



MICTSETA |

Media, Information And
Communication Technologies
Sector Education And Training Authority

SHAPING SKILLS, PIONEERING INDUSTRIES, EMPOWERING FUTURES

**MEDIA, INFORMATION AND COMMUNICATION
TECHNOLOGIES
SECTOR EDUCATION AND TRAINING AUTHORITY**

["MICT SETA"]

STRATEGIC PLAN

FOR THE FISCAL YEARS

2020-2025

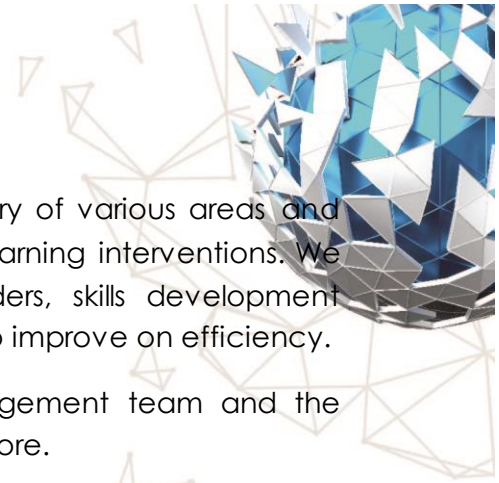


Accounting Authority Statement

I take great pleasure in presenting the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Strategic Plan Update for the period 1 April 2020 to 31 March 2025. This Plan is guided by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan (NSDP), the South African Economic Reconstruction and Recovery Plan (ERRP) and its supporting Strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

It is quite astonishing that we are at the mid-point of the five-year strategy amidst all the challenges we have faced in the last two years due to the COVID-19 pandemic. For our sector in particular, COVID-19 represented a turning point, supporting both the enormous prospects that exist and the robustness in the adoption of digital technology that helped mitigate the impact. It expedited the trends that were already underway, boosting the use of digital tools and promoting public private collaborations, despite the inequities it also presented. It has been a challenging and inspiring journey to get to where we are. It is also an opportune time to measure our performance mid-way into the five-year strategy period, reflect and identify wins and areas of improvement. The mid-term evaluation of the strategy has allowed us to do that, and I would like to share some of our wins. To date MICT SETA has managed to:

- Improve overall performance significantly during the 2021/222 financial year with 90% of the targets met compared to 2020/21, where the overall organisational performance was 75%.
- Enrol over 20,000 learners in various skills development interventions. This includes learnerships, internships, bursaries, and skills programmes for employed and unemployed people.
- Receive accreditation from QCTO, for over 35 new qualifications aligned to the 4IR occupations registered with the Department of Higher Education and Training.
- Support over 500 small businesses, 300 cooperatives and civil society organisations inclusive of community-based organisations and non-governmental organisations were provided with skills development support.
- Conceptualise partnerships responsive to the MICT SETA strategic priorities
- The SETA managed to retain over 70% of its employees whilst maintaining vacancy rate below 15%.



Areas of improvement remain a focal point to ensure efficient delivery of various areas and services. We need to improve our learner completion numbers on all learning interventions. We need to improve stakeholder relations with learners, training providers, skills development providers and industry. We need to automate the organisation further to improve on efficiency.

I would like to extend my gratitude and appreciation of the management team and the incumbent CEO. Under his leadership we have been able to achieve more.

Sincere appreciation to all board members who take the time to make the organisation better.

I, Simphiwe Thobela endorse this strategic plan and commit to its implementation.

Signature: 

Simphiwe Thobela: MICT SETA Board Chairperson



Accounting Officer Statement

I am pleased to present the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Strategic Plan for the period 1 April 2020 to 31 March 2025. This Plan is informed by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan (NSDP), the Economic Reconstruction and Recovery Plan (ERRP) and its supporting Strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

The MICT sector is an ever changing and evolving sector, fuelled by convergence of technologies often recognized under the concept of the Fourth Industrial Revolution (4IR). For an organization such as the MICT SETA it becomes critical to streamline operations, from an informed basis predict and better respond to the changing needs of the sector, especially as we plan for an uncertain future.

