, recreation and transport. Creating a potential to ensure shared infrastructure such as libraries at universities, TVETs and other educational institutions.
- Provide for 100% broadband coverage to all households by 2020 by establishing core Points of Presence (POP's) in district municipalities, extend new fibre networks across provinces linking districts, establish POP's and fibre connectivity at local level, and further penetrate the network into deep rural areas.
- While the private sector will invest in ICT infrastructure for urban and corporate networks, government will co-invest for township and rural access as well as for e-government, school and health connectivity.
- The school rollout focuses initially on the 125 Dinaledi (science and maths focussed) schools and 1525 district schools. Part of digital access to all South Africans includes TV migration nationally from analogue to digital broadcasting.
- Square Kilometre Array (SKA) is a global mega science project, building an advanced radio-telescope facility linked to research infrastructure & provides an opportunity for Africa and South Africa to contribute towards advance science.

The DHET published report that assesses the skills needs "for and through SIPs" {Economic Development Department, 2014 #18} points specifically to the demand for database and network professionals. These professionals are expected to design, develop, control, maintain and support the optimal performance and security of information technology systems and infrastructure including databases, hardware and software, networks and operating systems. The need for specialist data scientists able to deal with large

volumes of data was identified by the SKA and various sub-disciplines within industrial and electrical engineering.

MICT SETA is and will continue to be the skills development partner to support SIP 15 dealing with universal access to broadband. In this regard, the SETA already works with a number of partners within the sector, they including the CSIR, DST, DTPS and USASSA, this is aimed at ensuring sound delivery and provision of requisite services and products by skilled professionals and specialists.

2.8 Provincial and Local Government Plans

Municipal integrated development plans as well as provincial growth and development strategies are key as they guide planning and development across the nine provinces and 278 municipalities. With the country's rural development strategy, these plans and strategies have to be considered to identify areas for potential growth. Each province's PGDS identifies areas for economic development as well as plans of the province to develop such industries. Where MICT SETA related industries have been identified as key areas for development, the SETA will prioritise those and ensure that support is offered and partnerships are effective.

2.9 National Skills Development Plan (NSDP)

In the new planning cycle, the MICT SETA responds to the eight NSDP outcomes by identifying and addressing occupations in high demand, linking MICT SETA education and training providers with respective workplaces, contribute to the improvement of industry's workforce skills levels, supporting the growth of the TVETs and CETs through work integrated learning (WIL), supporting skills development for entrepreneurship and cooperatives and rural learners, encouraging and supporting worker initiated (unions/federations), supporting career development services. These outcomes will be achieved through the implementation of the SETA's key strategic priorities listed below.

Table 1: NSDP Outcomes

NSDP OUTCOMES	MICT SETA OUTCOMES
Outcome 1: Identify and increase production of occupations in high demand	**Outcome 2:** Increase and improve labour market information that accurately identifies occupations in high demand.
Outcome 2: Linking education and the workplace	**Outcome 4:** Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
Outcome 3: Improving the level of skills in the South African workforce	**Outcome 11:** Improve the quality of education to address programmes in high demand within the MICT sector.
Outcome 4: Increase access to occupationally directed programmes	**Outcome 4:** Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
Outcome 5: Support the growth of the public college system	**Outcome 7:** Support the growth of the public college system.
Outcome 6: Skills development support for entrepreneurship and cooperative development	**Outcome 8:** Increased skills development support for SMMEs, entrepreneurship, cooperatives development and community based organizations.
Outcome 7: Encourage and support worker	**Outcome 4:**

initiated training	**Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.**
Outcome 8: **Support career development services**	**Outcome 3:** **Supported career development services within the MICT sector.**

2.10 Sector Priorities

While it is the MICT SETA's ambition to work with and service the entire employer base for the sector, there are a number of inhibiting factors. Primarily, levy payers represent almost 25% of all employers in the sector, as the sector base is predominately constituted by small sized companies; representing almost 96% of all employers in the sector (as supplied by SARS). Additionally, the MICT sector does not, in reality, comprise all organisations demarcated to its five sub-sectors by SARS. There are employers that provide ICT services together with other professional services and who are located in other clusters. Though such employers are generally recognised as falling within the MICT sector, they define themselves outside of this sector in terms of skills development system.

In response, the MICT SETA will continue to prioritise its role as a strategic skills development partner that can enhance the sustainability and growth of small businesses in the sector. Support for SMMEs will focus on sustained collaboration with key stakeholders to encourage incubation of these businesses. Additionally, the SETA will continue to bolster rural outreach initiatives. Primarily, this Strategy will focus on collaborating with public TVET colleges as the primary modes of delivery of e-readiness skills and other skills required in rural areas. The establishment of new, small-scale firms and cooperatives focused on ICT services in rural areas has opened up opportunities for skills development.

The MICT SETA supports government's various policy and planning interventions aimed at achieving the objectives of the National Development Plan (NDP). These policies and plans have a direct bearing on the sector's skills development endeavours and as such, they will a coherent response from the MICT SETA and its stakeholders will be neatly woven into this Annual Performance Plan.

Listed below are the SETA's strategic key priorities in order of priority. They are further detailed in the research findings section of this Annual Performance Plan.

Priority 1	Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
Priority 2	Ensure good corporate governance and a productive workforce.
Priority 3	Increase and improve labour market information that accurately identifies occupations in high demand.
Priority 4	Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity
Priority 5	Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
Priority 6	Improve the quality of education to address programmes in high demand within the MICT Sector.
Priority 7	Enablement of the Fourth Industrial Revolution (4IR)
Priority 8	Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.

These aforementioned priorities will be implemented in accordance with the MICT SETA policies and procedures. In some instances, they will be addressed through special projects to ensure support for the sector and government while at the same time, assisting in the achievement of quarterly SETA targets. Below is an alignment between the strategic key priorities and the MICT SETA strategic oriented goals.

2.11 Relevant Court Rulings

Business Unity South Africa versus the Minister of Higher Education and Training (DHET):

SETA Grant Regulations 3 December 2012 as re-promulgated: Mandatory Grants

Regulation 4(4) of the 2012 Grant Regulations, as promulgated in 2012, reduced the mandatory grant that an Employer could claim from 50% to 20% of the total levies paid. The way that the Regulations were promulgated led to litigation by Business Unity South Africa (BUSA), to which a ruling was ultimately made by the Labour Appeal Court in October 2019, the effect of which Regulation 4(4) was set aside.

The ruling is silent on the percentage quantum that can be claimed back by employers and on the effective date of the order. The effect is that the Minister would have to decide on the percentage for mandatory grants, in consultation with the sector. To date, there has been no communication regarding the approved mandatory grant percentage. The Minister is in consultation with the sector regarding this matter.

DHET splits the mandatory grant levy income portion at a rate of 20% in the monthly levy download information. Consequently, the SETA has continued to pay and accrue mandatory grants at 20% in the 2019/20 financial year, which is also aligned to the approved Annual Performance Plan. For the 2020/21 financial year and MTEF period, the mandatory grant has been accrued at 20% until such time as a decision is made on the percentage as per directive no11/2020 as issued by DHET.

PART B: MICT SETA STRATEGIC FOCUS

4. UPDATED SITUATIONAL ANALYSIS

This situational analysis seeks to provide an environmental context in which the MICT SETA functions. The section provides a multidimensional analysis of current sector performance, identifying factors impacting on the sector as outlined in the MICT SETA Sector Skills Plan 2021/2022. The Standard Industrial Classification (SIC) codes classify business establishments and other standard units by the type of economic activity in which they are engaged. A submission will be made to the Department to request their review and remove the obsolete ones and to add new ones to ensure relevance.The table below represent the SIC Codes falling within the MICT SETA economic sector and were published in Government Notice, No. 42589, Government Gazette, 22 July 2019.

Table 3: The MICT SETA Standard Industry Classification Codes (SIC)

Sub-sector	SIC Code	Main Activity Description
Advertising	88310	Advertising
	88311	Activities of Advertising Agents
	88313	Commercial Design
Film and Electronic Media	96110	Motion Picture and Video Production and Distribution
	96112	Related Activities - Film and Tape Renting to Other Industries, Booking, Delivery and Storage
	96113	Film and Video Reproduction
	96132	Production and Broadcast of Radio and Television Broadcast Content
	96200	News Agency Activities
	88940	Photographic Activities
Electronics	35791	Manufacture of Alarm Systems
	75216	Security Systems Services Except Locksmiths
	75217	Office Automation, Office Machinery and Equipment Rental Leasing Including Installation and Maintenance
	86004	Electronic and Precision Equipment/ Computer Repairs and Maintenance
	86010	Consumer Electronics Repair and Maintenance
	86013	Other Electronic and Precision Equipment Repair and Maintenance
	86014	Repair and Maintenance of Electronic Marine Equipment
	87142	Research and Development of Electronic Equipment and Systems
	87143	Information Technology Import and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	87146	Research and Development in The Physical and Engineering Sciences
	87147	Electronics Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96133	Installation, Maintenance and Repair of Tracking Devices for Cars
Information Technology	86001	Software Publishers
	86002	Computer Systems Design and Related Services

	86003	Computer Facilities Management Services
	86005	Computer Rental and Leasing
	86006	Computer Programming Services
	86007	Other Computer Related Activities
	86008	Call Centre and Customer Relationship Management Systems Development and Installations Activities
	86009	Computer System Design Services and Integrated Solutions
	86011	Computer and Office Machine Repair, Maintenance and Support Services
Tele-communications	75200	Telecommunication
	75201	Wired Telecommunications Carriers
	75202	Television and Radio Signal Distribution
	75203	Cable Networks and Programme Distribution
	75204	Telephone
	75205	Wireless Telecommunications Carriers except Satellite Radio Telephone
	75209	Television Broadcasting
	75211	Telecommunications and Wired Telecommunication Carriers
	75212	Paging
	75213	Cellular and Other Wireless Telecommunications
	75214	Satellite Telecommunications
	75215	Other Telecommunications
	86012	Communication Equipment Repair and Maintenance
	87148	Telecommunications Importation and Product Integration of Pre-Manufactured Electronics IT and Telecommunications Equipment
	96131	Providing Radio and Television Transmission Signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019

- **Strategic focus of the MICT SETA over this Annual Performance Planning period.**

The strategic focus of the MICT SETA for this planning period includes ensuring effective leadership and commitment in the development of skills for the sector and beyond. Further focus will be on leveraging the private sector investment in research and development, support for learners to acquire digital technology

skills and better understanding of the MICT career opportunities, ensuring informed choices and decisions by respective stakeholders.

– **Recent statistics relevant to the MICT SETA and the sector**

The MICT sector is made up of five sub-sectors that are inter-related but also quite distinct and identifiable in their own right, they are: Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications. These sub-sectors are increasingly converging into a single ICT ecosystem using similar technologies. The MICT sector covers an array of segments such as market research, business process automation, media, data services, software, hardware, telecommunications, financial and risk information, and security among others. The sector is anchored by the role of unified communications which enables access, storage, transmission, and manipulation of information.

The MICT sector is currently made up of 28,829 employers spread across the five sub-sectors. These estimates represent only companies allocated to the MICT SETA through the SARS registration process. The Information Technology Sub-sector is the largest Sub-sector, accounting for 51% of employers. Telecommunications and Electronics Sub-sectors each account for 13%, closely followed by Advertising (12%) and Film and Electronic Media (11%). The number of levy-paying employers decreased slightly from 7,902 in 2019 to 7,207 in 2020 as companies' battle tough economic times and a rise in self-employment (e.g. freelancers, mobile filmmaking, and social media "influencers"). However, levy contributions increased as they emanate from a percentage of an employer's payroll. Furthermore, an increase in salaries for existing employees or an increase in the number of employees (especially those earning higher salaries) increases the payroll and, consequently, the levy contribution.

The Information Technology Sub-sector contributes the highest total value at 50% amongst levy paying employers. This Sub-sector's contribution increased from 46% in 2019. The percentage of levy paying employers in the Telecommunications Sub-sector increased from 11% in 2019 to 16% in 2020. While the Advertising and Electronics Sub-sectors showed a similar contribution to the Sector at 12% and 13%, respectively, levy payers in the Film and Electronic Media Sub-sector made the smallest levy contribution, at 8%.

– **Demographic data that will be used to inform planning for three-year period.**

Small sized enterprises have consistently dominated the MICT Sector, accounting for approximately 96% of all employers. The number of small enterprises in the Sector sits at 27 505 in 2020.Medium enterprises makes up 3% of the employer base in the Sector, whilst enterprises employing over 150 employees (large enterprises) make up only 1% of the Sector.

Table 4: MICT Sector Size of Employers per Sub-sector

	Large (150+)		Medium (50-149)		Small (0-49)	
	2019	2020	2019	2020	2019	2020
Advertising	21	24	74	61	3 485	3 353
Electronics	77	77	139	140	3 624	3 445
Film and Electronic Media	57	57	79	73	3 256	3 124
Information Technology	181	184	454	452	14 696	13 998
Telecommunications	68	67	132	147	3 592	3 585
Grand Total	**404**	**409**	**878**	**873**	**28 653**	**27 505**

Source: MICT SETA Levy Huge File, 2020

Gauteng province hosts the largest proportion (47% - 62%) of employers across the five Sub-sectors. Overall, Northern Cape reflected the smallest proportion of employers, after Mpumalanga, North West and Limpopo. The table below illustrates employer base per province.

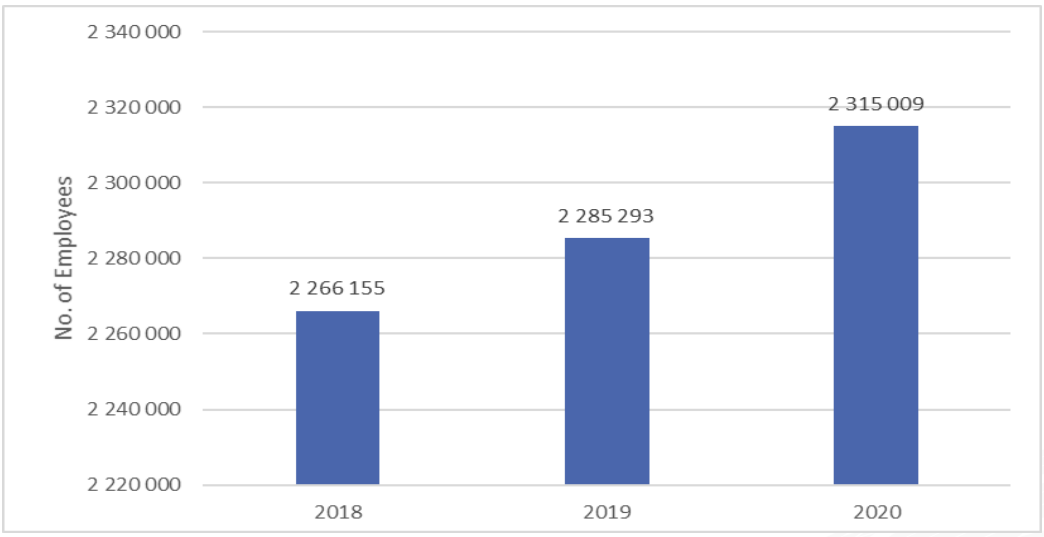
Table 5: MICT Sector Size of Employers Per Province

	Advertising		Electronics		Film and Electronic Media		Information Technology		Tele-communications	
	No.	%	No.	%	No.	%	No.	%	No.	%
EC	91	2.63%	129	3.53%	77	2.36%	549	3.75%	154	4.06%
FS	32	0.92%	101	2.76%	66	2.02%	281	1.92%	115	3.03%
GP	2018	58.51%	2086	57.02%	1520	46.62%	8749	59.70%	2366	62.33%
KZN	481	13.96%	470	12.86%	220	6.74%	1813	12.37%	325	8.56%
LP	9	0.26%	43	1.18%	59	1.81%	133	0.91%	62	1.64%
MP	22	0.63%	140	3.82%	60	1.83%	283	1.93%	132	3.48%
NW	55	1.58%	65	1.78%	35	1.08%	154	1.05%	69	1.82%
NC	2	0.06%	19	0.52%	9	0.28%	55	0.38%	29	0.78%
WC	740	21.45%	605	16.53%	1214	37.25%	2638	18.00%	543	14.31%
Total	**3449**	**100%**	**3658**	**100%**	**3260**	**100%**	**14655**	**100%**	**3795**	**100%**

Source: MICT SETA Levy Huge File, 2020

Employment in the MICT Sector has grown steadily over the past three years, reaching a total of 2,315,009 employees in 2020. This translates to a 2.2% increase in employment from 2018 to 2020. This can be seen in the figure below.

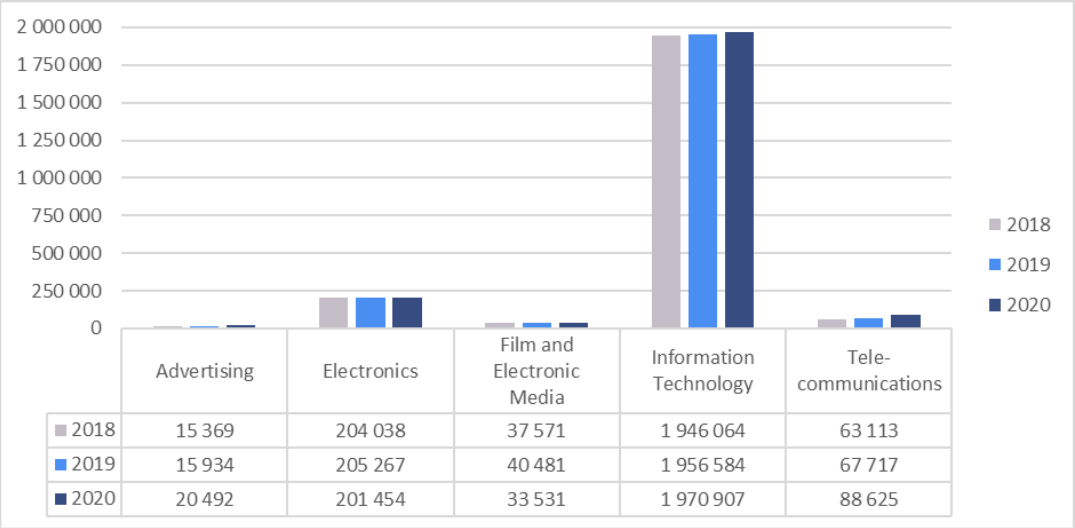
Figure 1: Employment in the MICT Sector



Source: MICT SETA Levy Huge File, 2020

Employment in the Information Technology Sub-sector is the largest of the Sub-sectors with 85.14% of employees in 2020. The Sub-sectors with the smallest portion of employees are Advertising (0.89%) and Film and Electronic Media (1.45%). As with the relative share of the number of companies in each Sub-sector, the relative share in terms of number of employees has remained stable between 2018 and 2020.

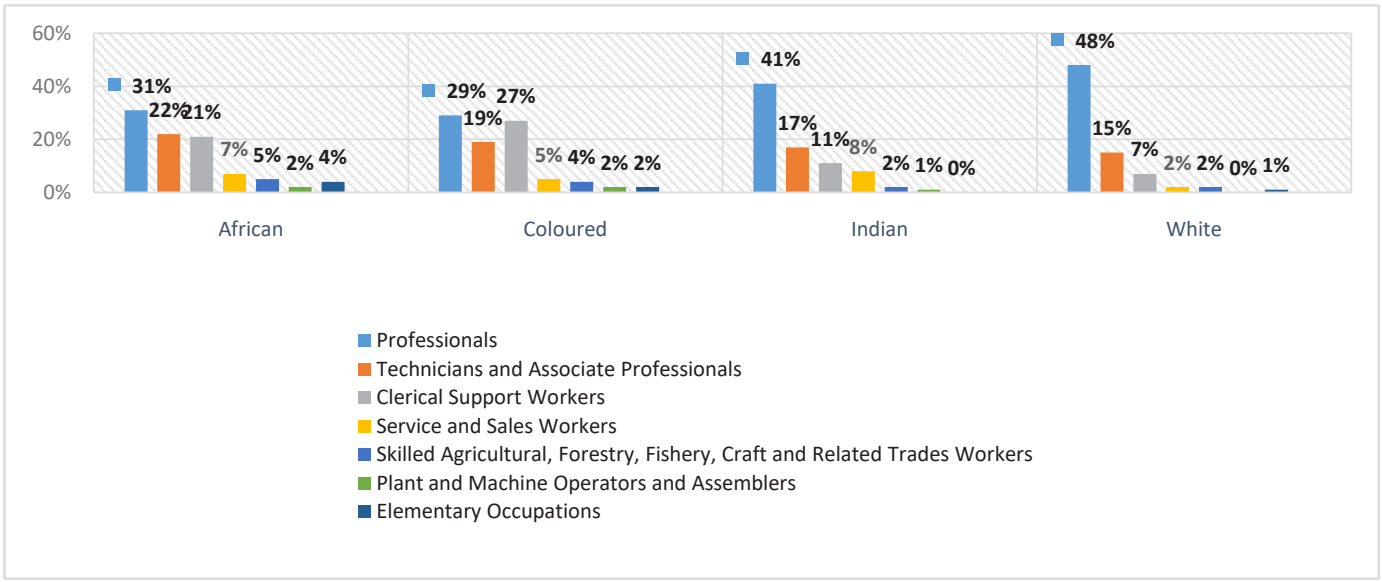
Figure 2: Number of Employees by Sub-sector



	Advertising	Electronics	Film and Electronic Media	Information Technology	Tele-communications
2018	15 369	204 038	37 571	1 946 064	63 113
2019	15 934	205 267	40 481	1 956 584	67 717
2020	20 492	201 454	33 531	1 970 907	88 625

Source: MICT SETA OGS, 2020

Figure 3: Employees by Race and Occupational Categories



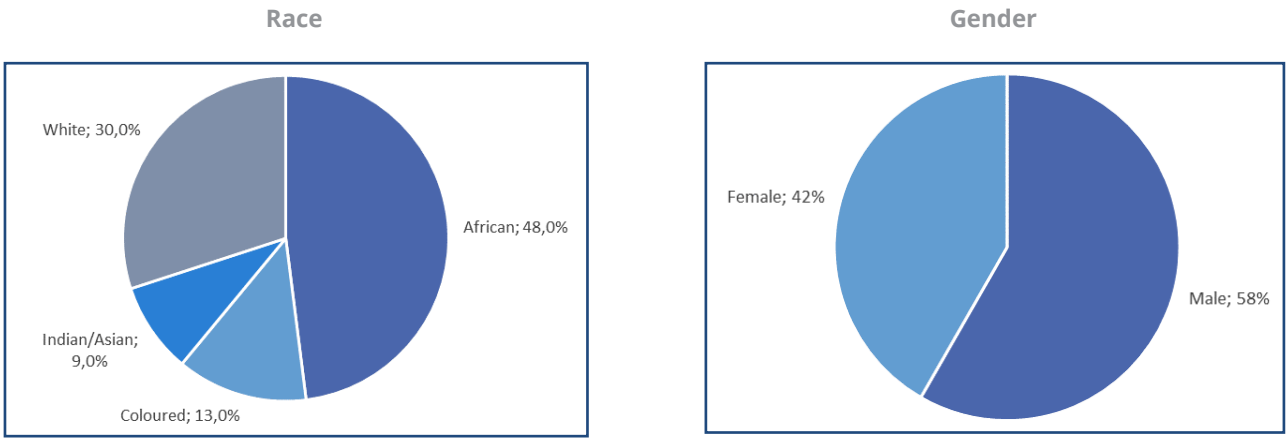
Source: MICT SETA Levy Huge File, 2020

The highest proportion of people employed in the Sector is African (48%), followed by White (30%). These two race categories make up just over three quarters (78%) of the total number of employees in the MICT Sector. Compared to 2019, the proportion of African and White employees in the MICT Sector changed slightly, with African employees increasing by 4,2% and White employees decreasing by 3%, although this is largely in the lower and midlevel occupational groups as demonstrated in the figure below:

Coloured employees account for 13% and Indian/Asian employees account for 9% of employees in the Sector. Moreover, there are more male employees (58%) in the Sector than females. These results have remained similar over the past 3 years. The SETA will continue to ensure gradual progress in addressing the race and gender disparities through the delivery of all its Plans.

two figures below illustrate the sector's race and gender profiles.