With these changes, resources are increasingly under severe strain and pressure. This prompts the MICT SETA to think outside the normal boundary lines when it comes to strategic cutting-edge skills development, ensuring that there is sustainability in improving national and international competitiveness of the country. As the newly appointed Chief Executive Officer (CEO) for the MICT SETA, I understand that to respond to national imperatives and to advance the mandate of the SETA in terms of appropriate and much needed skills development interventions, the organization must be driven to be as reflective as possible, and proactive in nature. The strategic interventions by the MICT SETA will continue to be cutting-edge to potentially shape the future of work, bridge the digital divide, and spark economic development.

Rigorous research will always be the foundation on which the SETA makes its strategic decisions, as through research the SETA is better positioned to identify emerging occupations, occupational shortages and skills gaps in the sector. The more confidence we have in the accuracy of the identified Sectoral Priority Occupations, the more assured we are of the direction the SETA is taking in its Strategic Plan. It will always be a priority for the SETA to work with sector stakeholders, as through these collaborations the mandate of skills development will be realised.

As we pass through the mid-term of this strategic planning period, it is crucial to reflect on the key achievements to date. In achieving the impact statement, the MICT SETA through its SP 2020 - 2025 and APPs has pursued several outcomes which are aligned with those national outcomes



identified in the NSDP 2030 and the broader goals of the NDP 2030. These outcomes are implemented through different SETA Programmes in-line with the stated mandate of the organisation:

- The MICT SETA continues to advance digital acceleration by providing services and solutions in the field of information and communications technology. There have been some significant strides made by the SETA in this regard
- Over 800 small businesses and cooperatives were supported with skills development interventions. Moreover, over 200 rural development interventions were implemented.
- In collaboration with the Quality Council for Trades and Occupations (QCTO) 38 occupational qualifications with a 4IR focus were developed.
- The SETA managed to retain over 70% of its employees whilst maintaining vacancy rate below 15%. There is an expanded MICT SETA footprint in other provinces through opening of new offices and maintaining 31 offices across public TVET colleges to date. There is a need to review the organizational structure, to ensure that digital acceleration is supported.
- During the period under review the SETA enrolled over 20,000 learners in various skills development interventions. This included learnerships, internships, bursaries and skills programmes for employed and unemployed people.
- The SETA has supported 13 Centres of Specialisation located within public TVET colleges whilst over 300 public TVET college lecturers and managers completed development programmes.

In addition, this five-year plan has taken account of the key transformational imperatives of institutional planning for women, the youth and people living with disabilities.

I wish to thank employees, the entire management team for their support during this period and the Board of MICT SETA under the stewardship of the Chairperson, Mr. Simphiwe Thobela for the unwavering support and leadership, the broader stakeholder base in its entirety for effectively implementing much needed learning programmes whilst others made value adding inputs through various platforms created. The inclusive approach adopted enabled better delivery of the overarching strategy with greater wisdom and foresight whilst deliberately steering the organisation to a whole new path in the interest of the people of South Africa.

Signature: _____

Matome Madibana: Chief Executive Officer

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 impact and outcomes which the MICT SETA will endeavour to achieve over the period 2020-2025.

Programme 1: Administration

Mthenjwa Mseleku
Acting Chief Financial Officer

Signature: 

Programme 2: Sector Skills Planning

Bontle Mokoena
Senior Manager: Sector Skills Planning

Signature 

Programme 3: Learning Programmes

Ernest Nemugavhini
Senior Manager: Learning Programmes

Signature 

Programme 4: ETQA:

Natalie Nelson
Senior Manager: ETQA

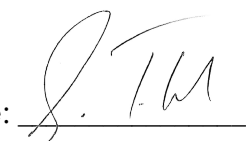
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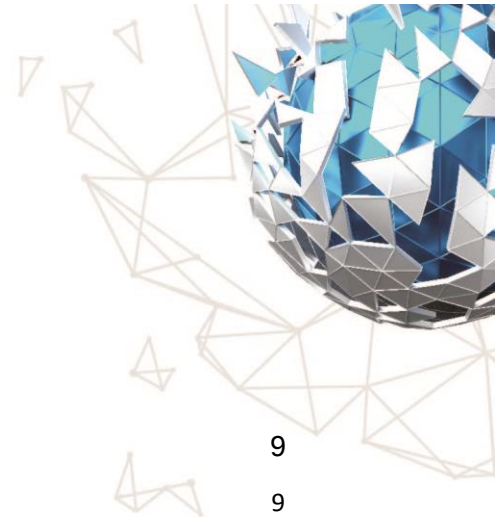
Matome Madibana: Chief Executive Officer

Signature: 

Approved by:

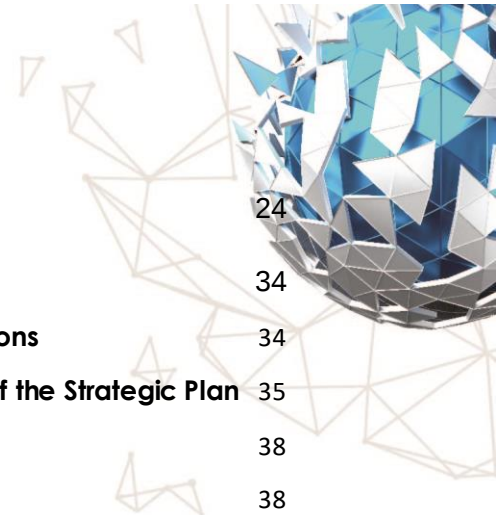
Simphiwe Thobela: Chairperson: Accounting Authority

Signature: 



Contents

1. CONSTITUTIONAL MANDATES	9
1.1 ..The Skills Development Act 1998:	9
1.2 ..MICT SETA Constitution	10
1.3 ..The Skills Development Levies Act, 1999:	10
1.4 ..The National Qualifications Framework Act	11
1.5 ..Public Finance Management Act	11
1.6 ..Preferential Procurement Policy Framework Act, 2000:	11
1.7 ..Employment Equity Act, 1998	12
1.8 ..Broad-Based Black Economic Empowerment	12
2. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD	13
2.1 ..National Development Plan	13
2.2 ..NDP Five Year Implementation Plan: Medium-Term Strategic Framework (MTSF)	14
2.3 ..Monitoring Framework for NDP Five-Year Implementation Plan	14
2.4 ..Industrial Policy Action Plan (IPAP)	14
2.5 ..White Paper on Post Schooling Education and Training	15
2.6 ..The National Integrated ICT Policy Review Report	15
2.7 ..Strategic Integrated Projects (SIPs)	16
2.8 ..Provincial and Local Government Plans	17
2.9 ..Sector Priorities	17
2.10 National Skills Development Plan (NSDP)	19
2.11 Economic Reconstruction and Recovery Plan and Skills Strategy	20
3. Relevant Court Rulings	21
PART B: MICT SETA STRATEGIC FOCUS	23



4. SITUATIONAL ANALYSIS	24
5 EXTERNAL ENVIRONMENT ANALYSIS	34
5.1 ..Factors contributing to the performance of policy and regulatory institutions	34
5.2 ..Demand for services and other factors which informs the development of the Strategic Plan	35
5.3 ..Challenges to be addressed	38
5.4 ..Mitigation Strategies	38
5.5 ..Research Findings	39
5.6 ..Findings of internal and external evaluations that will be used to inform this Strategic Plan	43
6 INTERNAL ENVIRONMENT ANALYSIS	48
6.1 ..MICT SETA Capacity to deliver on the mandate	48
5.1.1 CORPORATE SERVICES.....	51
5.1.2 Information Technology	52
5.2 ..BUDGET FOR STRATEGIC PLAN	53
5.2.1 Financial Resources.....	53
5.2.2 MICT SETA Status on Compliance with B-BBEE Act.....	61
5.2.3 MICT SETA Status on compliance with women and people living with disabilities legislative requirements	61
7 Institutional Performance Information	64
7.1 ..Trend analysis based on annual reports and end term reports that will inform the strategy going forward.	64
7.2 ..MEASURING IMPACT	64
7.3 ..MEASURING OUTCOMES	64
7.4 ..Explanations of planned performance over a five-year planning period	69
7.5 ..Updated key risks and mitigation from the SP	71
TECHNICAL INDICATOR DESCRIPTORS (TIDs)	73
Annexure C: MATERIALITY & SIGNIFICANCE FRAMEWORK 2023/24	108



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:

Promoting and maintaining high standards of ethics

Providing service impartially, fairly, equitably and without bias

Utilising resources efficiently and effectively

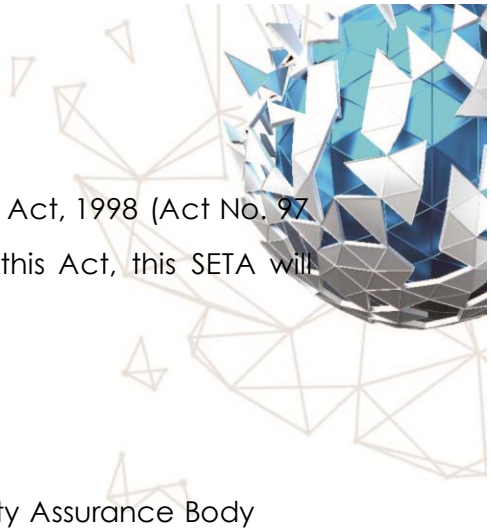
Responding to people's needs; the citizens are encouraged to participate in policy-making

Rendering an accountable, transparent, and development-oriented administration

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).