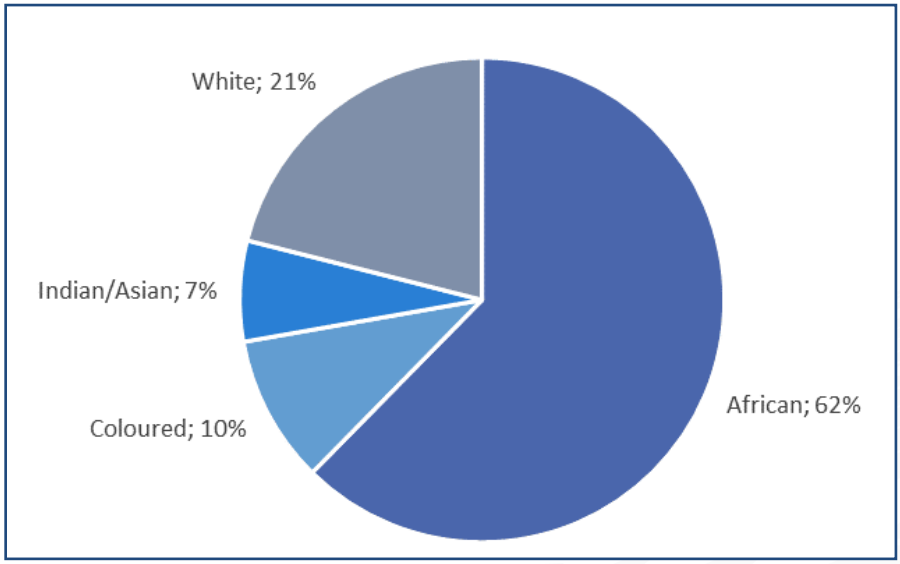
Figure 4: Race and Gender Profiles of Employees



Source: MICT SETA Levy Huge File, 2020

Within the MICT Sector, the majority of the employees with disabilities are African at 62%. This is followed by White employees (21%) and Coloured employees (10%). The Indian/Asian category only accounts for 7% of employees with disabilities within the MICT Sector.This SETA has set itself dedicated targets to ensure gradual progress in the development of skills for people with disabilities, and in so doing, supporting their ideal of being integrated into the mainstream. The figure below represents disability profile of the sector.

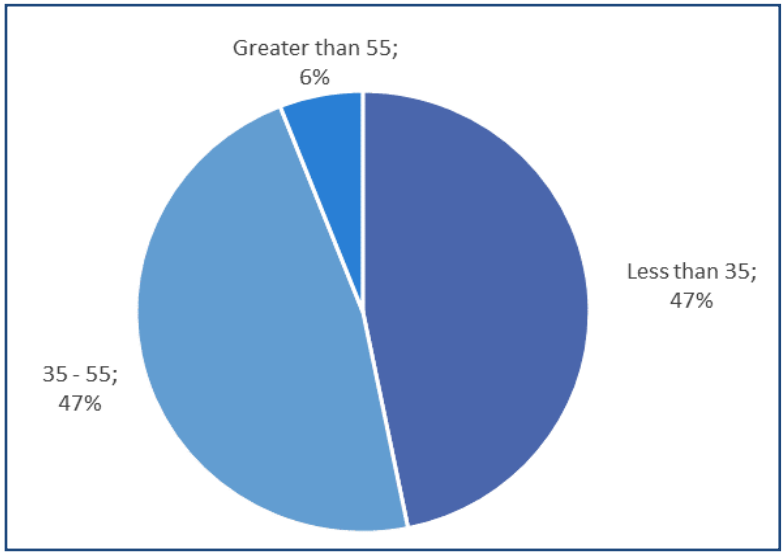
Figure 5: Employees with Disabilities



Source: MICT SETA Levy Huge File, 2020

Although the MICT Sector is characterised by rapid technological change, research points to conservative economic growth for the Sector. While the current COVID-19 pandemic has significantly disrupted the economy, the South African MICT Sector is placed favourably to leverage the opportunities created. The MICT Sector is dominated by younger employees. In 2020, only 6% of people employed in the MICT Sector are older than 55 years of age, a 1% decrease from 2019. Of the remaining 94% of employees, half (47%) are younger than 35 years of age, and the other half (47%) are between the ages of 35 and 55.

Figure 6: Employees by Age



Source: MICT SETA Levy Huge File, 2020

– **Relevant stakeholders contributing to the institution's achievement of its outcomes**

The MICT SETA views partnerships as a critical mechanism that safeguards the delivery of its skills development mandate. The SETA had previously established partnerships (and will continue doing so) with TVETs and universities to encourage learners from previously disadvantaged backgrounds to enrol in middle level skills through TVETs and high level skills through universities and universities of technology. Such partnerships brought about great value of investing in such skills, especially when these public institutions became critical contributors to technical and vocational middle levels skills, and high level skills with regards research and development, creativity and innovation.

The MICT SETA entered into partnerships with various stakeholders through bursary programmes for the attainment of high level skills and occupationally directed programmes such as internships, learnerships, skills programmes, short programmes for the provision of work integrated skills for sectorial development and growth. The main partnerships were with:

- Employers
- Industry Bodies and Associations
- Industry Unions and Federations
- SMMEs
- Government Departments
- TVET colleges
- Community Education and Training Colleges
- Universities and Universities of Technology
- Research Institutions
- South African Qualifications Authority
- Quality Council for Trades and Occupations

This Annual Performance Plan will accordingly ensure that these partnerships are sustained and continue to promote invaluable relations and collaborations amongst stakeholders, industry and skills development institutions. They will be aimed at bridging the demand and supply skills mismatches and ensuring that curricula align to disruption and the ever-changing skills needs of this dynamic sector. Having painted a picture of the core elements of the MICT SETA environment, the section below will then analyse the external and internal environment.

4.1 External environment analysis

– Factors contributing to the performance of policy and regulatory institutions

Within the MICT SETA external environment, factors contributing to the performance of policy and regulatory institutions exploration is drawn from the Political, Economic, and Social, Technological, Environmental and Legal (PESTEL) analysis as outlined below.

PESTEL ANALYSIS	
Political Factors	**Economic Factors**
– Increased focus on inter-departmental cooperation and planning. – Increased focus on accountability and systems.	– Though there is overall slow economic growth at less than 1%, the MICT sector experienced a steady growth and is favourably placed to leverage on inadvertent opportunities brought about by digitisation and COVID-19 – Introduction of the 4 month skills development levy holiday resulted in reduced revenue and implementation of learning interventions. – International competition threatens local firms, small-sized firms. – Increased productivity and improved information flows in the economy.
Environmental	**Legal Factors**
– More consumers working remotely and most educational institutions resorting to online learning due to COVID-19. – Increased demand for ICT and digital services – Opportunities in sector for green technologies and their applications	– Revised Regulations on the allocation of the skills development levies and BUSA case with the Minister likely to impact on skills development imperatives. – SETA re-licensing for the next 10 years (as opposed to the previous 5 year licencing) offers more stability and an opportunity for long term strategic planning prospects.
Social Factors	**Technological Factors**
– Societal increased use of virtual connections in mitigation to reduce the impact of the COVID-19 at both individual and business operations levels. – Increased youth unemployment in both urban and rural areas, ongoing inequalities, gender biasness in employment – Technological advancement resulting increased digital technology solutions and posing the potential to reduce labour and transactional costs.	– Digitization and an increase in innovation – Increased accessibility and appeal of cloud based systems – Introduction of the more hyperscale data centres – Advent of the fifth Generation wireless technology – Expansion in fibre network and data centre markets

Additional to the analysis above, the South Africa political environment trajectory is underpinned by the National Development Plan (NDP). The NDP encourages the country to achieve sustained levels of economic growth through to 2030. The MICT sector is not exempt from the NDP imperatives, but rather, perceives itself as an enabler for the realization of the NDP ideals through sustained skills development initiatives. Additionally, the introduction of the new NSDP 2030 calls for SETAs to reorient themselves towards the development of skills that are of impact and that are outcomes oriented. Other policy interventions such as; White Paper on Post Schooling Education and Training (WP-PSET), New Growth Path (NGP), Industrial Policy Action Plan (IPAP), National Integrated ICT Policy White Paper have been considered and their implications on the sector are duly outlined in the succeeding sections of this Annual Performance Plan.

– **Demand for services and other factors which informs the development of the Annual Performance Plan**

The 4th Industrial Revolution (4IR) will alter the way communities live and work through convergence and the fusion of technologies. The change drivers shaping the demand for the development of skills within the sector include Artificial Intelligence, Cloud Computing, Big Data, 5G and the Internet of Things

Artificial Intelligence

Artificial Intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal. Nearly half (46%) of South African companies are actively piloting AI within their organisations. Businesses are experimenting with a range of different technologies, including Chatbots, Robotic Process Automation and Advanced Analytics. AI technologies most useful to 67% of South Africa organisations include machine learning, smart robotics and biometrics (Business Tech, 2019).

AI experts have highlight that the simple lack of technical skills is not the only thing that slows the progress of AI, but also a greater need for a culture of experimentation. "Though AI is in its early stages of development in South Africa, it bodes well for AI maturity in the country that businesses are actively experimenting with exciting new AI use cases," said Lillian Barnard, MD at Microsoft (Business Tech, 2019). The level of skill required by AI is advanced and needs to be financially and technically supported by the industry and government. Other examples of AI relevant to the MICT Sector include virtual agents such as "chatbots" and recommendation systems. Ultimately, South Africa still lags behind in terms of improving the quality of education, research, innovation and infrastructure required to create an enabling environment for AI adoption (Accenture South Africa, 2017). An example of the use of robotics in the MICT Sector is the use of drones, as opposed to handheld cameras, in filming. Drone and AI technologies may also be integrated to create autonomous drones that are able to perceive their environments and self-operate (Built In, 2019)

Cloud Computing

Cloud Computing is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. Companies offering these computing services, called cloud providers, typically charge based on usage, similar to the billing of utility services such water or electricity. Cloud computing has become a new reality in South Africa, with software spending reaching an estimated R32 billion in 2019, an 11.4% increase from 2018. South African organisations are consuming significant amounts of cloud services, including software as a service, platform as a service and infrastructure as a service (Gartner, 2019).

The rise of cloud computing puts pressure on skills development, more so now during the COVID-19 pandemic, as more companies are becoming dependent on cloud computing services. Individuals with the skills to design and deploy such technology are in high demand and often poached not only in South Africa, but by global companies. A study by the International Data Corporation (IDC) revealed that more than 90% of South African organisations are either already engaged in developing these skills or in the process of planning for the development of such skills (Nebula, 2018). Furthermore, it was stated that providing data access from any place or time is the top reason for cloud adoption. It is said that globally, cloud data centres will process 94% of workloads in 2021, further

emphasising the importance of meeting the demand for these skills (Hosting Tribunal, 2020).

Big data analytics

Big data refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing 'Big data' is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

Big data has grown by more than 50% CAGR since 2010, which has in turn enabled AI uptake (Accenture, 2018). In South Africa, many organisations have now realised the potential of 'Big Data and Analytics', however, limited IT budgets and the dearth of skilled resources impede its adoption. Furthermore, organisations are now developing skills internally by sharing resources, undertaking training programmes, and partnering with vendors. This plays a crucial role for organisations to establish a data-driven culture and encourage knowledge sharing to develop internal capabilities (IDC, 2017). The demand for highly qualified big data analysts and artificial intelligence professionals is outperforming supply to the point where it can take many months to fill vacancies (IOL, 2017). This is due to big data analytics being a relatively new field, and the existing workforce is having to retrain in work with large sophisticated datasets. Larger companies swiftly recruit new graduates, thus, making it difficult for smaller MICT companies to keep up with the changing labour market.

Fifth-generation wireless technology ("5G")

The fifth-generation wireless technology ("5G") has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands driven by growing internet data traffic increases – further emphasised by the current world of remote work during the COVID-19 pandemic – 5G will significantly speed up data communication (Statista, 2020). 5G will also advance machine-based, IoT-centric functionalities, for example, in automotive for autonomous and self-driving cars. While 5G is going to be a big enabler for economies and will drive efficiency for many complex operations, much needs to be done right before 5G can be rolled out (Connecting Africa, 2020). Governments need to find ways to mitigate the risk of being left behind as technology sweeps the rest of the world into 5G and beyond.

Companies currently struggle to attract and retain staff with scarce skills in hard-to-fill occupations (i.e. computer network and systems engineers, cybersecurity specialists, and those with cloud computing skills), and 5G will make this task even more difficult. Organisations will need to find new resources and capabilities by increasing the skillsets of their own staff, as well as demanding new skills of their providers (GCN, 2019). Once the relevant skills to enable such technology are developed, 5G will ultimately be "a big game changer".

Internet of Things (IoT)

The "Internet of Things' (IoT) refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of "smart" devices, from industrial machines that transmit data about the production process to sensors that track information about the human body (Investopedia, 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on

data received. IoT will continue to grow as cloud computing and cloud app offerings expand in the coming years. IoT thus links to virtually all of 4IR change drivers, further expanding the impact of 4IR. There is limited recognition of emerging 4IR occupations in the OFO, thus limiting funding and formalised training opportunities in "new-age" fields such as IoT. In consultations, stakeholders expressed a need for more "IoT specialists". However, currently no such occupation exists in the strictest sense, instead IoT specialists may emerge as specialisations of existing fields such as software development and design.

– **Skills Implications of the Change Drivers**

Change drivers affect how businesses operate and survive into the future. Thus, new ways of doing things, including skills training, are required to exploit new opportunities in the market that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills. Whilst it may be true that 4IR may invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs.

To this effect, South African organisations are increasingly investing in 4IR technologies. However, funding, formalised training and overall development of emerging occupations is hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. In general, due to the limited number of candidates possessing 4IR relevant skills and experience such as cybersecurity specialists within the 5G or cloud computing space; or an appropriate skills base to expand from, there is increased competition amongst employers for the few relevantly skilled candidates in the Sector such as drone operators, thus exerting further pressure to accelerate the development of skills.

In order to keep up with the increasing use of artificial intelligence and robotics: accelerating the reskilling of workers, redirecting the workforce to areas that create new forms of value and strengthening the talent pipeline from its source (Accenture, 2018). These suggestions may be adopted for other change drivers and speak to the need for increased research output, technical upskilling (especially for unskilled labourers) and collaboration amongst stakeholders. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands.

– **Challenges to be addressed**

There are strategic challenges and tensions between the aspirations of different stakeholders within the sector that need to be managed for the benefit of the sector. They include:

- aligning the skills agenda to the needs of the sector
- supporting innovation and promoting creativity
- promoting a more local based production and solutions
- increased exports
- development and support for small businesses as potential bedrocks for employment
- deepening the transformation agenda within the sector

In mitigation of the aforementioned challenges, the SETA will ensure implementation of priority sector development initiatives that include:

- Recognizing, planning and prioritizing occupations that are on the National List of Occupations in High Demand and linking occupations and specializations that address the above-mentioned change drivers; namely; AI, Cloud Computing, Big Data Analytics, 5G and IoT to that enable 4IR. In that way, the SETA will be fulfilling NSDP outcome 1 (identifying and increasing production of occupations in demand), and outcome 2 (linking education and the workplace).

- Expanding opportunities for Work Integrated Learning.

- Designing effective internships that serve as effective bridges into employment and collaborating with stakeholders on work-based training
- Support innovation and commercialization of 4IR technologies in South Africa, further encouraging local production and increased exports.

- **Trend analysis based on annual reports and end term reports that will inform the strategy going forward.**

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. The MICT SETA will continue to support the implementation of demand-led learning programmes that afford beneficiaries opportunities for sustainable growth, mobility and progression. The table below presents performance for the previous five-year period of the Annual Performance Plan (2015/16 to 2019/20).

Programme Performance Indicator	Audited Actual Performance					
	2015-16	2016-17	2017-18	2018-19	2019-20	Totals
Number of qualifying unemployed/employed learners entering Learnerships on an annual basis.	3539	4162	2890	3593	3612	17796
Number of qualifying unemployed/employed learners receiving Bursaries on an annual basis.	1132	664	706	443	421	3366
Number of qualifying TVET/University students placed at workplaces on an annual basis.	565	1500	678	1461	878	5082
Number of TVET/University students completed workplace experience on an annual basis.	500	500	849	434	501	2784
Number of qualifying unemployed learners entering Internship programmes on an annual basis.	1751	1500	1673	1567	1453	7944
Number of qualifying unemployed learners entering Skills/Short programmes on an annual basis.	3485	3845	1633	3562	4408	15073
Number of unemployed/employed learners completing Learnership programmeson an annual basis.	1769	2084	1056	1596	2548	9053
Number of unemployed/employed learners completing Bursary programmes on an annual basis.	160	394	183	175	404	1316
Number of unemployed learners completing Internship programmeson an annual basis.	543	750	573	887	1021	3774
Number of unemployed/employed learners completing Skills Programmes on an annual basis.	1750	1550	1124	1192	1434	7050
SETA/TVET College Partnerships established on an annual basis.	07	08	05	8	07	35
Number of Collaborative Agreements signed with Universities and Stakeholders on an annual basis	05	07	04	14	06	36
Number of qualifying Lecturers entering Development Programmes on an annual	New Target	100	156	104	107	451

basis						
Number of Lecturers completed Development Programmes on an annual basis	New Target	100	116	104	91	411
Number of Rural development programmes implemented on an annual basis	New Target	11	12	09	20	52

– **Research Findings**

The priority actions below were unveiled through research and ensure alignment between the SSP and this Annual Performance Plan. They found expression into this Annual Performance Planto ensure support for the eminent change and development within the sector, they set out the broad skills development agenda for the sector and are in order of priority:

Outcome/Priority Area	Description
Priority 1 Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.	In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: the ability of an SMME to obtain funding for skills development; whether or not it is a levy paying company; the flexibility and accessibility of programmes that recognises the difficulty that small companies have in releasing staff for long periods; the difficulties that small companies have in meeting requirements for learning programmes implementation; and the potential for established larger companies in the Sector to mentor and provide skills development incubator opportunities to smaller less well established businesses. Furthermore, the SETA needs to intentionally formalise partnerships with other SETAs through meaningful engagements in order to synchronise contrasting mind-sets and interests. This will assist in reaching common ground for both parties to work together to reach a common outcome and long-term viability for stakeholders. These partnerships are especially important now, during the COVID-19 phenomenon (the impact of which will outlast the pandemic) as SMMEs are in a more vulnerable position attempting to keep up with 4IR trends and technology in order to stay relevant in the current MICT Sector environment. These partnerships will play an imperative role in enabling these SMMEs to sustain their businesses. Addressing NSDP outcome 6, training interventions focused on developing key skills relating to 4IR will be made available to SMMEs and community-based organisations to allow for those active in 4IR or related fields to develop more specialised or adjacent skills. This will help further innovation and commercialisation of 4IR technologies in South Africa, further encouraging local production and gradually increasing exports.

Priority 2 **Ensure good corporate governance and a productive workforce.**	The MICT SETA will ensure that the internal systems and processes that are put in place shall ensure effective corporate governance in order to establish a good corporate citizen that is accountable to its stakeholders. This will be done through ensuring elimination of fraud and corruption by putting in place effective fraud management plan strategies and policies as part of Risk Management. Further organisational performance will be measured against compliance through the establishment of a Compliance Framework and Plan that will be monitored and reported on, on a quarterly basis. In terms of management organisational ethics, a rigorous Ethics Management Framework will be developed with milestones which will be measurable in terms of annual milestones that will include, establishment, implementation and effectiveness of activities undertaken and rolled out as part of the management programme. Lastly, to ensure that there is an approved Corporate Governance Framework and Operating Model that will measure the deliverables of the Board Secretariat as a support structure to the Accounting Authority, to ensure that the Board is one that competent, qualified, transparent and accountable. This will be effected through ensuring that there is compliance to internal policies, legislative and regulatory requirements, timeous delivery of key deliverables as per timelines that will be defined in the Corporate Governance Framework and Its Operating Model.
Priority 3 **Increase and improve labour market information that accurately identifies occupations in high demand.**	The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated in order to improve the trustworthiness of data used for skills planning purposes. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities and acclaimed research institutions. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions through a number of platforms, with online distribution being the main platform. The targeted audience will be unemployed learners and those already in employment seeking to progress to identified occupational shortages and skills gaps to ensure meaningful and sustainable employment.
Priority 4 **Ensure increased and focused skills development for rural and marginalised communities to ensure inclusivity**	The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The MICT SETA strategy aims to respond to the President's Youth Employment Service, which is known as the "YES initiative". It aims to address the most pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth. There are currently more males (58%) employed in the MICT Sector than females (42%). This gap is slowly closing, and the SETA will continue encouraging transformation in the Sector by placing focus on providing increased funding and skills development opportunities to African and female learners. This priority intends to scope the skills development needs and priorities of rural communities, provide career and vocational guidance, support government in addressing e-governance issues and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will thus collaborate with developmental organisations such as USAASA and industry in initiating and implementing focused Rural Development Projects on an annual basis.
Priority 5 **Increase access to, and delivery of industry and occupationally directed priority**	The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. One of the key strategies the SETA will employ is the expansion of opportunities for Work

programmes and work placements.	Integrated Learning and Internship programmes as they provide effective bridges into employment and the general world of work. Furthermore, the SETA will support uptakes on short and targeted programmes focused on addressing specific and immediate skills gaps that stimulate direct employment and sustainable growth. The SETA needs to look into funding more professional qualifications as part of learnerships and skills programmes as they afford learners a greater chance of employability, such programmes include CISCO and CompTIA A+ which are linked to Technical Support and Systems Support programmes. Addressing NSDP outcome 8, learning pathways need to be communicated with learners in schools, colleges and universities as well as those already employed in the Sector who wish to seek entry to occupations that present other opportunities for employment in the Sector. This will be done through the publication of the MICT SETA career guide as well as through partnerships with industry stakeholders. Online platforms and tools will be utilised to expand on this. Improved access and awareness of MICT Sector programmes in previously disadvantaged areas will also be a focus for the SETA, speaking to NSDP outcomes 1 and 2.
Priority 6 **Improve quality of education to address programmes in high demand within the MICT Sector.**	The focus will be on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. These include occupations such as software tester, network engineer and ICT security specialist. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and increase the number of accredited skills development providers offering occupational qualifications in high demand on an annual basis. Such 4IR occupations which require qualification development are in cloud computing, cybersecurity, artificial intelligence, data science and robotics and automation, amongst others. Where the relevant qualifications and training courses exist, the SETA will encourage enrolment in them, particularly for middle and high-level skills. Where qualifications and courses need to be developed, the SETA will work with industry, relevant academic and research institutions and other critical interest groups to map-out and develop programmes that respond to such new technological imperatives for sustainable growth of the Sector.

Priority 7 **Enablement of the Fourth Industrial Revolution (4IR)**	The MICT Sector key skills change drivers articulated in Chapter 2 are all centred on 4IR technologies. In response to the change brought about by 4IR, the SETA will provide support to enable the Sector to play a key role in the development of technologies and products related to 4IR. This will be achieved through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. In recognising and planning for occupations that are on the National List of Occupations in High Demand-and linked to 4IR-this priority action fulfils NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples of which include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace. The impact of COVID-19 in relation to the enablement of 4IR cannot be ignored therefore, in implementing 4IR priority programmes, companies that have been, and will be impacted by COVID-19 are also accounted for in SETA strategies. This is seen through its inclusion in the SETA's 2020/21 Strategic Plan and Annual Performance Plan – going forward, COVID-19 considerations will be integral to the planning process for the SETA.
Priority 8 **Support the growth of the public college system through sectoral partnerships in the delivery of learning interventions.**	The SETA will identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to college lecturers and training opportunities on curriculum related studies to college managers for their continuous development and for them to be adept with industry technological advancements. The SETA will establish offices in some TVET colleges to ensure accessibility and reach,

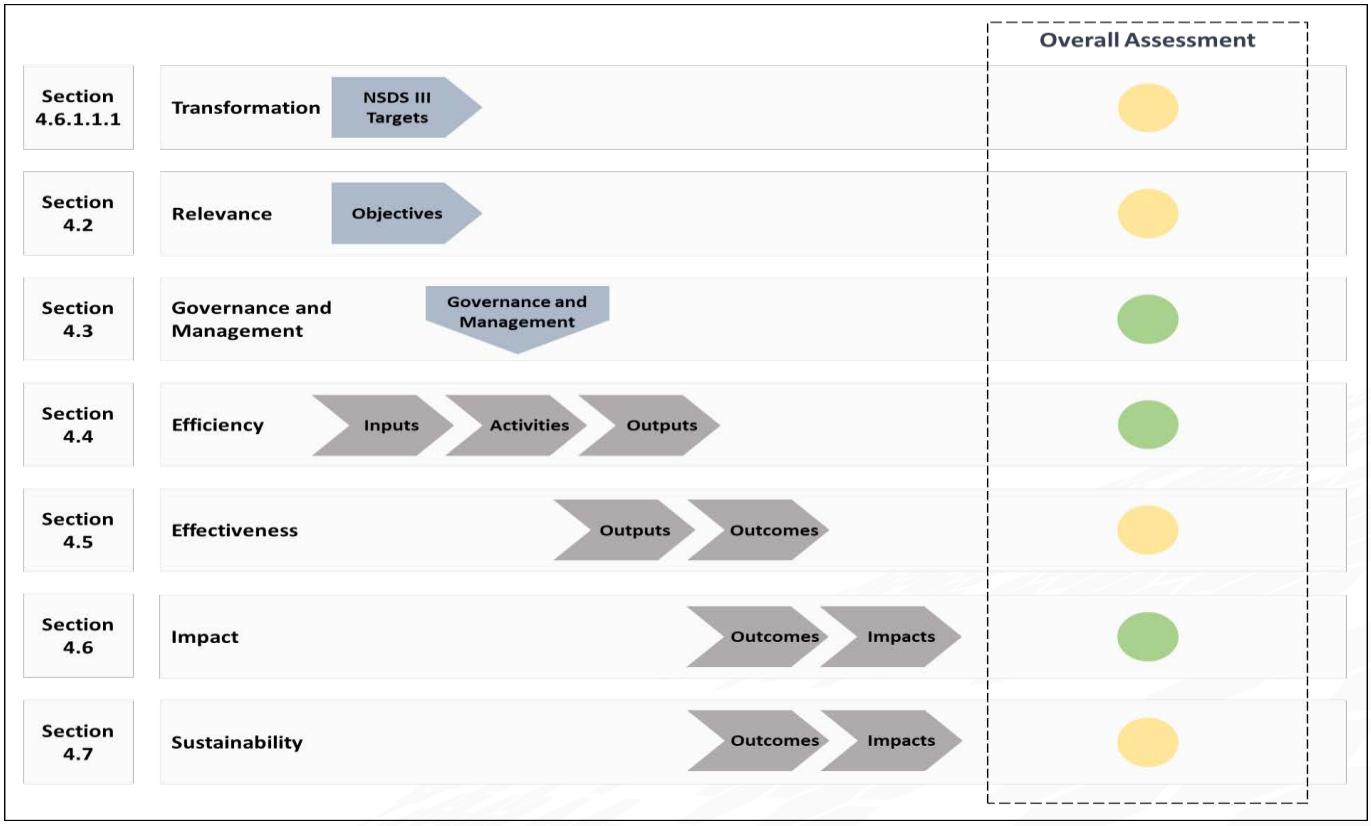
ensuring that those TVETs are duly accredited to offer the SETA's high-demand occupational qualifications. In all this, the development of skills that enable 4IR occupations and specialisations will be the main focus. All these initiatives will ensure gradual growth of the public college system, eventually ensuring that TVETs become fit for purpose skills development providers and institutions of choice.

- **Findings of internal and external evaluations that will be used to inform this Annual Performance Plan**

In achieving the NDP targets, the element of monitoring and evaluation becomes important in assessing progress made towards the achievement of targets. The MICT SETA has been consistent in conducting evaluation studies to measure its programmes' impact. Internationally recognized criteria for measuring the success of developmental programmes and projects, as defined by the Organization for Economic Co-operation and Development (OECD) have been consistently used, they include:

- Relevance;
- Efficiency;
- Effectiveness;
- Impact; and
- Sustainability.

Findings from evaluations conducted by the SETA revealed the following:



The evaluation assessed the achievement of NSDS III transformation imperatives and programme governance and management. The programmes can be seen as partially successful in terms of increasing employment in alignment to transformation imperatives and increasing learners' earning capacity and

career advancement. Although the benefits that emanated from participating in programmes, including obtaining a relevant qualification and receiving adequate training, are likely to persist, these may be dampened by declining sector growth, "programme hopping" and missed opportunities in terms of creating strategic partnerships.

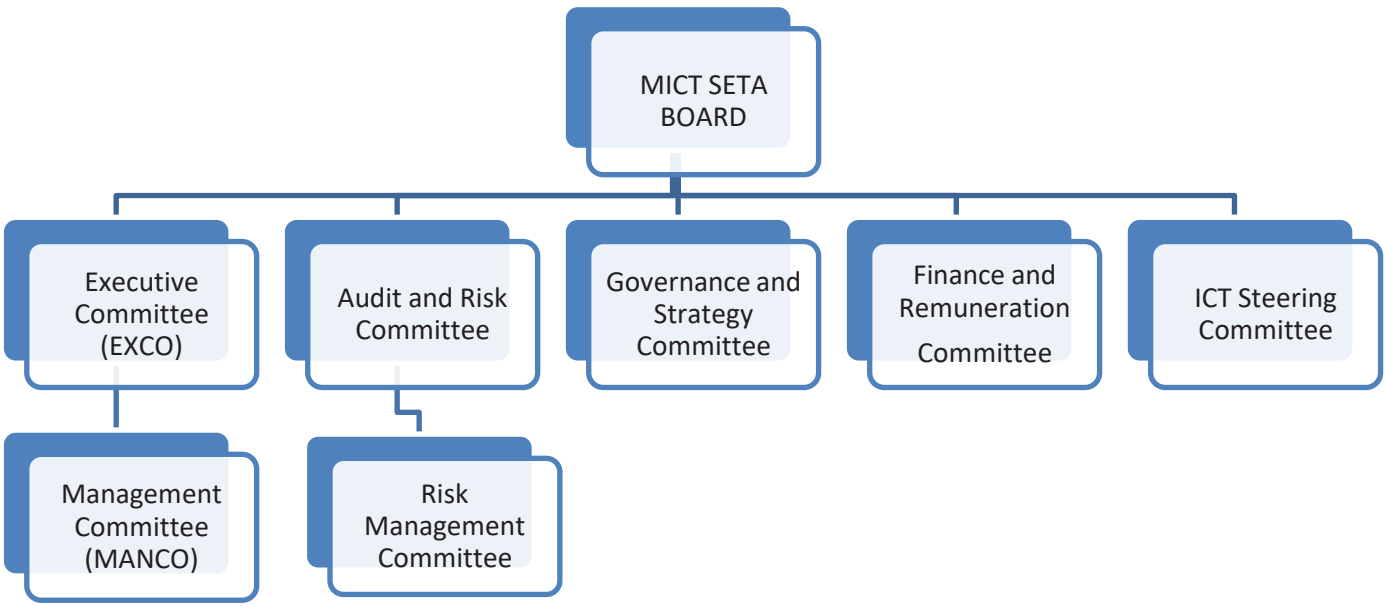
The implementation of programmes was successful overall. In consultations conducted, programmes received generally positive comments for their demonstrable impact on learners and the sector. In line with this, exemplary practices that were noted include programme planning (including the process adopted for sector skills planning), resource management and increasing the sizes of the MICT cooperative and small business subsectors. In addition, MICT SETA has been commended by stakeholders for being "one of the best SETAs", whilst one learner remarked: "I went from poverty with just Matric. Today I'm a technician... I'm so thankful to MICT SETA...Thank you and keep doing SA proud!"

As a forward looking strategy, the MICT SETA will continue with positive practices, propagate them through knowledge sharing sessions, and create awareness of successes to foster support and take-up. Furthermore, the SETA will keep abreast of relationships with employers and training providers and there will be a strong oversight and accountability measures that will attend to ineptitude. In conjunction with QCTO, the SETA will improve the consultative processes for updating or developing courses by accelerating the process to include interested parties. To improve employability and entrepreneurship, the SETA will Introduce or emphasize unit standards on soft skills and business management skills for all courses, this is expected to reduce the number of learners moving from one programme to another.

4.2 Internal Environment Analysis

– MICT SETA Capacity to deliver on the mandate

The SETA is governed by a representative Accounting Authority and its sub-committees to provide strategic direction to the organisation. The figure below represents the MICT SETA Accounting Authority and its Sub-Committees:



CORPORATE SERVICES

The Corporate Services Division plays a key role within MICT SETA by providing support functions in the form of Human Resources and Marketing and Communications.

It is through these functions that Corporate Services Division supports the MICT SETA Management, employees, social partners and stakeholders in the process of fulfilling its legislative mandate. Other non-core Corporate Services support functions such as Security Services and Facilities Management are contracted to the current Landlords of MICT SETA.

HR PURPOSE

Deliver HR support that enables MICT SETA employees to meet all stakeholder needs as timeously as possible.

HR Objectives

- Driving HR excellence and innovation that leads to successful outcomes and moves MICT SETA forward while leveraging on its human resources capabilities.
- Deploying recruitment and retention strategies to attract and retain qualified and diverse individuals for the organisation
- Investing in employee development and expanding on our succession management programme that reinforces the principle of growing our own;

Our plan aligns with MICT SETA direction that is aligned to the NDP 2030 vision, specifically contributing to the collaborative national outcome.

MICT SETA staff comprises of 95 employees as follows:

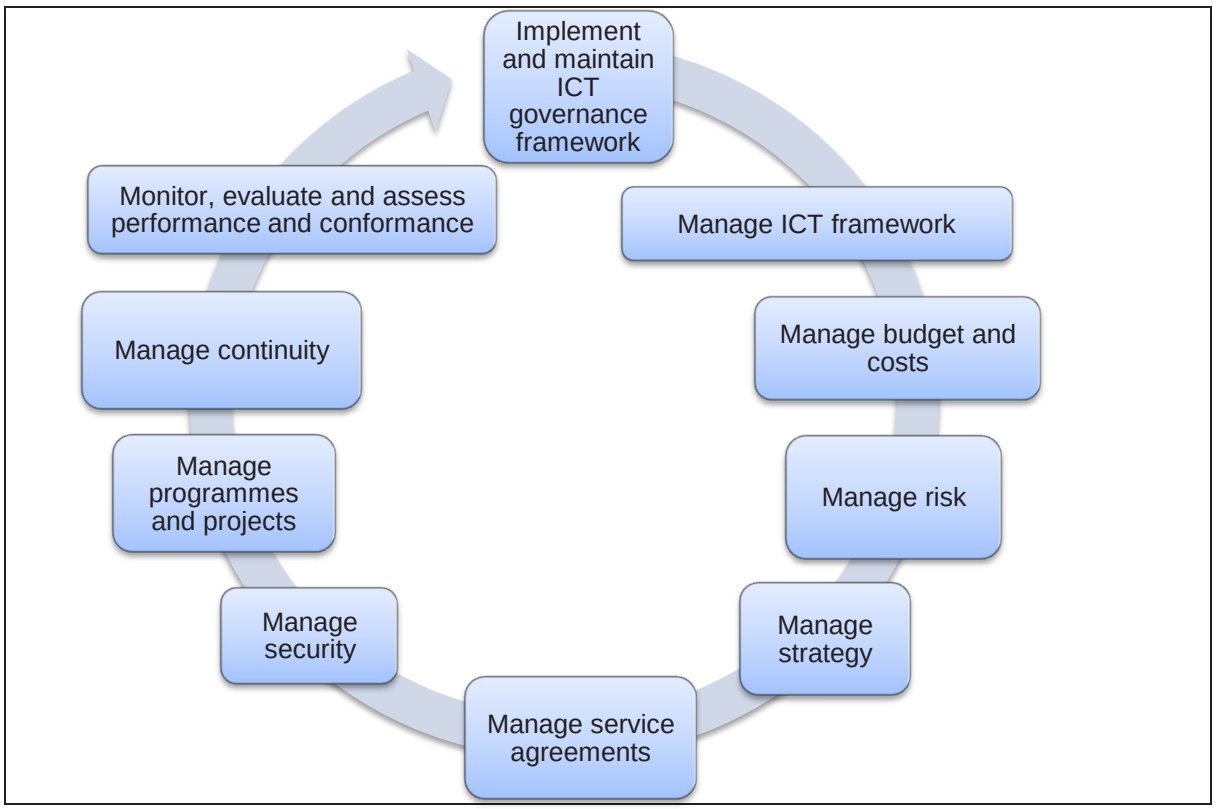
Title	Number of Employees
Administrators	29
Advisors	22
CEO	1
CFO	1
CIO	1
Board Secretary	2
Personal Assistants	2
Senior Managers	4
Receptionist	5
Interns	11
Managers	7
Housekeepers	4
Officers	4
Researcher	1
HR Generalist	1
Total	**95**

The SETA comprises three core divisions, namely: Sector Skills Planning (SSP), Learning Programmes Division (LPD) and Education and Training Quality Assurance (ETQA). The support divisions are Finance

with SCM Business Unit, Corporate Services with Human Capital, and Marketing and Communications Business Units, Information and Communications Technology with Quality Management Systems Business Unit, Legal and Compliance, Monitoring and Evaluation and 4IR. The SETA recruited and retained competent staff and implemented an effective performance management system to ensure delivery on this Annual Performance Plan and will continue doing so. Regular customer satisfaction surveys will be conducted to evaluate and ensure continuous improvement and to strengthen customer relations. A detailed organogram is hereto attached.

– **Information Technology**

The MICT SETA is committed to adopt technology as a driver and an enabler to achieve its strategic objectives and realising its values. Governance of technology and information will continue to align to best practices such as Principle 12 of King IV Report and COBIT *inter alia*. Implementation of the Public Service Corporate Governance of ICT Policy Framework has reach Phase 3. This phase enables the organisation to introduce iterative processes aimed at achieving continuous improvement of the Corporate Governance of ICT as indicated in the diagram below.



The organisation shall focus most of its resources to implement its Digital Strategy and digitise most of its business processes. The ERP system implementation is underway with most business processes being phased into production. The digitisation of processes shall ensure that our values of excellence, responsiveness and customer centricity are lived by the organisation. Furthermore, the MICT SETA shall drive the conversation and implementation on shared services platforms amongst the SETAs.

BUDGET FOR ANNUAL PERFORMANCE PLAN

– **Financial Resources**

The SETA obtains its revenue from levies collected from its constituent employers as legislated through the Skills Development Levies (SDL) Act. Levies received are allocated in accordance with Mandatory Grants, Discretionary Grants and Administration costs as per the requirements of the SDL Act and the new SETA Grant Regulations that were published in December 2012, with the intention to regulate the proportion of funds available for skills development and to encourage training on

National Qualifications Framework (NQF) registered qualifications. Other revenue sources include interest and penalties received on late SDL payments and interest on investments. The SETA is committed to service delivery improvement through a targeted customer response program on its website wherein seamless communication between SETA and its stakeholders is enabled.