1.1 THE SKILLS DEVELOPMENT ACT 1998:



The MICT SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998, as amended). 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.

1.2 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.

1.3 THE SKILLS DEVELOPMENT LEVIES ACT, 1999:

The Skills Development Levies Act (Act No 09 of 1999) as amended, requires the MICT SETA to use all monies received in terms of the Skills Development Levies Act to administer the activities of the SETA. **Funding Regulations:**



The MICT SETA will comply with Regulations published in the Government Gazette, No. 35940, 03 December 2012 regarding Monies Received by a SETA and Related Matters, 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%

1.4 THE NATIONAL QUALIFICATIONS FRAMEWORK ACT

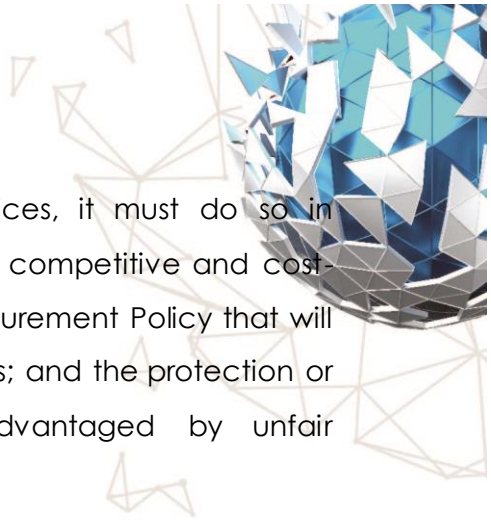
As stated in the National Qualifications Framework Act, (Act No. 67 OF 2008), the objectives of the NQF are to create a single integrated national framework for learning achievements; facilitate access, mobility and progression within education, training and career paths; enhance the quality of education and training; accelerate the redress of past unfair discrimination in education, training and employment opportunities.

1.5 PUBLIC FINANCE MANAGEMENT ACT

The Public Finance Management Act (PFMA) (Act No 29 of 1999), 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.

1.6 PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000:

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.

1.7 EMPLOYMENT EQUITY ACT, 1998

The main purpose of the Employment Equity Act (Act No 55, 1998), 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.

1.8 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.

2. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE-YEAR PLANNING PERIOD

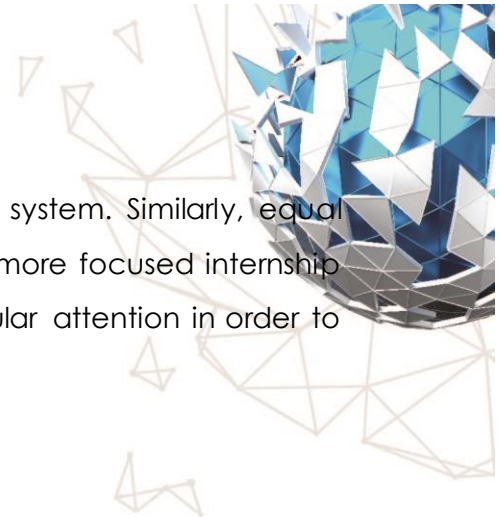
South Africa's development strategy is underpinned by the National Development Plan (NDP) which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of “levers”, “pillars” or policy interventions that are understood to contribute to this planned growth. 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:

2.1 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.