Due to the 4 months skills development levy holiday, 2020/21 has an overall deficit in which discretionary grants will be financed from reserves; however administration costs will be financed from surpluses in mandatory grants, as well as interest income through the approval of the Minister and the Director General. As a result, some of the deficit in administration costs will be funded out of income from 2021/22 financial year, hence the surplus in 2021/22 financial year which will bridge the deficit gap coming from 2020/21 financial year. The budget summary is as follows:

2021/22 BUDGET SUMMARY - Level 1

Description		2020/21 Approved Budget	2020/21 Forecast (submitted, not yet approved)	2021/22 Proposed Budget
Total Revenue		**601 782 981**	**746 038 581**	**960 782 344**
Levy Income		590 082 981	590 082 981	938 197 944
• Administration Income	10,50%	77 448 391	77 448 391	123 138 480
• Mandatory Income	20,00%	147 520 745	147 520 745	234 549 486
• Discretionary Income	49,50%	365 113 845	365 113 845	580 509 978
Other Income - UIF Project		-	144 255 600	8 544 400
Investment/Interest Income		11 700 000	11 700 000	14 040 000
Total Expenditure		**834 417 350**	**978 672 951**	**919 578 195**
Administration Costs		135 653 451	141 873 091	123 138 480
Mandatory Grants		125 392 633	118 016 596	187 639 589
Discretionary Grants		573 371 266	718 783 264	508 800 126
Special/Strategic Projects (4IR IT Capital Costs + Qualification Development)		-	-	100 000 000
Surplus (Deficit)		**(232 634 369)**	**(232 634 369)**	**41 204 149**

2021/22 BUDGET SUMMARY - Level 2

	2019/20 FINANCIAL YEAR	2020/21 FINANCIAL YEAR		2021/22 FINANCIAL YEAR	Variance: Proposed Budget vs 2019/20 Financial Year		Variance: Proposed Budget vs Approved Budget		Commentary on Proposed Budget vs 2019/20 Financial Year Actuals (AC) vs 2020/21 Approved Budget (BU)
	Unaudited Actuals	Approved Budget	Forecast (submitted not yet approved)	Proposed Budget					
	R	*R*	*R*	*R*	*R*	%	*R*	%	
Revenue	**982 716 256**	**601 782 981**	**746 038 581**	**960 782 344**	**(21 933 912)**	**-2,2%**	**358 999 363**	**59,7%**	
Skills Development Levy	**938 277 205**	**590 082 981**	**590 082 981**	**938 197 944**	**(79 261)**	**0,0%**	**348 114 963**	**59,0%**	AC: On par BU: 4 months SDL payment holiday
Administration levy income	123 153 889	77 448 391	77 448 391	123 138 480	(15 409)	0,0%	45 690 089	59,0%	
Mandatory grant levy income	234 052 123	147 520 745	147 520 745	234 549 486	497 363	0,2%	87 028 741	59,0%	
Discretionary grant levy income	581 071 193	365 113 845	365 113 845	580 509 978	(561 215)	-0,1%	215 396 133	59,0%	
Other income - Interest on bank and investments	**44 439 051**	**11 700 000**	**155 955 600**	**22 584 400**	**(21 854 651)**	**-49,2%**	**10 884 400**	**93,0%**	AC: Interseta transfers not budgeted for, as well as interest rate reduction BU: Increase due to UIF project revenue receivable
Skills development levy: penalties and interest	17 596 241	-	-	-	(17 596 241)	-100,0%	-	0,0%	AC: Interseta transfers not budgeted for BU: On par
Net seta transfers	111 779	-	-	-	(111 779)	-100,0%	-	0,0%	AC: SDL penalties and interest not budgeted for BU: On par
Interest income from bank and investments	26 731 031	11 700 000	11 700 000	14 040 000	(12 691 031)	-47,5%	2 340 000	20,0%	AC: Lower cash receivable and interest rate reduction BU: Assumption that economy will adjust
Other income - UIF	-	-	144 255 600	8 544 400	8 544 400	100,0%	8 544 400	100,0%	AC: On par BU: UIF project revenue receivable
Costs	**1 056 179 315**	**834 417 350**	**978 672 951**	**919 578 195**	**(136 601 120)**	**-12,9%**	**85 160 845**	**10,2%**	
Mandatory grant expenses	**175 081 779**	**125 392 633**	**118 016 596**	**187 639 589**	**12 557 810**	**7,2%**	**62 246 955**	**49,6%**	**AC: Actual payout ratio 74% vs budget payout ratio 80% based on approved WSPs BU: Approved budget payout ratio of 85% vs proposed budget payout ratio of 80% on a higher revenue base**
Discretionary grant expenses	**784 788 877**	**573 371 266**	**718 783 264**	**508 800 126**	**(275 988 751)**	**-35,2%**	**(64 571 140)**	**-11,3%**	**AC: Discretionary grants claims less due to prior year having to finance overcommitments from 2018/19 Financial Year BU: Discretionary grants claims based on signed SLAs - approved budget assumed fewer SLAs signed due to 4 months SDL payment holiday**
Administration Costs	**96 308 659**	**135 653 451**	**141 873 091**	**123 138 481**	**26 829 822**	**27,9%**	**(12 514 970)**	**-9,2%**	**See below for individual items:**
Audit Fees	4 393 949	4 200 948	4 794 836	3 991 985	(401 964)	-9,1%	(208 963)	-5,0%	AC/BU: Internal audit cost of +/- R1million not budgeted for due to the services being insourced in 2021/22 financial year
Board and Subcommittee Expenditure	3 886 535	4 440 000	4 840 000	4 662 000	775 465	20,0%	222 000	5,0%	AC: Budget has been increased by 20% from 2019/20 actuals due to provision for training costs of the newly appointed board committee BU: Inflationary increase
Building Admin Costs	6 077 001	10 945 321	8 944 028	9 282 795	3 205 793	52,8%	(1 662 527)	-15,2%	AC: New head office accommodation, with additional sqm + opening of regional office BU: Adjusted budget to take into account contracted costs of newly concluded lease for head office
Communication Costs	637 010	392 460	392 460	617 400	(19 610)	-3,1%	224 940	57,3%	AC: COVID-19 impact resulting in less telephone costs due to virtual meetings and usage of MS Teams BU: Assumption is for 100% operations back to normal in 2021/22 financial year
Consultants	6 394 666	16 513 540	6 260 000	2 000 000	(4 394 666)	-68,7%	(14 513 540)	-87,9%	AC: Actuals included outsourced Financial Management Services, which is now insourced, as well as SIU costs in which the case is now concluded. BU: Budget included costs for business process reengineering, which should be concluded before 2021/22 financial year; SIU not budgeted for due to the case being closed; Legal fees budget reduced due to stabilised operations
Information Technology Costs	7 322 734	6 000 416	6 959 672	3 915 337	(3 407 398)	-46,5%	(2 085 079)	-34,7%	AC/BU: Included outsourced costs for learner management system, which is now SETA owned, therefore consultants no longer required

2021/22 BUDGET SUMMARY - Level 2 - continued

	2019/20 FINANCIAL YEAR	2020/21 FINANCIAL YEAR		2021/22 FINANCIAL YEAR	Variance: Proposed Budget vs 2019/20 Financial Year		Variance: Proposed Budget vs Approved Budget		Commentary on Proposed Budget vs 2019/20 Financial Year Actuals (AC) vs 2020/21 Approved Budget (BU)
	Unaudited Actuals	Approved Budget	Forecast (submitted not yet approved)	Proposed Budget					
	R	*R*	*R*	*R*	*R*	*%*	*R*	*%*	
Administration Costs (continued)									
Maintenance	204 449	1 050 000	1 050 000	750 000	545 551	266,8%	(300 000)	-28,6%	AC/BU: Provision for adhoc repairs and maintenance costs
Marketing Costs	3 024 691	8 998 000	6 798 500	3 628 722	604 032	20,0%	(5 369 278)	-59,7%	AC: Visibility of the SETA BU: Marketing budget reprioritised
Other Administration Costs	1 905 338	3 103 507	3 103 507	3 563 509	1 658 171	87,0%	460 001	14,8%	AC:COVID related costs (PPE, masks, sanitisers, COVID tests) BU: Budget provision for increased printer lease costs when the lease comes to an end.
QCTO Expenditure	5 924 974	6 100 000	6 100 000	3 551 756	(2 373 218)	-40,1%	(2 548 244)	-41,8%	AC/BU: Budget takes into account the overcharge on QCTO costs in 2020/21 financial year due to 4 months skills development levy holiday
Qualifications Development	204 000	1 900 000	8 900 000	2 000 000	1 796 000	880,4%	100 000	5,3%	AC/BU: Development of current and 4IR qualifications
Research	859 988	1 900 000	1 900 000	1 000 000	140 012	16,3%	(900 000)	-47,4%	AC: Focused research on the industry BU: Less reliance on consultants and co-sourcing the research function
Staff Costs	49 892 696	59 253 760	70 974 589	73 994 095	24 101 400	48,3%	14 740 335	24,9%	AC: New divisions - effective running of operations (CIO, 4IR, Monitorint & Evaluation, Legal & Compliance) BU: Reallocation of budget from DG Admin (monitoring and evaluation division). Effective increase is 4.3%. Assumption is 6% salary increases on current approved structure and no interns within the organisation.
Travel Costs	3 228 601	2 484 630	2 484 630	3 390 031	161 430	5,0%	905 400	36,4%	AC: Inflationary increrase BU: Anticipated travel costs for more site vetting of more stakeholders than 2020/21 due to lesser available DG grant during lockdown period
Amortisation	277 797	4 709 841	4 709 841	3 209 841	2 932 044	1055,5%	(1 500 000)	-31,8%	AC: In-house of Learner Management System, In-house of ERP system in the budget BU: Budget for shared service centre reprioritised
Depreciation	2 074 230	3 661 026	3 661 026	3 581 010	1 506 779	72,6%	(80 016)	-2,2%	AC: Refresh of tools of trade and furniture and fittings BU: Fixed Assets that come to the end of the useful life
Special/Strategic Projects (4IR IT Capital	**-**	**-**	**-**	**100 000 000**	**100 000 000**	**100,0%**	**100 000 000**	**100,0%**	4IR IT Capital Costs + 4IR Qualification Development
Net surplus (deficit) for the period	**(73 463 059)**	**(232 634 369)**	**(232 634 369)**	**41 204 149**	**114 667 208**	**-156,1%**	**273 838 518**	**-117,7%**	

– **MICT SETA Status on Compliance with B-BBEE Act**

The fundamental objectives of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) is to promote the achievement of the constitutional right to equality, increase broad-based and effective participation of black people in the economy and promote a higher growth rate, increased employment and more equitable income distribution; and establish a national policy on broad-based black economic empowerment so as to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

The MICT SETA is fully committed to achieving the B-BBEE objectives as outlined above. The MICT SETA regards B-BBEE as an opportunity to increase economic activity by creating sustainable livelihoods for many of the country's inhabitants, as well as developing a sustainable consumer market. The MICT SETA will continue to ensure progress in increasing the number of people from designated groups at management levels, to ensure that its workplace remains free of unfair discrimination and that reasonable progress is made towards employment equity in the workplace. Employee training and development remains a key business strategy to support MICT SETA's performance and growth and to position it as the industry's employer of choice.

– **MICT SETA Status on compliance with women and people living with disabilities legislative requirements**

The MICT SETA is committed to employing, empowering and developing competent people with the necessary skills to sustain the services to the local communities. The SETA sees this happening through skills development initiatives that are aimed at creating a racially and culturally diverse team. The SETA is devoted to equality in the workplace and will promote equal opportunity and fair treatment through the elimination of unfair discrimination, equitable representation of black people, women and people living with disabilities at all levels in the workplace.

In contributing to the decrees of this Act, the MICT SETA will ensure that steps to prevent discrimination in any employment policy or practice are taken. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status, religion and people living with disabilities amongst others will be curbed at all times. In achieving this, the SETA will prioritize women and people living with disabilities. The table below demonstrates the MICT SETA commitment to Employment Equity in terms of race and gender.

Key demographics of the MICT Seta

The total staff headcount is ninety-five (95) which is made up as follows:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	3	0	0	0	4	0	0	0	0	0	7

Professionally qualified and experienced specialists and mid-management	4	0	0	0	3	0	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	11	0	0	0	19	0	0	0	0	0	30
Semi-skilled and discretionary decision making	18	0	0	0	16	1	0	0	0	0	35
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1
TOTAL PERMANENT	**37**	**0**	**0**	**0**	**42**	**1**	**0**	**0**	**0**	**0**	**80**
Temporary employees	6	0	0	0	8	0	0	0	0	0	14
GRAND TOTAL	**43**	**0**	**0**	**0**	**51**	**1**	**0**	**0**	**0**	**0**	**95**

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1: ADMINISTRATION

SUB-PROGRAMME 1.1 FINANCE

SUB-PROGRAMME 1.2 CORPORATE SERVICES

SUB-PROGRAMME 1.3 INFORMATION TECHNOLOGY

SUB-PROGRAMME 1.4 MONITORING AND EVALUATION

SUB-PROGRAMME 1.5 GOVERNANCE

PURPOSE

This programme aims to ensure effective leadership, strategic management and administrative support to the MICT SETA. This will be achieved through continuous refinement of organisational strategy and structure in line with appropriate legislation and best practice. The Office of the CFO, including Supply Chain Management aims to ensure that the MICT SETA has sound financial management systems and processes. Additionally, Corporate Services ensures provision of high level systems and services for all administrative functions within the organisation, including human resources and marketing while IT delivers on business processes re-engineering and digitization. Furthermore, Monitoring and Evaluation oversees the overall performance of the SETA and reporting thereof. Governance plays an overall oversight role and ensures effective management of revenue, expenditure, assets, liabilities and attainment of the SETA mandate.

DESCRIPTION

The primary goal for MICT SETA's Administration Programme is to ensure that a fully functional and operational MICT SETA realizes its strategic outcomes through provision of a well-established and functional administration processes and systems. The Administration Programme continuously plays the supportive and facilitative role to the other core functions or operational divisions within MICT SETA.

The Administration Programme comprises of the following:

- Office of the CEO, including Governance, Legal and Compliance, and Information Technology
- Office of the CFO, including Supply Chain Management
- Corporate Services, including Human Resources Management and Marketing and Communications
- Monitoring and Evaluation.

Sub-Programme 1.1 Finance: Outcomes, Outputs, Performance Indicators and Targets

OUTCOME 1	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/2024
Ensured sound corporate management	Audit report	Number of audit opinions on an annual basis.	Unqualified opinion	Unqualified opinion	Unqualified report	Unqualified audit report	Unqualified audit report	Clean audit opinion	Clean audit opinion
	Budget Variances Reports	Percentage of budget variances by division	New target	New target	New target	New target	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance
	Commitment Register	Percentage of discretionary grants under/over commitment	New target	New target	New target	New target	Maximum of 10% discretionary grants under/over commitment	Maximum of 10% discretionary grants under/over commitment	Maximum of 10% discretionary grants under/over commitment
	Elimination of fraudulent, negligent and corrupt activities	Percentage of fraudulent, negligent and corrupt activities reported on an annual basis	New target	New target	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities

	Full compliance with PFMA, Treasury Regulations and relevant legislation	Irregular, Fruitless and Wasteful Expenditure Report	New target	New target	New target	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.

Sub-Programme 1.1 Finance: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of audit opinions on an annual basis.	Unqualified audit report	-	-	-	Unqualified audit report.
Percentage of budget variances by division	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance	Maximum of 15% variance between budget and actual performance
Percentage of discretionary grant under/over commitment	Maximum of 10% discretionary grants under/over commitment	-	-	-	Maximum of 10% discretionary grants under/over commitment
Percentage of fraudulent, negligent and corrupt activities reported on an annual basis	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities	100% elimination of corrupt, negligent and fraudulent activities
Irregular, Fruitless and Wasteful Expenditure Report	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.	100% of procured goods and services aligned to relevant legislation and within reasonable timeframes.

Sub-Programme 1.2 Corporate Services: Outcomes, Outputs, Performance Indicators and Targets

OUTCOME 1	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Ensured sound corporate management	An agile HR Management and development mechanism	Percentage of employee satisfaction	New Target	New Target	New Target	New Target	65% satisfaction	75% satisfaction	85% satisfaction
	Maintained below 15% Vacancy rate	Percentage of vacancy rate	New Target	New Target	New Target	New Target	10% Vacancy rate	8% Vacancy rate	6% Vacancy rate
	Improved Performance Management system.	Percentage of Performance Management contracting and reviews	New target	New target	New target	New Target	100%	100%.	100%
	Retained staff on an annual basis	A percentage of Staff Turnover on an annual basis.	70% retention rate	70% retention rate	70% retention rate	70% retention rate	70% retention rate	70% retention rate	70% retention rate

Sub-Programme 1.2 Corporate Services: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of employee satisfaction	60% satisfaction	60% satisfaction	60% satisfaction	60% satisfaction	60% satisfaction
Percentage of vacancy rate	15% Vacancy rate	15% Vacancy rate	15% Vacancy rate	15% Vacancy rate	15% Vacancy rate
Percentage of Performance Management contracting and reviews	100%	100%	100%	100%	100%
A percentage of Staff Turnover on an annual basis.	70%	70%	70%	70%	70%

SUB-PROGRAMME 1.3 Information Technology: Outcomes, Outputs, Performance Indicators and Targets

Outcome 1	Output	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/2024
Ensured sound corporate management	Digitized organization	Number of business processes re-engineered and digitized	New Target	New Target	New Target	New Target	8	8	8

Sub-Programme 1.3 Information Technology Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of business processes re-engineered and digitized	8	2	2	2	2

SUB-PROGRAMME 1.4 Monitoring and Evaluation: Outcomes, Outputs, Performance Indicators and Targets

Outcome 1	Output	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/2024
Ensured sound corporate management.	Monitoring and Evaluation Framework policy to improve business processes for increased performance and reporting.	Percentage of Business Processes, Policies and standard operating procedures developed, implemented and reviewed for improved performance and overall compliance on an annual basis.	New Target	New Target	New Target	New Target	100%	100%	100%
	Implemented strategic and annual performance Plan	Number of SETMIS Performance reports submitted to DHET Annually	4	4	4	4	4	4	4

SUB-PROGRAMME 1.4 Monitoring and Evaluation: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of Business Processes, Policies and standard operating procedures developed, implemented and reviewed for improved performance and overall compliance on an annual basis.	100%	40%	20%	20%	20%
Number of SETMIS Quarterly reports submitted DHET annually	4	1	1	1	1

Sub-Programme 1.5 Governance: Outcomes, Outputs, Performance Indicators and Targets

Outcome 1	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/2024
Ensured sound corporate management	Attainment of targets against the signed SLA between the Accounting Authority and DHET an annual basis.	Percentage of targets achieved on annual basis.	55% attainment of targets	85% attainment of targets	85% attainment of targets	85% attainment of targets	100% attainment of targets	100% attainment of targets	100% attainment of targets
	Eliminate unethical corrupt and fraudulent activities on an annual basis through effective Corporate Governance	Percentage of corrupt and fraudulent activities reported on an annual basis.	New target	New target	New target	100% elimination of corrupt and fraudulent activities.	100% elimination and reporting of corrupt and fraudulent activities.	100% elimination of corrupt and fraudulent activities.	100% elimination of corrupt and fraudulent activities.

	Maintain effective and sound corporate governance.	Establish a Corporate Governance Framework which will speak to compliance with regulatory requirements, DHET requirements and sound corporate governance requirements..	4 SETA governance & compliance reports submitted on a quarterly basis. .	4 SETA governance & compliance reports submitted on a quarterly basis.	4 SETA governance & compliance reports submitted on a quarterly basis.	4 SETA governance & compliance reports submitted on a quarterly basis	Establish a Corporate Governance Framework, ensure Board approval.	Implement the Board approved Corporate Governance Framework and Operating Model,	Implement an Ethics Management Framework.

Sub-Programme 1.5 Governance: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of targets achieved on annual basis.	100% attainment of targets	-	-	-	100% of targets achieved.
Percentage of corrupt and fraudulent activities reported on an annual basis.	100% elimination and reporting of corrupt and fraudulent activities.	100% elimination of corrupt and fraudulent activities	100% elimination of corrupt and fraudulent activities	100% elimination of corrupt and fraudulent activities	100% elimination of corrupt and fraudulent activities
SETA governance and compliance reports submitted to DHET, QCTO and National Treasury on a quarterly basis.	4 SETA governance and compliance reports submitted.	1 quarterly governance report.	1 quarterly governance report.	1 quarterly governance report	1 quarterly governance report

PROGRAMME 2: SECTOR SKILLS PLANNING

PURPOSE

This programme aims to conduct research and develop a credible (Board and DHET approved) Sector Skills Plan that reflects an accurate (triangulated) list of scarce and critical skills, serving as the basis for the SETA's Strategic Plan. The plan to achieve goals and objectives in this programme is to contract with a reputable research house and ensure that there is in-house capacity at the MICT SETA. The MICT SETA will develop a research agenda and conduct the necessary research accordingly for the financial years of this Annual Performance Plan. This research will be used to inform the Sector Skills Plan document.

DESCRIPTION

The primary goal of Programme 2 is Sector Skills Planning, that is:

- Conducting Research
- Developing, updating and disseminating the Sector Skills Plan
- Administering the Workplace Skills Plans and Annual Training Reports processes
- Administering the Mandatory Grants processes
- Conducting capacity building for SDFs through skills development workshops
- Promoting participation of Small, Medium and Micro Enterprises (SMMEs)
- Overall monitoring and evaluation of Sector Skills Plan implementation

Outcome 2	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased and improved labour market information that accurately identifies occupations in high demand.	Research report signalling occupations in high demand on an annual basis.	Number of WSPs and ATRs submitted for Small firms on an annual basis.	897 WSPs and ATRs submitted for small firms.	1044 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.
		Number of WSPs and ATRs submitted for medium firms on an annual basis.	359 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.
		Number of WSPs and ATRs submitted for large firms on an annual basis.	293 WSPs and ATRs submitted for large firms.	230 WSPs and ATRs submitted for large firms.	230 WSPs and ATRs submitted for large firms.	230 WSPs and ATRs submitted for large firms.	220 WSPs and ATRs submitted for large firms.	220 WSPs and ATRs submitted for large firms.	220 WSPs and ATRs submitted for large firms.
		Number of approved Sector Skills Plans with lists of occupational shortages and skills gaps produced (including TVETs, Cooperatives and small and emerging enterprises) an annual basis.	1 SSP produced and approved.	1 SSP produced and approved.	1 SSP produced and approved.	1 SSP produced and approved.	1 SSP produced and approved.	1 SSP produced and approved.	1 SSP produced and approved.

		Number of tracer/impact study reports produced on an annual basis.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.	1 Tracer/impact Study report produced.

Outcome 3: **Supported career development services within the MICT sector.**	Increased Career Opportunities Guidance provided on an annual basis.	Number of career opportunities guide with labour market information produced and distributed on annual basis.	1 career guide produced	1 career guide produced	1 career guide produced	1 career guide produced	1 career guide produced	1 career guide produced	1 career guide produced
			1450 career guides distributed	3354 up to date career guides distributed	4822 up to date career guides distributed	1600 up to date career guides distributed	3000 up to date career guides distributed Digitised career guides	4000 up to date career guides distributed Digitised career guides	4500 career guides distributed Digitised career guides
	Increased career awareness in all provinces on an annual basis.	Number of Career Development Events on occupation in high demand attended by the MICT SETA on an annual basis.	24 Career Events attended	27 Strategic Career Events attended	30 Strategic Career Events attended	40 Strategic Career Events attended	50 Strategic Career Events attended (25 in urban and 25 in rural areas)	55 Strategic Career Events attended (27 in urban and 28 in rural areas)	60 Strategic Career Events attended (30 in urban and 30 in rural areas)
	Career guidance initiatives an annual basis.	Number of Career development practitioners trained on an annual basis.	New Target	New Target	New Target	New Target	30	60	100
		Number of capacity building workshops on career development services initiated on an annual basis.	New Target	New Target	New Target	New Target	02	04	06

SSP Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of WSPs and ATRs submitted for Small firms on an annual basis.	1000 WSPs and ATRs submitted for small firms.	1000 WSPs and ATRs submitted for small firms.	-	-	-
Number of WSPs and ATRs submitted for medium firms on an annual basis.	350 WSPs and ATRs submitted for medium firms.	350 WSPs and ATRs submitted for medium firms.	-	-	-
Number of WSPs and ATRs submitted for large firms on an annual basis.	220 WSPs and ATRs submitted for large firms.	220 WSPs and ATRs submitted for large firms.	-	-	-
Number of approved Sector Skills Plans with lists of occupational shortages and skills gaps produced (including TVETs, Cooperatives and small and emerging enterprises) an annual basis.	1 SSP produced and approved.	-	-	-	1 SSP
Number of tracer/impact study reports produced on an annual basis.	1 Tracer/impact Study report produced.	-	-	-	1 Tracer Study Report
Number of career opportunities guide with labour market information produced on annual basis.	1 career guide produced.	-	-	-	1 career guide produced
Number of career opportunities guide with labour market information distributed on annual basis.	3000 up to date career guides distributed Digitised career guides.	-	-	-	3000 up to date career guides distributed
Number of Career Development Events on occupation in high demand attended by the MICT SETA on an annual basis.	50 Strategic Career Events attended		10 Strategic Career Events attended	10 Strategic Career Events attended	30 Strategic Career Events attended
Number of Career development practitioners trained on an annual basis.	30 practitioners trained	-	10 practitioners trained	10 practitioners trained	10 practitioners trained
Number of capacity building workshops on career development services initiated on an annual basis.	2 capacity building workshops.	-	-	1	1

PROGRAMME 3: LEARNING PROGRAMMES

SUB-PROGRAMME 3.1: PROGRAMMES IMPLEMENTATION

SUB-PROGRAMME 3.2: 4IR

PURPOSE

To implement and monitor learning programmes in the Media, Advertising and ICT sub-sectors. The plan to achieve the objectives and goals in this programme will be to implement the following learning programme interventions that will be rolled out in both urban and rural areas in partnership with constituent employers, and with focus on 4IR strategy as far as possible.

- Learnerships
- Internships
- Skills Programmes
- Short programmes
- Bursaries
- Work Integrated Learning

BRIEF DESCRIPTION

The Learning Programmes Implementation with 4IR focus will ensure:

- Easy access to respective learning programmes
- Increased access to employment opportunities
- Support for career pathing and self-development of beneficiaries
- Development of current employees
- Entrance and conduit into the MICT industries for unemployed learners.

Outcome 4	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Learning programmes that link education and the workplace implemented on an annual basis.	Percentage of discretionary grant budget allocated at developing high level skills on an annual basis	New Target	New Target	New Target	6.4%	5%	5%	5%
		Percentage of discretionary grant budget allocated at developing intermediate skills on an annual basis	New Target	New Target	New Target	92.6%	94%	94%	94%
		Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis	New Target	New Target	New Target	1%	1%	1%	1%
		Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces on an annual basis.	479	861	501	760	800	900	1000
		Number of TVET students completed their work integrated learning placements on an annual basis.	849	450	502	480	600	675	750

		Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces on an annual basis.	199	600	316	380	350	450	550
		Number of university students completed their Work Integrated Learning placements on an annual basis.	138	300	376	190	262	337	412
		Number of unemployed learners enrolled Internships on an annual basis.	1673	1567	1453	806	700	800	900
		Number of unemployed learners completed Internship on an annual basis.	573	887	1021	650	525	600	675
		Number of unemployed learners enrolled skills programmes on an annual basis.	1182	1845	2777	1006	750	850	950
		Number of unemployed learners completed skills programmes on an annual basis.	1124	1192	1434	503	562	637	712
		Number of unemployed learners enrolled Learnerships programmes on an annual basis.	2877	4329	3419	1910	3150	3250	3350

		Number of unemployed learners completed Learnerships programmes on an annual basis.	1056	1500	2548	877	2632	2437	2512
		Number of unemployed learners enrolled for candidacy programmes on an annual basis.	New Target	New Target	New Target	50	60	70	80
		Number of unemployed learners completed candidacy programmes on an annual basis.	New Target	New Target	New Target	25	45	52	60
		Number of unemployed learners enrolled for short programmes on an annual basis	451	1717	1631	706	700	800	900
		Number of unemployed learners completed short programmes on an annual basis	New target	New target	New target	352	525	600	675
		Number of Rural Development Projects initiated on an annual basis.	12	09	20	32	40	50	60

OUTCOME 5	output	Output indicator	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased workplace training of workers already in employment.	Workplace training for workers already in employment implemented on an annual basis.	Number of workers enrolled for Bursary programmes (new entries) on an annual basis.	02	93	75	40	20	30	40
		Number of workers enrolled for Bursary programmes (continuing) on an annual basis.	New Target	New Target	New Target	125	15	25	35
		Number of workers completed Bursary programmes on annual basis.	31	4	70	40	15	25	35
		Number of workers enrolled for skills programmes on an annual basis.	165	409	604	350	116	126	136
		Number of workers completed skills programmes on an annual basis.	190	200	254	175	87	94	102
		Number of workers enrolled for	New Target	New Target	New Target	50	50	60	70

		AET/CET programmes on an annual basis.							
		Number of workers completed AET/CET Programmes on an annual basis.	New Target	New Target	New Target	25	45	55	65
		Number of workers enrol on RPL on annual basis	New Target	New Target	New Target	New target	50	60	70
		Number of workers completed RPL on annual basis	New Target	New Target	New Target	New Target	37	45	52

OUTCOME 6	output	Output indicator	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased access to occupationally directed programmes.	Skilled learners with appropriate workplace experience on an annual basis.	Number of unemployed learners granted Bursaries (new enrolments)	702	350	346	355	250	260	270
		Number of unemployed learners granted Bursaries (continuing)	New Target	New Target	New Target	125	150	200	250
		Number of unemployed learners granted Bursaries completed their studies	175	175	404	177	112	150	187
		Number of TVET partnerships established on an annual basis.	5	8	7	12	16	20	20
		Number of HET partnerships established on an annual basis.	4	14	6	22	22	22	22
		Number of CET partnerships established on an annual basis.	New Target	New Target	New Target	10	9	9	9
		Number of SETA-employer partnerships established on an annual basis.	New Target	New Target	01	10	15	20	25

OUTCOME 7	output	Output indicator	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased support for the growth of the public college system.	TVET programmes that are aligned to industry skills needs an annual basis.	Number of MICT SETA offices established and maintained in TVET colleges on an annual basis.	1	1	1	9	12	13	14
		Number of Centres of Specialization supported on an annual basis.	New Target	New Target	New Target	4	5	8	8
		Number of TVET Lecturers exposed to the industry through skills programmes on an annual basis.	156	104	120	160	50	60	70
		Number of TVET Managers receiving training on curriculum related studies on an annual basis.	New Target	New Target	New Target	40	50	60	70
		Number of TVET Lecturers awarded bursaries on an annual basis.	New Target	New Target	New Target	160	50	60	70
		Number of CET colleges Lecturers awarded skills development programmes on an annual basis.	New Target	New Target	New Target	50	50	60	70
		Number of Managers receiving training on curriculum related studies on an annual basis.	New Target	New Target	New Target	50	50	60	70
		Number of CET learners accessing AET programmes on an annual basis.	New Target	New Target	New Target	200	100	150	200

OUTCOME 8	output	Output indicator	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased skills development support for SMMEs, entrepreneurship, cooperatives development and community based organisations.	Skilled personnel (cooperatives, CBOs/NGOs/NPOs), entrepreneurs with sustainable job opportunities and growth on an annual basis.	Number of cooperatives supported with training interventions or funded on an annual basis.	New Target	New Target	New Target	100	100	150	200
		Number of small businesses supported with training interventions or funded on an annual basis.	New Target	New Target	New Target	100	100	150	200
		Number of people trained on entrepreneurships supported to start their business on an annual basis.	New Target	New Target	New Target	50	100	150	200
		Number CBOs/NGOs/NPOs supported with training interventions on an annual basis.	New Target	New Target	New Target	200	100	150	200

OUTCOME 9	OUTPUT	OUTPUT INDICATOR	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Increased skills development support for worker initiated training.	Skilled federation/union and members within MICT sector on an annual basis.	Number of Federations /Trade Unions supported through the relevant skills training interventions on an annual basis.	New Target	New Target	New Target	200 skills programmes 200 short programmes	100	150	200

LPD Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of discretionary grant budget allocated at developing high level skills on an annual basis	5%	-	-	-	5%
Percentage of discretionary grant budget allocated at developing intermediate skills on an annual basis	94%	-	-	-	94%
Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis	1%	-	-	-	1%
Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces on an annual basis.	800	200	200	200	200
Number of TVET students completed their work integrated learning placements on an annual basis.	600	150	150	150	150

Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces on an annual basis.	350	87	87	87	89
Number of university students completed their Work Integrated Learning placements on an annual basis.	262	65	65	65	67
Number of unemployed learners enrolled Internships on an annual basis.	700	175	175	175	175
Number of unemployed learners completed Internship on an annual basis.	525	131	131	131	132
Number of unemployed learners enrolled skills programmes on an annual basis.	750	187	187	187	189
Number of unemployed learners completed skills programmes on an annual basis.	562	140	140	140	142
Number of unemployed learners enrolled Learnerships programmes on an annual basis.	3150	787	787	787	789
Number of unemployed learners completed Learnerships programmes on an annual basis.	2632	658	658	658	658
Number of unemployed learners enrolled for candidacy programmes on an annual b8asis.	60	15	15	15	15
Number of unemployed learners completed candidacy programmes on an annual basis.	45	11	11	`11	11
Number of unemployed learners enrolled for short programmes on an annual basis	700	175	175	175	175
Number of unemployed learners completed short programmes on an annual basis	525	131	131	131	132
Number of Rural Development Projects initiated on an annual basis.	40	10	10	10	10

Number of workers enrolled for Bursary programmes (new entries) on an annual basis.	40	10	10	10	10
Number of workers enrolled for Bursary programmes (continuing) on an annual basis.	20	5	5	5	5
Number of workers completed Bursary programmes on annual basis.	15	0	0	7	8
Number of workers enrolled for skills programmes on an annual basis.	116	29	29	29	29
Number of workers completed skills programmes on an annual basis.	87	21	21	21	21
Number of workers enrolled for AET/CET programmes on an annual basis.	50	10	10	10	20
Number of workers completed AET/CET Programmes on an annual basis.	45	11	11	11	11
Number of workers enrol on RPL on annual basis	50	10	10	10	20
Number of workers completed RPL on annual basis	37	0	0	18	19
Number of unemployed learners granted Bursaries (new enrolments) on an annual basis.	250	50	50	50	100
Number of unemployed learners granted Bursaries (continuing) on an annual basis.	150	50	50	0	50
Number of unemployed learners granted Bursaries completed their studies on an annual basis.	112	28	28	28	28
Number of TVET partnerships established on an annual basis.	16	4	4	4	4
Number of HET partnerships established on an annual basis.	22	5	5	5	7
Number of CET partnerships established on an annual basis.	20	5	5	5	5
Number of SETA-employer partnerships established on an annual basis.	15	3	3	3	6

Number of MICT SETA offices established in TVET colleges on an annual basis.	12	3	3	3	3
Number of Centres of Specialization supported on an annual basis.	6	2	2	1	1
Number of TVET Lecturers exposed to the industry through skills programmes on an annual basis.	50	10	10	10	20
Number of TVET Managers receiving training on curriculum related studies on an annual basis.	50	10	10	10	20
Number of TVET Lecturers awarded bursaries on an annual basis.	50	10	10	10	20
Number of CET colleges Lecturers awarded skills development programmes on an annual basis.	50	10	10	10	20
Number of Managers receiving training on curriculum related studies on an annual basis.	50	10	10	10	20
Number of CET learners accessing AET programmes on an annual basis.	50	10	10	10	20
Number of cooperatives supported with training interventions or funded on an annual basis.	100	25	25	25	25
Number of small businesses supported with training interventions or funded on an annual basis.	100	25	25	25	25
Number of people trained on entrepreneurships supported to start their business on an annual basis.	100	25	25	25	25
Number CBOs/NGOs/NPOs supported with training interventions on an annual basis.	100	25	25	25	25

Number of Federations /Trade Unions supported through the relevant skills training interventions on an annual basis.	100	25	25	25	25

SUB-PROGRAMME 3.2: 4IR

PURPOSE

To develop an integrated 4IR MICT SETA strategy and plan that will respond to the 4IR skills needs including detailed interventions to be carried out achieving skills competitiveness of the Media, Advertising and ICT sub-sectors.

DESCRIPTION

- Develop MICT SETA 4IR policy and framework;
- Co-ordinate the 4IR committee work streams;
- Co-ordinate 4IR specific research and develop digital strategy;
- Facilitate collaboration and partnerships with various stakeholders including National and Provincial government on 4IR initiatives;
- Advise on strategies for skills development and future of work;
- Ensure that 4IR programmes are implemented on Annual Performance Plan;
- Ensure 4IR occupational qualifications are developed for MICT SETA;
- Implements 4IR recommendations made by 4IR Presidential Commission;

Outcomes, Outputs, Performance Indicators and Targets

OUTCOME 10	output	Output indicator	Annual Targets						
			Audited /Actual Performance		Estimated Performance		MTEF Period		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
A 4IR strategy that is responsive to 4IR skills development needs of the MICT sector.	4IR partnerships with key role players established on an annual basis.	4IR partnerships established with key role players in the sector on an annual basis.	New Target	New Target	New Target	1	1	1	1
	4IR Advisory Committee members recruited on annual basis.	Number of key role players participating in the 4IR Advisory Committee on annual basis	New Target	New Target	New Target	5	5	5	5
	4IR research chairs established and maintained on annual basis.	Number of research chairs SLAs signed with universities and reports produced on an annual basis.	New Target	New Target	New Target	50	70	90	110
	4IR occupational qualifications developed	Number of 4IR occupational qualifications developed and implemented	New Target	New Target	New Target	10	13	4	3

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of 4IR partnerships established with key role players in the sector on an annual basis.	30	8	8	8	6
Number of key role players participating in the 4IR Advisory Committee on an annual basis.	16	4	4	4	4
4IR research chairs established and maintained on annual basis	70	15	20	20	15
Number of 4IR occupational qualifications developed on an annual basis	13	0	0	0	0

PROGRAMME 4: EDUCATION AND TRAINING QUALITY ASSURANCE

PURPOSE

This programme aims to create access to quality programmes and to quality assure training provision in the Media, Advertising and ICT sub-sectors. The objective is to implement the quality assurance regulations as stipulated by the Quality Council for Trades and Occupations (QCTO), and to improve the service and the turnaround times with regards to the following:

- Accreditation of Training Providers
- Registration of Assessors and Moderators
- Learner Certification

The MICT SETA will also engage in capacity building sessions for Training Providers to ensure the quality of delivery.

BRIEF DESCRIPTION

This programme is responsible for quality assurance under the auspices of the Quality Council for Trades and Occupations. The QCTO conferred to the MICT SETA the authority to undertake the following quality assurance functions from 1 October 2012, subject to the terms and conditions:

- Accredit training providers for the qualification and skills programmes in terms of criteria determined by the QCTO;
- Monitor the provision by training providers of learning programmes leading to qualifications or part qualifications in order to ensure that the criteria for accreditation are being complied with;
- Evaluate learner assessment and the facilitation of moderation of learner assessment by providers in terms of criteria determined by the QCTO;
- Register assessors and moderators to undertake assessment for specified qualifications and part qualifications in terms of criteria determined by the QCTO;
- Certify qualified learners accordance with the policy determined by the QCTO;
- Maintain a comprehensive learner information management system;
- Upload learner data to the NLRD according to the NLRD load specifications;
- Perform such other functions consistent with the NQF Act and the SDA as the QCTO may from time to time allocate to the SETAs and Professional Bodies in writing

ETQA Outcomes, Outputs, Performance Indicators and Targets

Outcome 11	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved quality of education to address programmes in high demand within the MICT sector.	Increased number of accredited Training Providers (including TVETs and CETs) offering programmes in high demand on an annual basis.	Number of accredited Training Providers offering occupational qualifications in high demand on annual basis.	575 Accredited Training Providers	556 Accredited Training Providers	573 Accredited Training Providers	632 Accredited Training Providers	650 Accredited Training Providers	680 Accredited Training Providers	710 Accredited Training Providers
	Increased number of qualified registered assessors assessing quality of programmes on annual basis	Number of qualified registered assessors assessing quality of programmes on annual basis.	1553 Registered Assessors	1553 Registered Assessors	1636 Registered Assessors	1100 Registered Assessors	600 Registered Assessors	630 Registered Assessors	660 Registered Assessors
	Increased number of qualified moderators moderating quality of programmes on annual basis	Number of qualified registered moderators moderating Quality of programmes on annual basis.	820 Registered Moderators	1007 Registered Moderators	726 Registered Moderators	660 Registered Moderators	300 Registered Moderators	320 Registered Moderators	320 Registered Moderators
	Developed or reviewed	Number of developed or	No clear targets	2	0	8	9	10	10

	MICT SETA relevant qualifications responding to the skills needs on an annual basis.	reviewed MICT SETA qualifications on an annual basis		Developed Qualifications	Developed Qualifications	Developed Qualifications	Developed Qualifications	Developed Qualifications	Developed Qualifications

ETQA Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of accredited Training Providers (including TVETs and CETs) offering programmes in high demand on annual basis.	650 Accredited Training Providers	163 Accredited Training Providers	163 Accredited Training Providers	162 Accredited Training Providers	162 Accredited Training Providers
Number of qualified registered assessors assessing quality of programmes on annual basis.	600 Registered Assessors	150 Registered Assessors	150 Registered Assessors	150 Registered Assessors	150 Registered Assessors
Number of qualified registered moderators moderating quality of programmes on annual basis.	660 Registered Moderators	165 Registered Moderators	165 Registered Moderators	165 Registered Moderators	165 Registered Moderators
Number of occupational qualifications in high demand developed or reviewed.	9 Developed Qualifications	3 Developed Qualifications	2 Developed Qualifications	2 Developed Qualifications	2 Developed Qualifications

Key Risks for the Achievement of Outputs

PROGRAMME 1: ADMINISTRATION

SUB-PROGRAMME 1.1 FINANCE

Output	Key Risks	Risk Mitigation
Number of audit opinions on an annual basis.	Qualified audit opinion resulting in loss of reputation and credibility	- Centralised and electronic record keeping - Independent reviews of the financial and APR data to ensure completeness, accuracy, valuation, presentation and disclosure - Controls to ensure completeness, accuracy and valuation
Percentage of budget variances by division	- Transgression of PFMA due to spending over the budget resulting in irregular expenditure - Non achievement of targets due to unutilised budget resulting in non-performance.	- Detailed procurement plans and monitoring - Purchase requisitions accompanied by budget confirmations - Monthly divisional reports to monitor budgets - Regular meetings to discuss variances with management and divisional heads - Rolling forecasts and submission of revised budgets to governance structures where required.
Percentage of discretionary grants under/over commitment	- Transgression of PFMA due to spending over the budget resulting in irregular expenditure and/or inability of the entity to meet its obligations - Non achievement of targets due to unutilised budget resulting in non-performance.	- Detailed commitment plans and monitoring - Service level agreements accompanied by budget confirmations - Monthly divisional reports to monitor commitments - Regular meetings to discuss variances with management and divisional heads.
Percentage of fraudulent, negligent and corrupt activities reported on an annual basis	- Financial loss resulting in the entity being unable to operate in the foreseeable future - Reputational loss.	- Segregation of duties - Background and reference checks on all SETA employees - Regular audits - Detailed review of the internal controls, and identification of key controls. - Ongoing training of employees on fraud and fraud prevention.
Irregular, Fruitless and Wasteful Expenditure Report	Transgression of PFMA and relevant legislation resulting in financial loss and reputational loss.	- Ongoing training of employees on legislation requirements - Segregation of duties - Independent checks of documents prior to committing and payments - Consequence management.

SUB-PROGRAMME 1.2: CORPORATE SERVICES

OUTPUT	KEY RISK	RISK MITIGATION
An agile HR Management and development	– Poor employee performance and overall organizational performance	– Effective succession planning and training
Maintained below 15% Vacancy rate	– Risk of employees experiencing burnout& fatigue – Poor organizational performance	– Swift filling of vacant posts (within 90 day turnaround time)
Improved Performance Management system.	– Non delivery or attainment of departmental and organizational strategic objectives	– Regular managing and evaluation of employee performance
Retained staff on an annual basis	- Lack of continuity and organizational memory	- Effective retention and succession planning mechanism

SUB-PROGRAMME 1.3 INFORMATION TECHNOLOGY

OUTPUT	KEY RISK	RISK MITIGATION
Digitized organization	Limited integrated and automated / digitized processes	– Implement Business Process Re-engineering project – Implement MIS / DSS Dashboard with different kinds of heat maps – Implement GIS system – Implement workflow system with EDMS functionality – Finalise the implementation of the integrated ERP system – Finalise the implementation of the learner management systems – Implement e-learning functionality – Implement workflow system with Electronic Document Management System (EDMS) to digitise the File Plan

SUB-PROGRAMME 1.4 MONITORING AND EVALUATION

OUTPUT	KEY RISK	RISK MITIGATION
Monitoring and Evaluation Framework policy to improve business processes for increased performance and reporting	Lack of clear Business Process and non -compliance with applicable legislation.	– Develop, Review and Digitize business processes.
Implemented strategic and annual performance Plan	Poor Implementation of strategic plan and annual performance plan	– Implementation of organisational-wide performance monitoring and evaluation framework

SUB-PROGRAMME 1.5 GOVERNANCE

OUTPUT	KEY RISK	RISK MITIGATION
Attainment of targets against the signed SLA between the Accounting Authority and DHET an annual basis.	Non-adherence to the timelines as stipulated in the signed SLA between the accounting authority and the executive authority resulting in non-compliance.	– Monitor and track attainment of targets against the sla and within stipulated timelines.
Eliminate unethical corrupt and fraudulent activities on an annual basis through effective Corporate Governance	Effective controls to eliminate fraud and corruption not adhered to.	– Adequate training of internal policies, internal controls and compliance requirements. – Enforce consequence management for non-compliance.
Maintain effective and sound corporate governance.	Lack of resources and budgeting to implement the requirements as per the corporate governance and ethics management framework.	– Adequate budgeting in line with strategic objectives for the division.