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:

- 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 as 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

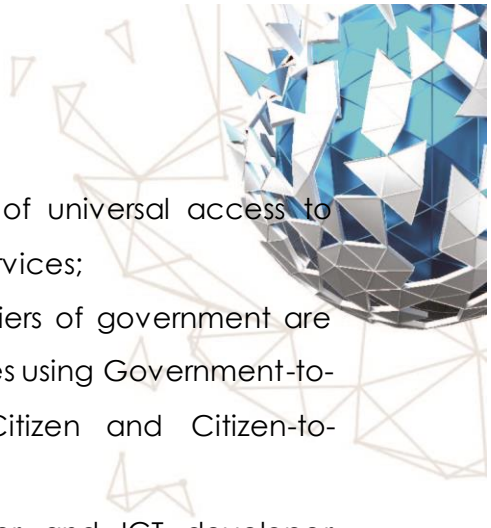
The White Paper envisages an expanded, effective and integrated post-school system in South Africa. It is premised on achieving:

- 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:

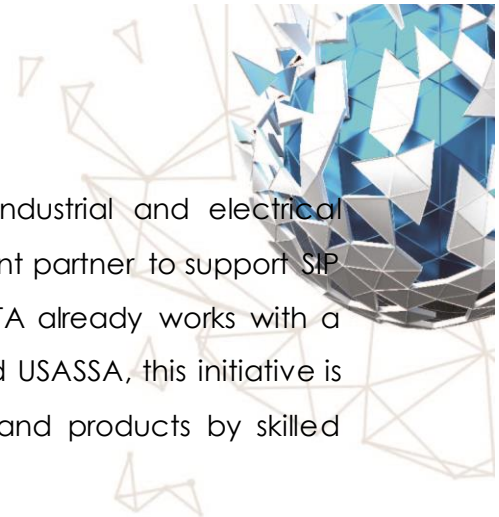
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- Widespread basic technology skills to take advantage of universal access to broadband and increase demand for ICT products and services;
 - Public service skills to ensure public servants in all three tiers of government are adequately skilled to 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 of the 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".

The DHET published a report that assesses the skills needs "for and through SIPs" {Economic Development Department, 2014 #18} and points specifically to the demand for database and network professionals. 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, including the CSIR, DST, DTPS and USASSA, this initiative is aimed at ensuring sound delivery and provision of requisite services and products by skilled professionals and specialists.

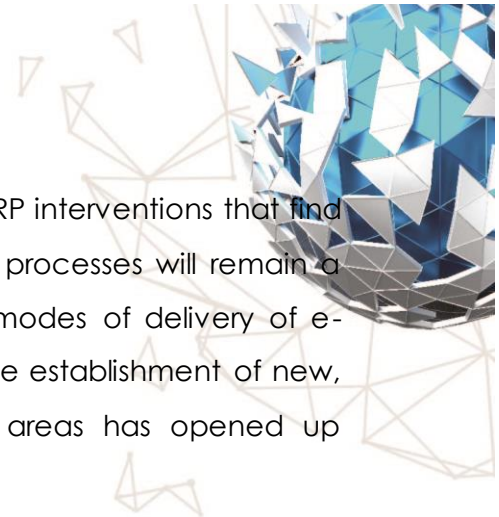
2.8 PROVINCIAL AND LOCAL GOVERNMENT PLANS

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. 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 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 the 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,



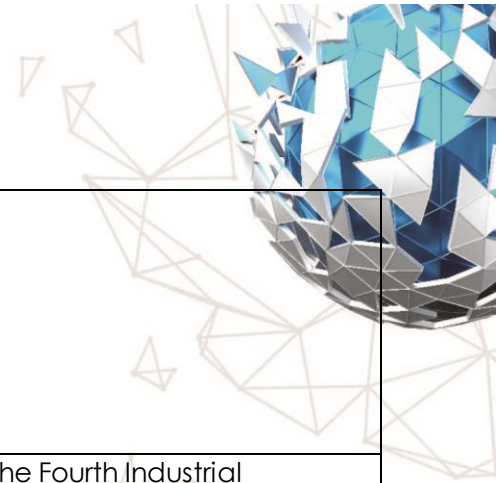
this Strategy will focus on responding to the key NSDP outcomes and ERRP interventions that find expression in the SETA's scope. Embedding skills planning into sectoral processes will remain a priority, also collaborations with public TVET colleges as the primary modes of delivery of e-readiness skills and other skills required in rural areas will be a priority. 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 have 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.