PROGRAMME 2: SECTOR SKILLS PLANNING

OUTPUT	KEY RISK	RISK MITIGATION
Research report signalling occupations in high demand on an annual basis. **list of occupational shortages and skills gaps produced on an annual basis.**	Inaccurate WSP data submitted resulting in inaccurate occupational shortages and skills gaps reported.	– Continuous engagement and capacity building
	Inaccurate list of occupational shortages and skills gaps resulting in the funding of irrelevant programmes.	– Triangulation approach and multiple data usage.
	Irrelevant SSP that is not reflective of sector skills needs.	– Triangulation approach and multiple data usage.
	Inaccurate data resulting in inaccurate impact study analysis.	– Develop and maintain data monitoring framework that tests relevance of information against the set template.

OUTPUT	KEY RISK	RISK MITIGATION
Increased Career Opportunities Guidance provided on an annual basis.	– Career opportunities guide with inaccurate list of occupational shortages and skills gaps developed and distributed. – Inadequate Career guidance initiatives	– Triangulation approach and multiple data usage. – Career guidance schedule in place and observed
Increased career awareness in all provinces.	– Inadequate attendance of Strategic Career Events – Inadequate marketing and communication strategy	– Career guidance schedule in place and observed – Use of multiple marketing and communications platforms
Career Guidance Initiatives on an annual basis.	– Inadequate participation by career development practitioners	– Implementation of an approved marketing and communication strategy.

PROGRAMME 3: LEARNING PROGRAMMES

SUB-PROGRAMME 3.1: PROGRAMMES IMPLEMENTATION

OUTPUT	KEY RISK	RISK MITIGATION
Occupations in high demand and special	– Failure by employers to provide relevant workplace experience for learners.	– Strong partnerships established between the SETA and the MICT employers.

projects implemented on an annual basis.		– Policy and procedures in place to determine suitability of participating workplaces. – All programmes quality assured and subjected to monitoring and evaluation.
Learning programmes that link education and the workplace implemented on annual basis.	– Insufficient number of institutions that offer priority training of linking education and the workplace.	– Establish a framework of verifying the capacity of institutions that apply for funding to implement workplace training.
Workplace training for workers already in employment implemented on an annual basis.	– Absence of a mechanism to monitor the accuracy of numbers reported of workers undergoing training for programmes funded by the MICT SETA.	– Establish or strengthen frameworks in place for data validation.
Service Level Agreements entered into with implementing partners to deliver on occupationally directed programmes on an annual basis	– Service Level Agreements entered with implementing partners not honored to their full potential.	– Strengthen oversight procedures that are already in place to hold implementing partners not honoring their agreement to be accountable.
Skills development support for entrepreneurship within the MICT sector and cooperative development implemented on an annual basis.	– Low participation of SMMEs and Cooperatives in MICT SETA funded programmes.	– Collaborate with the marketing division for raising awareness of the role the MICT SETA plays in support of entrepreneurship.
Worker initiated training for union and federations within MICT sector implemented on an annual basis.	– Low participation of for union and federations in MICT SETA funded programmes.	– Collaborate with the marketing division for raising awareness of the role the MICT SETA plays in support of entrepreneurship.

SUB-PROGRAMME 3.1: 4IR

Output	Key Risk	Risk Mitigation
4IR partnerships with key role players established on an annual basis	– Non-Compliance SLAs and MOUs	– Development of a stakeholder engagement framework and customer relationship management strategy.
4IR Advisory Committee members recruited on an annual basis	– Non-Compliance to terms of reference and code of conduct.	– Quarterly reporting, monitoring and feedback on all committee activities and initiatives.
4IR Research Chairs established and maintained on an annual basis	– Evolving ICT skills demand and requirements to respond to 4IR	– Implementation of the digital strategy
4IR occupational qualifications developed.	– Evolving ICT skills demand and requirements to respond to 4IR	– Implementation of the digital strategy

PROGRAMME 4: QUALITY ASSURANCE

OUTPUT	KEY RISK	RISK MITIGATION
Increased number of accredited Training Providers offering occupational qualifications in high demand on an annual basis.	– Outdated and obsolete programmes resulting in qualifying learners that are not responsive and compatible to the industry needs.	– Strengthen and maintain sustainable partnerships with the industry and skills development providers to ensure demand-led and responsive programmes.
Increased number of qualified registered assessors assessing quality of programmes on annual basis	– **Insufficient number of assessors registering in the MICT SETA programmes.**	– **Annual review of assessor registration criteria and also raise awareness through collaboration with marketing.**
Increased number of qualified moderators moderating quality of programmes on annual basis	– Insufficient number of moderators registering in the MICT SETA programmes.	– Annual review of moderator registration criteria and also raise awareness through collaboration with marketing.
Developed or reviewed MICT SETA relevant qualifications responding to the skills needs on an annual basis.	– Qualification development taking too long, thus, not being too responsive to skills needs.	– Review the process of qualification development with relevant bodies and try to come up with shorter and more efficient ways of speeding up the process.

– **Explanation of planned performance over the medium term period**

Outputs are as a result of a development intervention, the MICT SETA cognizes that any development intervention should contribute to the achievement of the outcomes, ultimately the impact. The MICT SETA's vision and mission is to be a global leader in the development and delivery of revolutionary ICT skills, thus, providing opportunities for MICT stakeholders to participate in the economy, through meaningful employment and entrepreneurship, building a capable, creative and innovative developmental state. The MICT SETA outputs will ultimately lead to the organization to be an agile organization that supports the development of cutting-edge creative and innovative skills for sustainable employment and entrepreneurship by 2025.

For the SETA to have a sound financial and supply chain management systems and processes, will depend entirely on having accurate and timeous management accounts, improving alignment to operational and procurement plans. The oversight of this will be through an increased role from the SETAs Accounting Authority and Subcommittees, paying close attention to financial performance, and oversight on corrupt and fraudulent activities. Audit opinions annually will serve as the basis in which the MICT SETA reflects where improvements need to be made.

Producing a competitive workforce with the capacity to implement organizational mandate will be influenced by the MICT SETAs strategic decision to recruit talented and capable individuals. The attainment of targets will be empirical evidence that the SETA is heading in the right direction of achieving an agile organization through efficient processes.

For the SETA to continuously, produce a reliable scarce and critical skills list, the process depends on the submission of WSPs and ATRs, which show the sectorial identified skills needs and planned training. Knowing the size of companies is also important as that also helps the SETA to know how the sector is performing in terms of business and size. Understanding this information and it being triangulated contributes to a comprehensive mechanism for sector skills planning within the MICT sector.

Targets set by the MICT SETA cannot be seen as being separate from each other, each one depends on the other for achievement. This means that for the MICT SETA to invest or fund learning programmes it needs a triangulated scarce and critical skills list, in which funding can

be focused on what is really needed by the sector. The interventions will be through respective learnerships, internships, skills programmes, bursaries, short programmes, etc. the aim is to Increase delivery on programmes that link education and the workplace and the aforementioned can create a path for that to happen.

Focused attention will be paid on delivery of quality programmes through development of fit for purpose learning programmes and qualifications, accreditation of skills development providers and increased monitoring and evaluation on occupational qualifications that are high demand, this will be done on an annual basis. The 4IR will remain key in creating a capable South African youth which can start businesses and produce products like cell phone sim cards for exportation. The SETA understands this as a gap and will continue to align its strategies to respond to 4IR pulling factors that root the MICT environment to be in a constant state of flux.

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

6. PROGRAMME 1: ADMINISTRATION

5.1 Sub-Programme 1.1: Finance

INDICATOR TITLE	**Audit opinion**
DEFINITION	Ensure financial prudence through the attainment of an audit opinion that is free of material findings from the Auditor General (AG).
SOURCE OF DATA	– Audit report from the AGSA – Audited Annual Financial Statements – Annual Report
METHOD OF CALCULATION/ASSESSMENT	Simple count; each audit opinion is counted once each year
MEANS OF VERIFICATION	– Audited Annual Financial Statements – Audit report from the AGSA – Annual Report
ASSUMPTIONS	– Adequate and proficient Human Capital – Functional Financial Management System – Functional Learner Management System – Explicit processes and procedures – Approved Budget
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Chief Financial Officer

INDICATOR TITLE	**Percentage of budget variances by division**
DEFINITION	Approved budget expenditure versus actual expenditure and variance patterns to ensure financial astuteness.
SOURCE OF DATA	– Monthly Management Accounts – Quarterly Management Accounts – Annual Financial Statements
METHOD OF CALCULATION/ASSESSMENT	Approved budget expenditure less Actual expenditure divided by approved budget expenditure, expressed as a percentage
MEANS OF VERIFICATION	– Monthly Management Accounts – Quarterly Management Accounts – Annual Financial Statements
ASSUMPTIONS	– Adequate and proficient Human Capital – Functional Financial Management System – Explicit processes and procedures – Approved Budget
CALCULATION TYPE	Non-Cumulative

Reporting Cycle	– Monthly (for 12 months) – Quarterly (for 4 quarters) – Annually
Indicator Responsibility	– Chief Financial Officer
Indicator Title	**Percentage of discretionary grants under/over commitment**
Definition	Approved budget on discretionary projects versus actual commitments towards discretionary projects to ensure financial astuteness.
Source of data	– Approved Discretionary grants policy – Approved Policies, Processes and Procedures – Monthly Management Accounts – Quarterly Management Accounts – Annual Financial Statements
Method of Calculation/Assessment	As per National Treasury instruction notes
Means of verification	– Monthly Management Accounts – Quarterly Management Accounts – Annual Financial Statements
Assumptions	– Adequate and proficient Human Capital – Functional Financial Management System – Functional Learner Management System – Explicit processes and procedures – Approved Budget
Calculation Type	Non-Cumulative
Reporting Cycle	- Monthly (for 12 months) – Quarterly (for 4 quarters) – Annually
Indicator Responsibility	Chief Financial Officer

Indicator Title	**Percentage of fraudulent, negligent and corrupt activities reported on an annual basis**
Definition	Ensure reporting of any corrupt, negligent and fraudulent activity for the realisation of 100% elimination of corrupt and fraudulent activities.
Source of data	– Monthly Management Accounts – Quarterly Management Reports – Internal Audit Reports – AGSA Audit Reports / Management Reports
Method of Calculation/Assessment	Number of confirmed cases divided by number of suspected cases, expressed as a percentage. To achieve 100% elimination of corrupt and fraudulent activities, the calculated amount must equate to nil.
Means of verification	– Monthly Management Accounts – Quarterly Management Accounts – Annual Financial Statements – Internal Audit Reports – AGSA Audit Reports / Management Reports

Assumptions	– Adequate and proficient Human Capital – Functional Informational Management Systems – Explicit Policies, processes and procedures
Calculation Type	Non-Cumulative
Reporting Cycle	– Annually, if there are incidents – Quarterly, if there are incidents – Annually, if there are incidents
Indicator Responsibility	Chief Financial Officer

Indicator Title	**Irregular, Fruitless and Wasteful Expenditure Report**
Definition	Ensure 100% alignment of procured goods and services to relevant legislation to avoid fruitless, wasteful and irregular expenditure.
Source of data	– Monthly Management Accounts – Quarterly Management Reports – Internal Audit Reports – AGSA Audit Reports / Management Reports
Method of Calculation/Assessment	– Number of confirmed fruitless, wasteful and irregular expenditure divided by number of alleged fruitless, wasteful and irregular expenditure, expressed as a percentage. To achieve 100% of procured goods/services aligned to legislation, the calculated amount must equate to nil.
Means of verification	– Monthly (for 12 months) Management Accounts – AG Audit Reports – MICT SETA Annual Report
Assumptions	– Adequate and proficient Human Capital – Functional Supply Chain Management System – Explicit Policies, processes and procedures – Approved Budget
Calculation Type	Non-Cumulative
Reporting Cycle	– Quarterly, if there are incidents – Annually, if there are incidents
Indicator Responsibility	Chief Financial Officer

5.2 Sub-Programme 1.2: Corporate Services

INDICATOR TITLE	**Percentage of employee satisfaction**
DEFINITION	An annual survey to determine level of employee satisfaction
SOURCE OF DATA	– Survey Reports – Human Capital Reports – Monthly Management Reports – Annual Report
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; assessment conducted annually
MEANS OF VERIFICATION	– Survey Reports – Human Capital Reports – Monthly Management Reports – Annual Report
ASSUMPTIONS	– Survey Instruments – Cooperation from employees – Approved Budget
CALCULATION TYPE	Non-cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Corporate Services Senior Manager

INDICATOR TITLE	**Percentage of vacancy rate**
DEFINITION	Ensure maintenance of vacancy rate below 15% on an annual basis
SOURCE OF DATA	– Human Capital Reports – Monthly Management Reports – Annual Report
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; assessment conducted annually
MEANS OF VERIFICATION	– Human Capital Reports – Monthly Management Reports – Annual Report
ASSUMPTIONS	– Proficient Human Capital – Functional Human Resources Information Systems – Explicit Retention Strategies, Policies and Processes – Approved Budget
CALCULATION TYPE	Non-cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Corporate Services Senior Manager

INDICATOR TITLE	**Percentage of Performance Management contracting and reviews**
DEFINITION	70% staff retention rate to ensure skills preservation and continuity.
SOURCE OF DATA	– Human Capital Reports – Monthly Management Reports – Annual Report
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; assessment conducted annually
MEANS OF VERIFICATION	– Human Capital Reports – Monthly Management Reports – Annual Report
ASSUMPTIONS	– Proficient Human Capital – Functional Human Resources Information Systems – Explicit Retention Strategies, Policies and Processes – Approved Budget
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Corporate Services Senior Manager

INDICATOR TITLE	**A percentage of Staff Turnover on an annual basis.**
DEFINITION	Ensure 70% staff retention rate to ensure skills preservation and continuity.
SOURCE OF DATA	– Human Capital Reports – Monthly Management Reports – Annual Report
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; assessment conducted annually
MEANS OF VERIFICATION	– Human Capital Reports – Monthly Management Reports – Annual Report
ASSUMPTIONS	– Proficient Human Capital – Functional Human Resources Information Systems – Explicit Retention Strategies, Policies and Processes – Approved Budget
CALCULATION TYPE	Non-cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Corporate Services Senior Manager

5.3 Sub-Programme 1.3: Information Technology

INDICATOR TITLE	**Number of business processes re-engineered and digitized**
DEFINITION	Achievement of business process re-engineering and digitized as an enabler for the MICT SETA values of excellence, accountability and stakeholder centricity
SOURCE OF DATA	– Signed User Acceptance Testing (UAT) reports
METHOD OF CALCULATION/ASSESSMENT	– Simple count. Each process is counted separately.
MEANS OF VERIFICATION	– Signed User Acceptance Testing (UAT) reports
ASSUMPTIONS	– Approved Digital Strategy and Digital Strategy Implementation Plan with costing
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Quarterly and annually
INDICATOR RESPONSIBILITY	– Chief Information Officer

5.4 Sub-Programme 1.4: Monitoring and Evaluation

INDICATOR TITLE	**Percentage of Business Processes, Policies and standard operating procedures developed, implemented and reviewed for improved performance and overall compliance on an annual basis.**
DEFINITION	To ensure development of Business Processes, review of policies and standard operating procedures and external overall compliance
SOURCE OF DATA	– Updated Policies – Updated Standard Operating Procedures – Business Processes
METHOD OF CALCULATION/ASSESSMENT	Simple Count; Percentage of Policies and Procedures assessed quarterly
MEANS OF VERIFICATION	– Updated Policies – Updated Standard Operating Procedures – New Business Process
ASSUMPTIONS	– Proficient Human Capital – Functional Monitoring and Evaluation Framework – Explicit Policies, processes and procedures
CALCULATION TYPE	– Non-Cumulative
REPORTING CYCLE	– Quarterly – Annually
INDICATOR RESPONSIBILITY	Senior Manager Monitoring and Evaluation
INDICATOR TITLE	**Number of SETMIS Performance reports submitted to DHET Annually**
DEFINITION	To ensure that the SETMIS Data is reliable, credible, and accurate and validated by conducting validated through consultation with relevant stakeholders.
SOURCE OF DATA	- Monthly reports - Quarterly Management Reports - Annual Reports
METHOD OF CALCULATION/ASSESSMENT	Simple Count; Number of report submitted quarterly and Annually
MEANS OF VERIFICATION	– Proof of Submission
ASSUMPTIONS	– Proficient Human Capital – Functional Monitoring and Evaluation Framework – Explicit Policies, processes and procedures – SETMIS Data
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE Annually	– Quarterly – Annually
INDICATOR RESPONSIBILITY	Senior Manager Monitoring and Evaluation

5.5 Sub Programme 5: Governance

INDICATOR TITLE	**Percentage of targets achieved on annual basis.**
DEFINITION	Provide an oversight role to ensure prudent use of available resources (human, financial), systems and process to enable delivery of DHET SLA targets.
SOURCE OF DATA	– Approved SSP – Approved Strategic Plan and APP – Approved Budget – Approved SLA signed with DHET – Human Capital Profiles
METHOD OF CALCULATION/ASSESSMENT	Simple Count; assessment conducted quarterly
MEANS OF VERIFICATION	– Approved SLA – Monthly Management Reports – Quarterly Monitoring Reports – Audit Reports – Annual Reports
ASSUMPTIONS	– Approved SLA – Adequate and proficient Human Capital – Functional Management Information Systems – Explicit Policies, processes and procedures – Approved Budget
CALCULATION TYPE	Cumulative
REPORTING CYCLE	– Monthly – Quarterly – Annually
INDICATOR RESPONSIBILITY	– Accounting Authority – Chief Executive Officer – Board Secretary

INDICATOR TITLE	**Number of corrupt and fraudulent activities reported on an annual basis.**
DEFINITION	Ensure reporting of any corrupt and fraudulent activity for the realisation of 100% elimination of corrupt and fraudulent activities.
SOURCE OF DATA	– Whistle Blowing Reports – Management Reports – Audit Reports
METHOD OF CALCULATION/ASSESSMENT	Simple Count; reports submitted as and when corrupt activities happen
MEANS OF VERIFICATION	– Corruption and Fraud Reports – Audit Reports
ASSUMPTIONS	Corruption and Fraud Reporting Strategies, Policies and Processes.
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Daily (as and when suspected)

INDICATOR TITLE	**Establish a Corporate Governance Framework which will speak to compliance with regulatory requirements, DHET requirements and sound corporate governance requirements.**
DEFINITION	Ensure reporting of SETA activities for the realisation of SETA legislated mandate. Establish corporate governance framework that will speak to compliance and sound corporate governance practices.
SOURCE OF DATA	– Management Reports – Audit Reports – Annual Reports – Approved Policies
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; SETA governance reports submitted quarterly. – Elimination of non-compliance – Reduced incidents of risk and corruption
MEANS OF VERIFICATION	– SETA Governance Reports – Audit Reports – Approved Policies – Approved initiatives of the frameworks
ASSUMPTIONS	Strategies, Policies and Processes in place.
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	– Accounting Authority – Chief Executive Officer – Board Secretary

7. PROGRAMME 2: SECTOR SKILLS PLANNING

INDICATOR TITLE	**Number of WSPs and ATRs submitted for Small Firms on an annual basis.**
DEFINITION	Ensure submission of WSPs and ATRs for Small-sized Firms to inform the Sector Skills Plan development on an annual basis.
SOURCE OF DATA	– Management Information System
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each firm is counted separately and once every year.
MEANS OF VERIFICATION	– WSPs and ATRs for Small Firms submission report.
ASSUMPTIONS	– Functional and efficient Management Information System for submission purposes
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Number of WSPs and ATRs submitted for medium firms on an annual basis.**
DEFINITION	Ensure submission of WSPs and ATRs for Medium-sized Firms to inform the Sector Skills Plan development on an annual basis.
SOURCE OF DATA	– Management Information System
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each firm is counted separately and once every year.
MEANS OF VERIFICATION	– WSPs and ATRs for Medium Firms submission report.
ASSUMPTIONS	– Functional and efficient Management Information System for submission purposes
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Number of WSPs and ATRs submitted for large firms on an annual basis.**
DEFINITION	Ensure submission of WSPs and ATRs for Large-sized Firms to inform the Sector Skills Plan development on an annual basis.
SOURCE OF DATA	– Management Information System
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each firm is counted separately and once every year.
MEANS OF VERIFICATION	– WSPs and ATRs for Large Firms submission report.
ASSUMPTIONS	– Functional and efficient Management Information System for submission purposes
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Sector Skills Plans with lists of occupational shortages and skills gaps produced (including TVETs, Cooperatives and small and emerging enterprises) an annual basis.**
DEFINITION	Establish partnerships with research institutions for the development of the Sector Skills Plan that contain lists of occupational shortages (scarce skills) and skills gaps (critical/top-up skills) on an annual basis.
SOURCE OF DATA	– WSPS and ATRs – Survey Reports – Stakeholder Engagement Reports – Research Reports
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each SSP is counted separately and once every year.
MEANS OF VERIFICATION	– Service Level Agreement with Research Institution/s – Approved Sector Skills Plan – List of occupational shortages and skills gaps
ASSUMPTIONS	– Service Level Agreement with Research Institution/s – Adequate and proficient Internal research capacity – Functional Management Information Systems – Approved Research Budget – Stakeholder Cooperation
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Number of tracer/impact study reports produced on an annual basis.**
DEFINITION	Establish partnerships with research institutions for the development of the Impact Study Report that contain details employment opportunities derived from skills development interventions supported by the MICT SETA on an annual basis.
SOURCE OF DATA	– Survey Reports – Stakeholder Engagement Reports – Learner Tracer Reports – Learning Programmes Divisional Completion Reports
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each tracer/impact study is counted separately and once every year.
MEANS OF VERIFICATION	– Service Level Agreement with Research Institution/s – Tracer/Impact Study Report
ASSUMPTIONS	– Service Level Agreement with Research Institution/s – Adequate and proficient Internal research capacity – Functional Management Information Systems – Approved Research Budget – Stakeholder Cooperation – Learning Programmes Division Cooperation
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Number of career opportunities guide with labour market information produced and distributed on annual basis.**
DEFINITION	Development of a career opportunities guide to communicate career opportunities within the MICT sector
SOURCE OF DATA	– Approved Sector Skills Plan
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each career opportunities guide is counted separately and once every year.
MEANS OF VERIFICATION	– Career Opportunities Guide
ASSUMPTIONS	– Approved Research Budget
CALCULATION TYPE	– Non-Cumulative (Production) – Cumulative (Distribution)
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Sector Skills Planning Senior Manager