Below are the sector priorities as identified in the 2023/24 SSP, and then the MICT SETA outcomes

Table 2: SETA priorities and outcomes

MICT SETA 2023/24 Outcomes/Priority Areas in SSP	MICT SETA Outcomes	
Support for SMMEs, Entrepreneurship and community-based organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.	Outcome 1	Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
	Outcome 2	Ensure good corporate governance and a productive workforce.
Credible labour market information that accurately identifies occupations in high demand.	Outcome 3	Increase and improve labour market information that accurately identifies occupations in high demand.
Increased and focused skills development for rural and marginalised communities to ensure inclusivity through technology skills development.	Outcome 4	Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity
Support initiatives that prioritize the provision of agile, flexible and demand-	Outcome 5	Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.



led skills development programmes, retraining/ Upskilling being a priority; Support initiatives that prioritize the provision of agile, flexible and demand-led skills development programmes, retraining/ Upskilling being a priority		
Enablement of the Fourth Industrial Revolution (4IR).	Outcome 6	Enablement of the Fourth Industrial Revolution (4IR)
Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.	Outcome 7	Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
	Outcome 8	Improve the quality of education to address programmes in high demand within the MICT Sector.
	Outcome 9	Supported career development services within the MICT sector.

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.

2.10 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 the skills levels of the industry's workforce, 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.

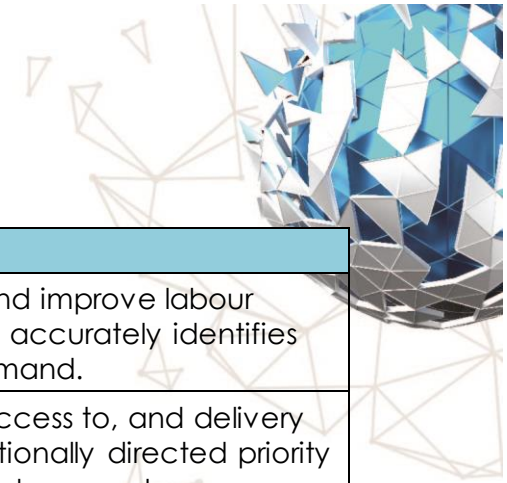
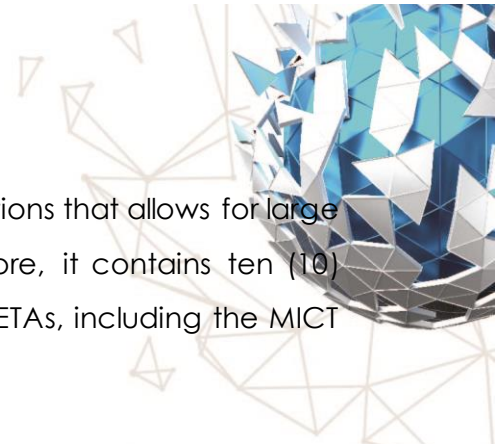


Table 3: NSDP Outcomes

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 8: 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: Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
Outcome 6: Skills development support for entrepreneurship and cooperative development	Outcome 1: Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
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.

2.11 ECONOMIC RECONSTRUCTION AND RECOVERY PLAN AND SKILLS STRATEGY

The main skills problems outlined in the Economic Reconstruction and Recovery Plan (ERRP) relate to a skills mismatch in the South African labour market. The increase in the use of technology has resulted to semi-skilled and unskilled people being left behind, such has prompted the need to rethink how key role players can play a role in building skills base for the economy. The skills strategy was developed because of the urgency for a well-coordinated strategy of skills development to support both the management of Covid-19 pandemic and the economic and social recovery. Short-term in nature, the strategy is designed to ensure that the skills system is



strengthened with its implementation. The strategy will focus on interventions that allows for large numbers of youth to access opportunities in the short-term. Furthermore, it contains ten (10) interventions to ensure the effective implementation of the ERRP. The SETAs, including the MICT SETA finds expression in six of the interventions. These are:

Table 4: **ERRP Interventions**

ERRP Interventions	MICT SETA OUTCOMES
Intervention one: Embedding skills planning into sectoral processes	Outcome 3: Increase and improve labour market information that accurately identifies occupations in high demand.
Intervention three: Increased access to programmes resulting in qualifications in priority sectors.	Outcome 5: Increase access to, and delivery of industry and occupationally directed priority programmes and work placements. Outcome 6: Improve the quality of education to address programmes in high demand within the MICT Sector.
Intervention four: Access to targeted skills programmes	Outcome 5: Increase access to, and delivery of industry and occupationally directed priority programmes and work placements
Intervention six: Supporting entrepreneurship and innovation.	Outcome 1: Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
Intervention seven: Retraining/up-skilling of employees to preserve jobs.	Outcome 5: Increase access to, and delivery of industry and occupationally directed priority programmes and work placements
Intervention ten: Strengthening the post-school education and training system	Outcome 8: Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions

3. 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 Appeals Court in October 2019, the effect of which Regulation 4(4) was set aside.