INDICATOR TITLE	**Number of Career Development Events on occupation in high demand attended by the MICT SETA on an annual basis.**
DEFINITION	Attendance of strategic career events hosted by the MICT SETA, its sector, DHET and other government departments to communicate career opportunities within the MICT sector and the distribution of career opportunities guides.
SOURCE OF DATA	– Career Opportunities Guide – Invitations
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each strategic career event is counted separately and once every year.
MEANS OF VERIFICATION	– Career Opportunities Guide – Distribution Strategies (including digitised methods) and Collection Records – Attendance Registers
ASSUMPTIONS	– Availability of Career Opportunities Guide
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	– Sector Skills Planning Senior Manager (Development) – Marketing and Communications Manager (Distribution)

INDICATOR TITLE	**Number of Career Development Practitioners trained on an annual basis.**
DEFINITION	Training of Career Development Practitioners to showcase career opportunities within the MICT sector for learners to make informed choices about the MICT sectoral occupations on an annual basis.
SOURCE OF DATA	– Career Opportunities Guide – Training Schedule
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each career development practitioner is counted separately and once every year.
MEANS OF VERIFICATION	– Training Execution Reports – Attendance Registers
ASSUMPTIONS	– Availability of Career Opportunities Guide – Availability of career development Practitioners
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Annually
INDICATOR RESPONSIBILITY	Marketing and Communications Manager

PROGRAMME 3: LEARNING PROGRAMMES

7.1 Sub-Programme 3.1: Programmes Implementation

INDICATOR TITLE	**Percentage of discretionary grant budget allocated at developing high skills on an annual basis.**
DEFINITION	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skill sets. These are in the middle i.e. in the developing stage to become an advanced skill.
SOURCE OF DATA	− Sector Skills Plan − Impact Study Reports − SLA signed with DHET
METHOD OF CALCULATION/ASSESSMENT	− Simple Count; priority occupations assessed once every year
MEANS OF VERIFICATION	− Sector Skills Plan − Impact Study Reports − SLA signed with DHET
ASSUMPTIONS	− Triangulated and approved SSP − Evidence-based Impact Study Report
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	− Annually
INDICATOR RESPONSIBILITY	− Sector Skills Planning Senior Manager

INDICATOR TITLE	**Percentage of discretionary grant budget allocated at developing intermediate level skills on an annual basis.**
DEFINITION	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority **skill** sets. Supporting Skills that go beyond acquiring basic knowledge and understanding, allowing individuals to be able to apply that understanding to straightforward situations.
SOURCE OF DATA	− Sector Skills Plan − Impact Study Reports − SLA signed with DHET
METHOD OF CALCULATION/ASSESSMENT	− Simple Count; priority occupations assessed once every year
MEANS OF VERIFICATION	− Sector Skills Plan − Impact Study Reports − SLA signed with DHET
ASSUMPTIONS	− Triangulated and approved SSP − Evidence-based Impact Study Report
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	− Annually
INDICATOR RESPONSIBILITY	− Learning Programmes Manager

INDICATOR TITLE	**Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis.**
DEFINITION	Elementary skill workers, which are mostly graduates entering the workforce to gain experience
SOURCE OF DATA	– Sector Skills Plan – Impact Study Reports – SLA signed with DHET
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; priority occupations assessed once every year
MEANS OF VERIFICATION	– Sector Skills Plan – Impact Study Reports – SLA signed with DHET
ASSUMPTIONS	– Triangulated and approved SSP – Evidence-based Impact Study Report
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
INDICATOR RESPONSIBILITY	– Learning Programmes Manager

INDICATOR TITLE	**Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces on an annual basis.**
DEFINITION	Provide relevant Work Integrated Learning to unemployed TVET college learners to assist them with acquiring requisite practical workplace component to attain their qualification.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and TVET learners WIL Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of TVET students completed their work integrated learning placements on an annual basis.**
DEFINITION	Provide relevant Work Integrated Learning to unemployed TVET college learners to assist them with acquiring requisite practical workplace component to attain their qualification.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and TVET learners WIL Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
Cumulative	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces on an annual basis.**
DEFINITION	Provide relevant Work Integrated Learning to unemployed HET learners to assist them to acquire requisite practical workplace component of their qualification.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and HET learners WIL Agreements
METHOD OF CALCULATION/ASSESSMENT	- Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly

INDICATOR RESPONSIBILITY	Senior Learning Programme Manager

INDICATOR TITLE	**Number of university students completed their Work Integrated Learning placements on an annual basis.**
DEFINITION	Provide relevant Work Integrated Learning to unemployed HET learners to assist them to acquire requisite practical workplace component of their qualification.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and HET learners WIL Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners enrolled Internships on an annual basis.**
DEFINITION	Provide relevant work experience/internships to unemployed graduates to assist them to acquire requisite practical workplace experience for them to be more employable.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and Interns Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
CALCULATION TYPE	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of unemployed learners completed Internship on an annual basis.**
Definition	Provide relevant work experience/internships to unemployed graduates to assist them to acquire requisite practical workplace experience for them to be more employable.
Source of data	− MICT SETA and Employer SLAs − Employers and Interns Agreements
Method of Calculation/Assessment	Simple Count; each learner is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of unemployed learners enrolled for skills programmes on an annual basis.**
Definition	Provide skills programmes to the unemployed learners to assist them to acquire occupationally directed unit standards that provide workplace skills and opportunities to be more employable.
Source of data	− MICT SETA and Employer SLAs − Employers and learner Agreements
Method of Calculation/Assessment	Simple Count; each learner is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered Unit Standards – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems

CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners completed skills programmes on an annual basis.**
DEFINITION	Provide skills programmes to the unemployed learners to assist them to acquire occupationally directed unit standards that provide workplace skills and opportunities to be more employable.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered Unit Standards – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners enrolled for learnership programmes on an annual basis.**
DEFINITION	Provide learnerships to the unemployed learners to assist them to acquire occupationally directed programmes that provide workplace skills and opportunities to be more employable.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered learning programmes – Approved SLAs – Employer-Learner Agreements

	– Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners completed learnership programmes on an annual basis.**
DEFINITION	Provide learnerships to the unemployed learners to assist them to acquire occupationally directed programmes that provide workplace skills and opportunities to be more employable.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered learning programmes – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners enrolled for candidacy programmes on an annual basis.**
DEFINITION	Provide candidacy programmes to the unemployed learners to assist them to acquire professional designations for exposure to more employment opportunities.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	- Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements

	– Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners completed candidacy programmes on an annual basis.**
DEFINITION	Provide candidacy programmes to the unemployed learners to assist them to acquire professional designations for exposure to more employment opportunities.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners enrolled for short programmes on an annual basis**
DEFINITION	Provide short programmes to the unemployed learners to assist them to acquire occupationally directed programmes that short and focused on employer specific skills needs and afford them employment opportunities.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	- Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements

	– Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners completed short programmes on an annual basis.**
DEFINITION	Provide short programmes to the unemployed learners to assist them to acquire occupationally directed programmes that short and focused on employer specific skills needs and afford them employment opportunities.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of Rural Development Projects initiated on an annual basis.**
DEFINITION	Provide support by implementing programmes in rural areas and/or support learners from rural areas through respective learning programmes to ensure inclusivity of the previously disadvantaged. Rural covers both townships deep rural areas governed by chiefs and traditional authorities.
SOURCE OF DATA	− MICT SETA Rural Strategy − Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each Rural Project is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports

ASSUMPTIONS	– Rural Strategy – Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers enrolled for Bursary programmes (new entries) on an annual basis.**
DEFINITION	Provide Bursaries to workers (new entrants) studying in HET institutions to assist them to acquire academic qualifications.
SOURCE OF DATA	– MICT SETA and HET Institutions SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers enrolled for Bursary programmes (continuing) on an annual basis**
DEFINITION	Provide Bursaries to workers in HET institutions who are already in the MICT SETA Bursary scheme and are progressing to assist them to complete their studies and acquire academic qualifications.
SOURCE OF DATA	– MICT SETA and HET Institutions SLAs – Employers and learner Agreements – Progress Reports/Status
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.

MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers completed Bursary programmes on an annual basis.**
DEFINITION	Provide Bursaries to workers studying in HET institutions to assist them to acquire academic qualifications.
SOURCE OF DATA	− MICT SETA and HET Institutions SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers enrolled for skills programmes on an annual basis.**
DEFINITION	Provide skills programmes to the employed learners to assist them to acquire occupationally directed unit standards that provide workplace requisite skills and opportunities to be more skilled.
SOURCE OF DATA	− MICT SETA and Employer SLAs − Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.

MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered Unit Standards – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers completed skills programmes on an annual basis.**
DEFINITION	Provide skills programmes to the employed learners to assist them to acquire occupationally directed unit standards that provide workplace requisite skills and opportunities to be more skilled.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Registered Unit Standards – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers enrolled for AET/CET programmes on an annual basis.**

DEFINITION	Provide learnerships, skills programmes and short programmes to employed CET learners to assist them to acquire occupationally directed programmes that are focused on employer specific requisite skills and afford them better employment prospects.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of workers completed AET/CET programmes on an annual basis.**
DEFINITION	Provide learnerships, skills programmes and short programmes to employed CET learners to assist them to acquire occupationally directed programmes that are focused on employer specific requisite skills and afford them better employment prospects.
SOURCE OF DATA	– MICT SETA and Employer SLAs – Employers and learner Agreements
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each worker/learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Employer-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly

INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed learners granted Bursaries (new enrolments).**
DEFINITION	Provide Bursaries to unemployed learners (new entrants) to study in HET institutions to assist them to acquire academic qualifications.
SOURCE OF DATA	– MICT SETA and HET Institutions SLAs – Employers and learner Agreements – Progress Reports/Status
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of unemployed Bursary learners enrolled (continuing).**
DEFINITION	Provide Bursaries to unemployed learners in HET institutions who are already in the MICT SETA Bursary scheme and are progressing to assist them to complete their studies and acquire academic qualifications.
SOURCE OF DATA	– MICT SETA and HET Institutions SLAs – Employers and learner Agreements – Progress Reports/Status
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of unemployed learners granted Bursaries completed their studies.**
Definition	Provide Bursaries to unemployed learners in HET institutions who are already in the MICT SETA Bursary scheme and are progressing to assist them to complete their studies and acquire academic qualifications.
Source of data	− MICT SETA and HET Institutions SLAs − Employers and learner Agreements − Progress Reports/Status
Method of Calculation/Assessment	Simple Count; each learner is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of TVET partnerships established on an annual basis.**
Definition	Establish partnerships with TVET colleges to link the demand for skills by employers with the supply by TVETs for skilled learners with appropriate workplace experience, ensuring programmes that are aligned to industry skills needs an annual basis.
Source of data	− MICT SETA and TVETs SLAs − MICT SETA and TVETs MOUs
Method of Calculation/Assessment	Simple Count, each partnerships counted once for every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of HET partnerships established on an annual basis.**
Definition	Establish partnerships with HET to link the demand for skills by employers with the supply by HETs, for skilled learners with appropriate workplace experience, ensuring programmes that are aligned to industry skills needs an annual basis.
Source of data	− MICT SETA and HETs SLAs − MICT SETA and HETs MOUs
Method of Calculation/Assessment	Simple Count, each partnerships counted once for every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of CET partnerships established on an annual basis.**
Definition	Establish partnerships with CETs for the realization of skilled learners with appropriate workplace experience, on an annual basis.
Source of data	− MICT SETA and CETs SLAs − MICT SETA and CETs MOUs
Method of Calculation/Assessment	Simple Count, each partnerships counted once for every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of SETA-employer partnerships established on an annual basis.**
Definition	Establish partnerships with employers to afford learners the appropriate workplace experience, thereby increasing their prospects of employment on an annual basis.
Source of data	– MICT SETA and employers SLAs – MICT SETA and employers MOUs
Method of Calculation/Assessment	Simple Count, each partnerships counted once for every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of MICT SETA offices established and maintained in TVET colleges on an annual basis.**
Definition	Establish and maintain MICT SETA offices in TVET colleges to support the growth of the public college system by promoting TVET programmes that are aligned to industry skills needs an annual basis.
Source of data	– MICT SETA and TVETs SLAs – MICT SETA and TVETs MOUs
Method of Calculation/Assessment	Simple Count
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of Centres of Specialization supported on an annual basis.**
Definition	Recognize existing and establish centers of specialization in partnership with industry to afford learners the appropriate workplace experience, thereby increasing their prospects of employment on an annual basis.
Source of data	− MICT SETA and Centres of Specialisation SLAs − MICT SETA and employers MOUs
Method of Calculation/Assessment	Simple Count, each Centre of Specialisation counted once for every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of TVET Lecturers exposed to the industry through skills programmes on an annual basis.**
Definition	Establish partnerships with TVETs and employers to expose TVET lecturers to requisite workplace experience, thereby increasing their appreciation of demand for skills by employers and ensuring TVET programmes that are aligned to industry skills needs on an annual basis.
Source of data	− MICT SETA, TVETs and employers SLAs − MICT SETA, TVETs and employers MOUs
Method of Calculation/Assessment	Simple Count; each lecturer is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of TVET Managers receiving training on curriculum related studies on an annual basis.**
Definition	Establish partnerships with TVETs and employers to influence TVET curriculum, thereby, ensuring its alignment to demand for skills by employers, and TVET programmes that are aligned to industry skills needs on an annual basis.
Source of data	– MICT SETA, TVETs and employers SLAs – MICT SETA, TVETs and employers MOUs
Method of Calculation/Assessment	Simple Count; each lecturer is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of TVET Lecturers awarded bursaries on an annual basis.**
Definition	Provide Bursaries to TVET Lecturers studying in HET institutions to assist them to acquire academic qualifications.
Source of data	– MICT SETA, TVETs and HET Institutions SLAs
Method of Calculation/Assessment	Simple Count; each lecturer/learner is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-TVETs Lecturer Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative

Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of CET colleges Lecturers awarded skills development programmes on an annual basis.**
Definition	Provide Bursaries to CET Lecturers studying in HET institutions to assist them to acquire academic qualifications.
Source of data	− MICT SETA, CETs and HET Institutions SLAs
Method of Calculation/Assessment	Simple Count; each lecturer/learner is counted separately and once every year.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-CETs Lecturer Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Calculation type	Cumulative
Reporting Cycle	Quarterly
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	**Number of Managers receiving training on curriculum related studies on an annual basis.**
Definition	Provide short programmes to TVET managers to assist them to acquire short and targeted financial and leadership management programmes to support the growth of the public college system.
Source of data	− MICT SETA, TVETs and HET Institutions SLAs
Method of Calculation/Assessment	Simple Count; each manager is counted separately and once for each intervention.
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – HET Institution-TVETs Lecturer Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation

	– Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of CET learners accessing AET programmes on an annual basis.**
DEFINITION	Provide AET programmes within the MICT sector to assist AET learners to acquire requisite skills for sustainable employment.
SOURCE OF DATA	– MICT SETA, CETs and HET Institutions SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of learners accessing RPL programmes on an annual basis.**
DEFINITION	Provide RPL programmes within the MICT sector to assist learners to acquire requisite skills for sustainable employment.
SOURCE OF DATA	– MICT SETA and Training Provider
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once every year.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation

	– Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of cooperatives supported with training interventions on an annual basis.**
DEFINITION	Provide entrepreneurship programmes to cooperatives (leaners) to assist them to acquire targeted business skills, thereby contributing to cooperative development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	− MICT SETA, cooperatives and Training Institutions SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once for each intervention.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Cooperatives and Training Institutions Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of small businesses supported with training interventions or funded on an annual basis.**
DEFINITION	Provide learning programmes to small businesses (learners) with 1-49 employees to assist them to acquire targeted business skills, thereby contributing to small businesses development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	− MICT SETA, small businesses and Training Institutions SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each learner is counted separately and once for each intervention.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports, Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs

	– Small businesses and Training Institutions Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of people trained on entrepreneurships supported to start their business on an annual basis.**
DEFINITION	Provide support to trained entrepreneurs for their business start-ups, thereby contributing to their business development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	− MICT SETA and Entrepreneurs SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each entrepreneur/learner is counted separately and once for each intervention.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number CBOs/NGOs/NPOs supported with training interventions on an annual basis.**
DEFINITION	Provide training programmes to CBOs/NGOs/NPOs (leaners) to assist them to acquire targeted skills, thereby contributing to their development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	− MICT SETA, CBOs/NGOs/NPOs and Training Providers SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count, each cooperative and CBO beneficiary/learner is counted once for each intervention.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports

ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Cooperatives/CBOs and Training Institutions Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

INDICATOR TITLE	**Number of Federations /Trade Unions supported through the relevant skills training interventions on an annual basis.**
DEFINITION	Provide skills programmes and short programmes to federations/union/SETA initiated training to their beneficiaries/members to assist them to acquire targeted skills, thereby contributing to their development, creation of sustainable job opportunities and growth an annual basis.
SOURCE OF DATA	– MICT SETA, Federations/trade unions and Training Institutions SLAs
METHOD OF CALCULATION/ASSESSMENT	Simple Count, each federation/trade union beneficiary/member is counted once for each intervention.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Explicit Policies, processes and procedures – Approved SLAs – Federations/trade unions and Training Institutions Learner Agreements – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Senior Manager Learning Programmes

7.2 SUB-PROGRAMME 3.2: 4IR

INDICATOR TITLE	**4IR PARTNERSHIPS ESTABLISHED WITH KEY ROLE PLAYERS IN THE SECTOR ON AN ANNUAL BASIS.**
DEFINITION	Established partnerships with MICT stakeholders, Academics, Civil societies for implementing 4IR initiatives.
SOURCE OF DATA	– MICT SETA, NGOs/NPOs and Training Institutions SLAs

Method of Calculation/Assessment	Simple Count, (quantitative).
Means of verification	– Monthly reports – Quarterly Management Reports – Annual Reports
Assumptions	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Reporting Cycle	Quarterly
Indicator Responsibility	Head of 4IR

Indicator Title	**Number of key role players participating in the 4IR Advisory Committee on an annual basis.**
Definition	Established partnerships with MICT stakeholders, Academics, Civil societies for advising MICT on 4IR related matters.
Source of data	– MICT SETA
Method of Calculation/Assessment	Simple Count, (quantitative).
Means of verification	- Monthly reports - Quarterly Management Reports - Annual Reports
Assumptions	– Approved Budget – Approved Terms of reference – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Reporting Cycle	Quarterly
Indicator Responsibility	Head of 4IR

Indicator Title	**NUMBER OF 4IR RESEARCH CHAIRS ESTABLISHED AND MAINTAINED ON ANNUAL BASIS**
Definition	Provide bursaries for Masters and Doctoral students studying in HET institutions to conduct research on 4IR themes in relation to the MICT SETA sub-sectors.
Source of data	– Public universities
Method of Calculation/Assessment	Simple Count, each bursar is counted separately and once every year.
Means of verification	- Approved SLAs - Monthly reports - Quarterly Management Reports

	- Annual Reports
ASSUMPTIONS	– Approved Discretionary Grants Budget – Bursary Agreement – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Head of 4IR

INDICATOR TITLE	**A 4IR STRATEGY THAT IS RESPONSIVE TO SKILLS REQUIREMENTS OF THE MICT SECTOR.**
DEFINITION	Ensuring that 4IR that a responsive strategy is developed.
SOURCE OF DATA	– MICT SETA stakeholders and 4IR Advisory Committees inputs
METHOD OF CALCULATION/ASSESSMENT	Simple Count.
MEANS OF VERIFICATION	- Approved strategy - Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Head of 4IR

INDICATOR TITLE	**4IR Advisory Committee members recruited on annual basis..**
DEFINITION	Advisory committee members recruited from MICT stakeholders, academics, civil society and organised youth groups.
SOURCE OF DATA	– MICT SETA stakeholders and 4IR Advisory Committees inputs and nomination forms/ letters
METHOD OF CALCULATION/ASSESSMENT	Simple Count.
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports

Assumptions	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
Reporting Cycle	Quarterly
Indicator Responsibility	Head of 4IR

INDICATOR TITLE	**4IR RESEARCH CHAIRS ESTABLISHED AND MAINTAINED ON ANNUAL BASIS.**
DEFINITION	Provide bursaries for Masters and Doctoral students studying in HET institutions to conduct research on 4IR themes in relation to the MICT SETA sub-sectors.
SOURCE OF DATA	– Public universities
METHOD OF CALCULATION/ASSESSMENT	Simple Count, each bursar is counted separately and once every year
MEANS OF VERIFICATION	- Monthly reports - Quarterly Management Reports - Annual Reports
ASSUMPTIONS	– Approved Discretionary Grant Budget – Bursary agreement – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to ensure project management and monitoring and evaluation – Functional Management Information Systems
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Head of 4IR