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.



PART B: MICT SETA STRATEGIC FOCUS

VISION

Cutting edge future skills.

MISSION

To strategically lead the MICT sector skills development system in support of meaningful economic participation of our beneficiaries, for improved socio-economic conditions.

VALUES

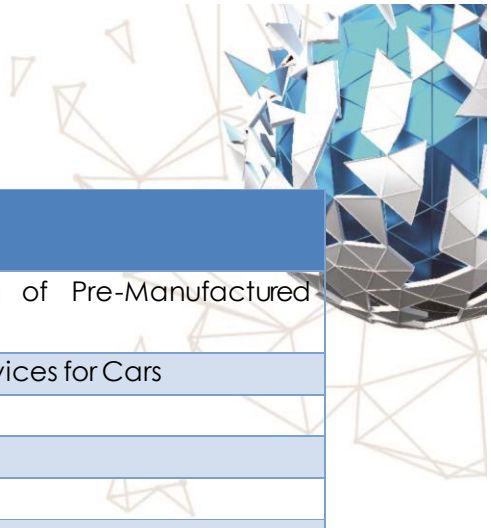
- Customer centricity
- Ethical
- Innovative
- Committed
- Meritocracy
- Collaborative

4. SITUATIONAL ANALYSIS

This situational analysis seeks to provide an environmental context in which the MICT SETA functions. The section provides a multi-dimensional analysis of current sector performance, identifying factors impacting on the sector as outlined in the MICT SETA Sector Skills Plan 2022/2023. The Standard Industrial Classification (SIC) codes classify business establishments and other standard units by the type of economic activity in which they are engaged. 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 5: 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



Sub-sector	SIC Code	Main Activity Description
	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.

As of 2021, the MICT sector is made up of 35 569 employers spread across five sub-sectors. These estimates represent only companies allocated to the MICT SETA through the SARS registration process. The majority (51%) of the employers in the sector (both levy and non-levy payers) are operating within the Information Technology followed by 13% in Electronics. Advertising, Telecommunication and Film and Electronic Media sub-sectors each account for 12% of the total pool of employers. Of the 35 569 employers in the sector, only 9 093 paid skills development levies during 2020/21 financial year, marking a 26% increase in levy payers.

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

The vast majority (72%) of employers in the sector are small businesses employing below 50 employees, 18% medium and 10% are large businesses employing above 50 employees.

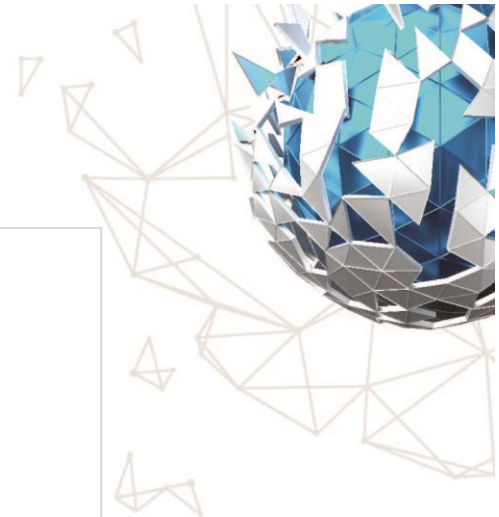
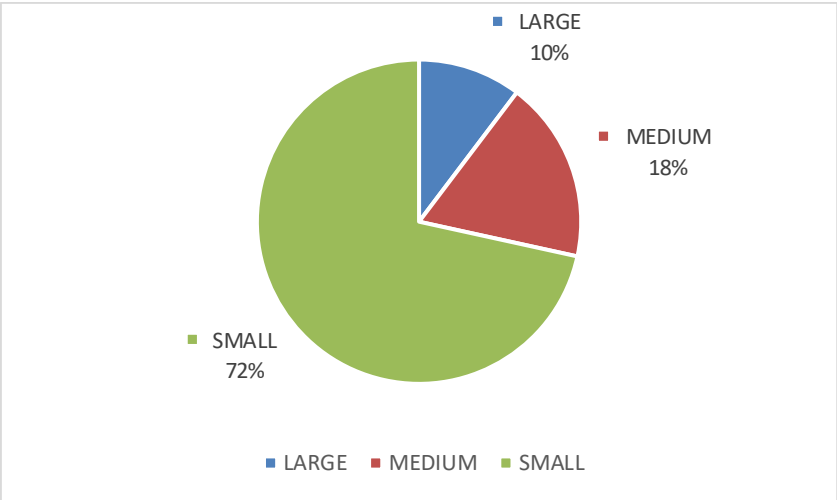