8. PROGRAMME 4: EDUCATION AND TRAINING QUALITY ASSURANCE

INDICATOR TITLE	**Number of accredited Training Providers offering occupational qualifications in high demand on annual basis.**
DEFINITION	Ensure increased number of accredited training providers (including TVETs and CETs) offering MICT SETA occupational qualifications in high demand to increase access to such programmes on an annual basis.
SOURCE OF DATA	– Approved Sector Skills Plan – Monthly Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	– Each Training Provider is recorded separately and in terms of the programme(s) they are registered to train on.
MEANS OF VERIFICATION	– Database of accredited training providers – Database of registered occupational qualifications in high demand
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to carry-out accreditation activities – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Education and Training Quality Assurance Senior Manager

INDICATOR TITLE	**Number of qualified registered assessors assessing quality of programmes on annual basis.**
DEFINITION	Ensure that there are qualified registered assessors (including in TVETs and CETs) assessing on MICT SETA occupational qualifications in high demand to increase access to such programmes on an annual basis.
SOURCE OF DATA	– Monthly Reports – Annual Reports
METHOD OF CALCULATION/ASSESSMENT	– Each assessor is counted separately and according to the programme(s) they are registered to assess on.
MEANS OF VERIFICATION	– Database of registered assessors
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to carry-out assessor registration and practices activities – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Education and Training Quality Assurance Senior Manager

INDICATOR TITLE	**Number of qualified registered moderators moderating quality of programmes on annual basis.**
DEFINITION	Ensure that there are qualified registered moderators (including in TVETs and CETs) moderating on MICT SETA occupational qualifications in high demand to increase access to such programmes on an annual basis.
SOURCE OF DATA	− Monthly Reports − Annual Reports
METHOD OF CALCULATION/ASSESSMENT	− Each moderator is counted separately and according to the programme(s) they are registered to moderate.
MEANS OF VERIFICATION	– Database of registered moderators
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to carry-out moderator registration and practices activities – Functional Management Information Systems
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Education and Training Quality Assurance Senior Manager

INDICATOR TITLE	**Number of developed or reviewed MICT SETA qualifications on an annual basis**
DEFINITION	Ensure development and review of MICT SETA occupational qualifications to promote access to programmes that address industry skills needs on an annual basis.
SOURCE OF DATA	− SAQA Qualifications Registration Reports − QCTO Occupations Registration Reports − Monthly Reports − Annual Reports
METHOD OF CALCULATION/ASSESSMENT	− Each qualification is recorded separately and counted once.
MEANS OF VERIFICATION	– Database of registered qualifications
ASSUMPTIONS	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to qualifications development activities – Relevant stakeholders cooperation
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
INDICATOR RESPONSIBILITY	Education and Training Quality Assurance Senior Manager

PART D-

SERVICE LEVEL AGREEMENT

higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by GF Qonde, duly authorized thereto by virtue of his capacity as the Director-General),

and

MEDIA ,INFORMATION AND COMMUNICATION TECHNOLOGIES SECTOR EDUCATION AND TRAINING AUTHORITY (MICT)

(hereinafter referred to as "SETA" represented by Simphiwe Thobela duly authorised thereto in his/her capacity as Chairperson of the Accounting Authority/Administrator)

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1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This service level agreement is entered into between the above mentioned parties to agree on the minimum service levels required by the SETA in performing its statutory functions, meeting the National Skills Development Plan targets and implementing its strategic plan and annual performance plan.

2. DURATION OF THE SERVICE LEVEL AGREEMENT

The service level agreement is entered into for the period of 1 April 2021 to 31 March 2022

3. OBLIGATIONS OF THE SETA

3.1 The SETA undertakes to:

- 3.1.1 perform its functions as required by the Skills Development Act;
- 3.1.2 meet the targets in the National Skills Development Plan;
- 3.1.3 implement the approved Strategic Plan and Annual Performance Plan;
- 3.1.4 submit all documentation and reports as may be required by the Department on the times specified; and
- 3.1.5 adhere to the requirements of the Public Finance Management Act and Treasury Regulations.
- 3.1.6 adhere to the requirements of the Workplace Based Learning Programme Agreement Regulation, 2018;
- 3.1.7 address all findings raised by the Auditor-General in the previous financial year;
- 3.1.8 achieve all NSDP SLA targets, otherwise DHET may recommend to the minister the implementation of section 14 of the Skills Development Act, subsequently section 15;
- 3.1.9 prepare and respond to the 4th Industrial Revolution.
- 3.1.10 submit comprehensive plan of action to the department.

3.2 Perform and provide the information and/or reports on the activities listed below:

- 3.2.1 assessment of the skills required for each sector and to identify scarce skills;
- 3.2.2 how the levels of education will be improved in the sector;

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3.2.3 partnerships between SETAs and public Technical and Vocational Education and Training (TVET) colleges, Universities, Community Education and Training Colleges (CET), training providers and industry;

3.2.4 the number of bursaries awarded/to be awarded to deserving South African citizens in critical skills at 25 Universities, 50 TVET colleges and 9 CET colleges;

3.2.5 scarce and critical skills needs in the sector, how it will be addressed and reflected in the number of learners that will be trained and placed, as well as the companies involved;

3.2.6 number of agreements signed with public TVET colleges, Universities, CET colleges other training providers as well as the amount approved per agreement which should also reflect the number of learners that will be trained, types of training programmes and programmes that are in place;

3.2.7 targets as reflected in the Annual Performance Plan must be credible and linked to a "Baseline";

3.2.8 placement of lecturers in industry as part of the Service Level Agreement; Placement of priority Occupational completed leaners in industry as part of Service Level Agreement

3.2.9 rural development programmes and how it will be implemented;

3.2.10 support the revitalization of rural and township economy;

3.2.11 progress in the implementation of Recognition of Prior Learning;

3.2.12 establish working relationships with TVET colleges, Universities, CET colleges and industry for the purpose of placement of students and graduates;

3.2.13 ensure the placement of TVET students, University of Technology students and University graduates requiring Work Integrated Learning (WIL) in the relevant sector and provide report on quarterly basis;

3.2.14 maintain and operationalize SETA offices in (name of colleges where offices are/is):

3.2.15 support offices opened by other SETAs (Lead SETAs) in TVET colleges;

3.2.16 conclude a separate report from previous performance year's commitments and submit reports as required by the Department;

3.2.17 sector funded training identified and reported on quarterly basis.

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3.2.18 annual targets for registered and completed artisan learners by listed trade as agreed with the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 1;

3.2.19 monthly reports in a format determined by the Chief Directorate: INDLELA of the actual number of registered and completed artisan learners to address HRDC ATD-TTT Bottleneck 1;

3.2.20 implementation of the Policy on Generic National Artisan Learner Grant Funding and Administration System to address HRDC ATD-TTT Bottleneck 2;

3.2.21 the number of persons supported to become qualified artisans within the national artisan learner Recognition of Prior Learning system determined by the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 3;

3.2.22 provide financial support to world skills South Africa through the DHET approved structure;

3.2.23 submit an implementation plan of the commitments made in this SLA within the first quarter of the financial year;

3.2.24 In relations to the 13 priority trades needed for the construction and maintenance of the government's Strategic Integrated Projects (SIPs) and well as for other strategic projects (such as Phakisa and War on Leaks) the SETA should:

3.2.24.1 Conditionally allocate the number of apprenticeship / learnership grants indicated in Annexure X to employers that meet the following three criteria, noting that these grants, if issued, will contribute to the SETA targets for Artisans entered': the employers

1. Are within a commutable distance (about 25 kms) form the TVET College campus selected as a Centre of Specialization for the specified trade;
2. Commit to working with the specified Centre of Specialization for the trade;
3. Undertake to partner with a college to pilot the rollout of the QCTO trade qualification using the dual system methodology.

   DHET appreciates that achievement of this conditional commitment is dependent on appropriate employer applications and it will therefore be evaluated in this light.

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3.2.24.2 Open the application window for the employers for these grants between January and August annually.

3.2.24.3 Finalize the allocation of these grants and report to DHET on the results no later than 30 September annually.

3.2.24.4 Sympathetically consider applications from the Centre of Specialization colleges for contributions to their DHET- approved improvement plans for the delivery of these trades, noting that such contributions will be counted towards the achievement of relevant targets under '**Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities'**.

3.2.25 meet minimum targets as reflected in the table below:

NSDP Outcomes	NSDP Sub-Outcomes	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Identify and increase production of occupations in high demand	1.1 National enrolment and resource ratios for the high, intermediate and elementary skills level.	• Percentage of levy resources for intermediate level	6.4%	5%	
		• Percentages for levy resource for high level	92.6%	94%	
		• Percentages for levy resource for elementary level	1%	1%	
	1.2 Targets for priority occupations	• Priority Learnerships • Priority Internships • Priority Skills Programmes	• 3419 • 1453 • 2777	• 3150 • 700 • 1006	0
	1.3 Targets for priority qualifications	• Occupational Placements • Priority Bursaries	• 553 • 421	• 1150 • 831	0
	1.4 Identification of interventions required to improve enrolment and completion of priority occupations:	• Identification of required occupations in the workplace addressing the identified occupations (Small, Medium and Larger firms (WSPs)).	• 1297 • 398 • 230	• 1000 • 350 • 220	0
Linking education and the workplace	2.1: Opening of workplace based learning opportunities increased	• Candidacy Entered	107	60	0
		• Candidacy Completion	91	45	0
		• Internships Entered Placements	1458	700	0
		• Internships Completion Placements	2777	525	0
		• TVET Entered Placements	501	800	0
		• TVET Completion Placements	502	600	0
		• HET Entered Placements	51	350	0
		• HET Completion Placements	376	262	0
		• Unemployed Learnerships Entered	3419	3150	0
		• Unemployed Learnerships Completion	2548	2632	0

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NSDP Outcomes	NSDP Sub-Outcomes	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
		• Number of Unemployed learners Enrolled Skills Programme	2777	1006	0
		• Number of unemployed learners Completed Skills programme	1434	503	0
		• TVET Lectures exposed on the industry	107	50	0
		• Number of Unemployed Learners Enrolled Short Programme	1631	705	0
		• Number of Unemployed Learners Completed Short Programme	0	705	0
Improving the level of skills in the South African workforce	3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy.	• Workers Bursaries Entered **(New Entries)**	75	40	0
		• Workers Bursaries Entered **(Continuing)**	250	20	0
		• Workers Bursaries Completions	39	15	0
		• Workers Skills Programmes Entered	604	116	0
		• Workers Skills Programmes Completions	254	87	0
		• TVET Lecturers exposed to industry through Skills Programme (Entered)	107	50	0
		• Number of TVET Lecturers exposed to the industry through Skills Programme	0	50	0
		• Number of TVET Managers receiving training on curriculum related studies	0	50	0
		• Number of TVET Lecturers awarded bursaries	0	50	0
		• Number of CET colleges awarded skills development programmes	0	50	0
		• Number of Managers receiving training on curriculum related studies	0	50	0
		• Number of CET learners assessing AET	0	50	0
Increase access to occupationally directed programmes	4.1: Occupational qualification developed by the Quality Councils	N/A	0	0	0
	4.2: Increase access for Intermediate and high level skills	• Artisans Entered	0	0	0
		• Artisans Completions	0	0	0
		• Unemployed Bursaries Entered **(New Entries)**	356	250	0

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NSDP Outcomes	NSDP Sub-Outcomes	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
		• Unemployed Bursaries Entered **(Continuing)**	250	150	0
		• Unemployed Bursaries Completions	203	112	0
		• Workers Enrolled for AET / CET Programmes	50	50	0
		• Workers Completed for AET / CET Programmes	25	45	0
		• RPL- Recognition of Prior Learning	0	16	0
		• Workers Enrolled on RPL	0	50	0
		• Workers Completed on RPL	0	37	0
		• TVET Partnerships	7	16	0
		• HET Partnerships	5	22	0
		• CET partnerships	10	20	0
		• SETA Employer Partnerships	2	15	0
		• Centre of Specialization	0	6	0
Support the growth of the public college system	5.1: Support the TVET Colleges	• Number of SETA Offices established and maintained	22	12	0
	5.2: Support the CET Colleges	• AET Entered	50	50	0
		• AET Completions	25	45	0
		• CBOs Skills Training • NGOs/ NPOs Skills Training	200	100	0
Skills development support for entrepreneurship and cooperative development	6.1: To increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives	• Number of Co-operatives trained • Number of Small Business trained • Number of Entrepreneurships development	200	100 100 100	0
Encourage and support worker initiated training		• Trade Unions • Trade Unions Federation	200	100	0
A 4IR Strategy that is responsive to 4IR skills development needs of the MICT SETA	4IR Partnerships	• 4IR Partnerships established with key role-players in the sector	20	1	0
	4IR Advisory Committee	• Number of key role players participating in the 4IR Advisory Committee	16	5	0
	4IR Research Chairs established and maintained	• Number of Research Chair SLAs signed with universities	50	70	0
	4IR Occupational qualifications developed	• Number of 4IR Occupations developed and implemented	20	13	0
Improved quality of education to address programmes in high demand	Increased number of accredited training providers offering occupational qualifications in high demand	• Accredited training providers	632	650	0
	Number of qualified registered assessors	• Registered Assessors	1100	600	0

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NSDP Outcomes	NSDP Sub-Outcomes	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
	assessing quality of programmes				
	Number of registered moderators	• Registered Moderators	660	300	0
	Number of developed or reviewed MICT qualifications	• Number of developed or reviewed MICT qualifications	8	9	0
Support career development services		• Career Guidance exhibitions Urban	40	25	0
		• Career Guidance exhibitions Rural		25	0
		• Rural Development Projects	20	40	0
Governance		Good governance standards	4	4	0

4. OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING

4.1 The Department undertakes to:

4.1.1 consult the SETA on policy and strategic matters that may affect the functioning of the SETA;

4.1.2 provide the SETA with guidance on sector skills plans, strategic plans and any matter that may be requested by the SETA in relation to its functions; and

4.1.3 assist the SETA where applicable in performing its functions and responsibilities.

4.1.4 validate and verify the accuracy and usefulness of reports submitted by SETAs and provide feedback quarterly.

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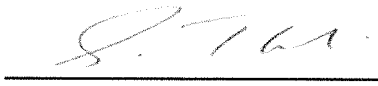
5. GENERAL

In year amendments to the approved Service Level Agreement must not be encouraged.

SIGNED AT Johannesburg **ON THIS** 30 **DAY OF** November **2020**



ACCOUNTING AUTHORITY/ADMINISTRATOR

(Represented by _____who warrants that he/she is duly authorised to this agreement)

SIGNED AT _____ **ON THIS** ___ **DAY OF** _____ **2020**

_____

DIRECTOR-GENERAL

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(Represented by GF Qonde, duly authorized thereto)

Acronyms and Abbreviations

APP - Annual Performance Plans

DG - Director General of Higher Education and Training

DHET - Department of Higher Education and Training

HRDC ATDTTT – Human Resource Development Council- Artisan Development Technical Task Team

Minister - Minister of the Department of Higher Education and Training

M & R - Sub-directorate: Monitoring and Reporting of the SPM

NC (V) - National Certificate (Vocational)

NSDS - National Skills Development Plan

RPL - Recognition of Prior Learning

SETA - Sector Education and Training Authority

SLA - Service Level Agreement

SPM - SETA Performance Management of the DHET

SP - Strategic Plans

SSP - Sector Skills Plans

TVET - Technical and Vocational Education and Training (formerly FET)

WIL - Work Integrated Learning

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PART E-

MATERIALITY & SIGNIFICANCE FRAMEWORK 2021/22

MICTSETA | Media, Information And Communication Technologies Sector Education And Training Authority

SHAPING SKILLS, PIONEERING INDUSTRIES, EMPOWERING FUTURES

MATERIALITY & SIGNIFICANCE FRAMEWORK 2021/22

Process:	Materiality & Significance Framework
Policy Number:	FRAME-CORP-MAT-01
Effective Date:	30 November 2020
Version:	1.7

Recommended to FinRemCo by:	Mdu Zakwe
Designation:	Chief Executive Officer
Signature:	
Recommended to The Board by:	Marilyn Radebe
Designation:	Chairperson: Finance and Remuneration Committee
Signature:	
Approved by:	Simphiwe Thobela
Designation:	Chairperson of the Board
Signature:	
Approval Date:	30 November 2020

1. BACKGROUND

Treasury Regulation Section 28.3.1 – "For purposes of material [sections 55(2) of the Public Finance Management Act (PFMA)] and significant [section 54(2) of the PFMA], the Accounting Authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant Executive Authority.

The purpose of this document is to record the level and reasoning for the suggested levels of materiality and significance for consideration by the governance structures of the SETA and for submission to and approval by the Executive Authority.

SAAS 320.03 defines materiality as follows: "*Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful.*"

Accordingly, we will be dealing with this framework under two main categories being quantitative and qualitative aspects.

2. QUANTITATIVE ASPECTS

2.1. MATERIALITY LEVEL

The level of materiality (for reporting to the Executive Authority) is assessed as R4 691 950 **(Note 1)** (2019/20 R4 334 960), being 0.5% of gross revenue. Gross revenue is defined as consisting of 80% of Skills Development Levies.

Note 1
For purpose of the calculation, we have used the audited balances for 2019/20 financial year.

[R938 390 000 (levies)] X 0.5%
= R4 691 950

Materiality can be based on a number of financial indicators. Detailed below is an indicative table of financial indicators of the type that National Treasury has set as a guideline for entities to use as a basis for calculating materiality:

Element:	% range to be applied against R value
Total Assets	1% - 2%
Total Revenue	0.5% - 1%
Profit after tax	2% - 5%

In determining the materiality value as 0.5% of levies received, we have also considered the following factors:

2.1.1. Nature of the SETA's business

Funding in a SETA is received from levies collected by the Department of Higher Education and Training's collection agent, being SARS. Approximately 82% of these levies received are then channelled back to the sectors via various grants types. The SETA can therefore be seen as a conduit for the redistribution of funds received for learning needs back into the sector. Given the nature of the SETA to be revenue driven organisation, preference is given to gross revenue as the basis of defining the level of materiality. The SETA's asset base is too small, the SETA is not a "non-profit" public entity, and hence total assets and profit after tax are not used as the basis of determining materiality.

2.1.2. Statutory requirements laid down on the SETA

The SETA is a statutory body that has been formed to give effect to the Skills Development Act (SDA) and Skills Development Levies Act (SDLA) and has been listed as a Public Finance Management Act (PFMA) Schedule 3A public entity. We accordingly decided to give preference to a lower level of materiality (i.e. closer to the lower level of the acceptable percentage range) due to it being so closely governed by various acts and the public accountability responsibility it has to stakeholders.

2.1.3. The control and inherent risks associated with the SETA

In assessing the control risk of the SETA and concluding that a materiality level lower than 0.5% of revenue should not be used due to a solid control environment being present, cognisance was given to amongst other:

i. Proper and appropriate governance structures have been established;
ii. An audit committee that closely monitors the control environment of the SETA was established;
iii. A three-year internal audit plan, based on annual risk assessments being performed, is annually reviewed and agreed by the audit committee; and
iv. The function of financial management and administration is being managed through the Office of the Chief Financial Officer.

3. QUALITATIVE ASPECTS

Materiality is not merely related to the size of the entity and the elements of its financial statements. Obviously, misstatements that are large either individually or in the aggregate may affect a "reasonable" user's judgement. However, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst other:

3.1 New ventures that the SETA has entered into;
3.2 Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature and knowledge thereof affecting the decision making of the user of the financial statements;
3.3 Transactions entered into that could result in reputational risk to the SETA;
3.4 Any fraudulent or dishonest behaviour of an officer or staff of the SETA;
3.5 Any infringement of MICT SETA's agreed QMS performance levels; and
3.6 Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).

4. MICT SETA INTERNAL MATERIALITY LEVEL

4.1 Quantitative Aspects

The materiality as set out in par 2.1 relates to reporting to the MICT SETA Executive Authority (being the Department of Higher Education and Training).

For internal reporting to the Accounting Authority, MICT SETA will use a lower quantitative materiality:

The level of materiality (for reporting to the Accounting Authority) is assessed as R2 345 975 **(Note 1) (**2019/20: R2 167 480), being 0.25% of gross revenue. Gross revenue is defined as consisting of 80% of Skills Development Levies.

Note 1

For purpose of the calculation, we have used the audited balances for 2019/20

[R 938 390 000 (levies)] X 0.25%
= R2 345 975

4.2 Qualitative Aspects

Qualitative materiality will be the same whether reporting internally (to the Accounting Authority) and externally (to the Executive Authority).

5. STATUTORY APPLICATION

	Information to be submitted by accounting authorities	
Section 54 (2)	(1) Before a public entity concludes any of the following transactions, the Accounting Authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction:	Specific level of significance defined per subsection:
	(a) establishment or participation in the establishment of a company;	Any transaction to establish a company.
	(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement	Where participation exceeds 20% of voting rights.
	(c) acquisition or disposal of a significant shareholding in a company	Any transaction to acquire or dispose of shareholding in a company.
	(d) acquisition or disposal of a significant asset	The cost of the asset acquired or disposed exceeds 15% of the total cost of assets.
	(e) commencement or cessation of a significant business activity; and	Any transaction where the income from or the investment in the business activity exceeds the amount determined in section 2.1.

	(f) A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Where the change in the interest results in a change in the accounting treatment of the arrangement.
Section 55 (2)	The annual report and financial statements must: (b) include particulars of: (i) Any **material** losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year.	Both quantitative and qualitative aspects as referred to in sections 2.and 3 define materiality for purposes of losses through criminal conduct. All losses relating to irregular, fruitless, and wasteful expenditure are regarded as material due to the application of the nature of these losses (qualitative aspects).

MICTSETA