Figure 1: Size of employers in the sector

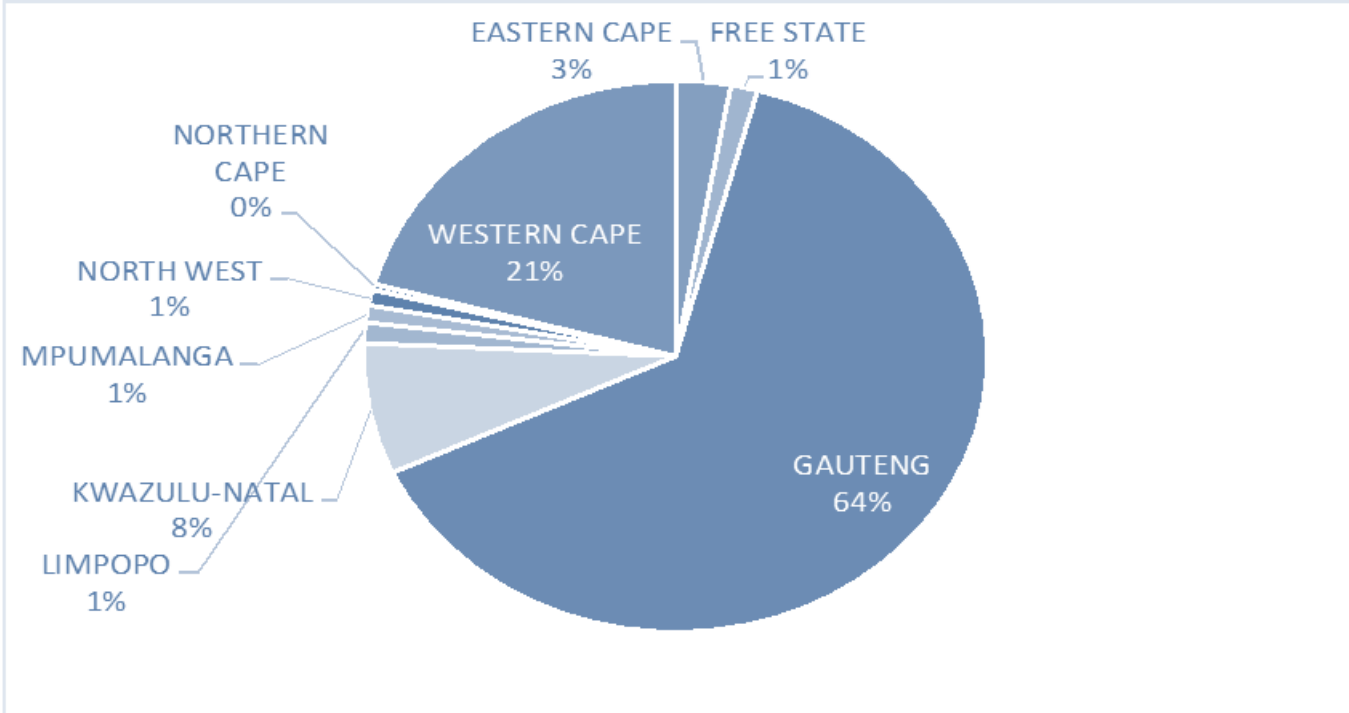


Source: MICTSETA LevyHuge File, 2021

Gauteng hosts the largest proportion of employers across the five sub-sectors followed by the Western Cape accounting 21%. About 8% of employers are based in KwaZulu Natal while 3% are in the Eastern Cape. Free State, Mpumalanga, North-west, and Limpopo only hosts 1% each of the total employers. The table below illustrates employer base per province.



Figure 2: MICT Sector Size of Employers Per Province



Source: MICTSETA Levy Huge File, 2021

In terms of new developments in the labour market between 2020 and 2021, the MICT sector experienced a sharp decline in the number of employees recording a total of 187 585 in 2021. This can be seen in the figure below.

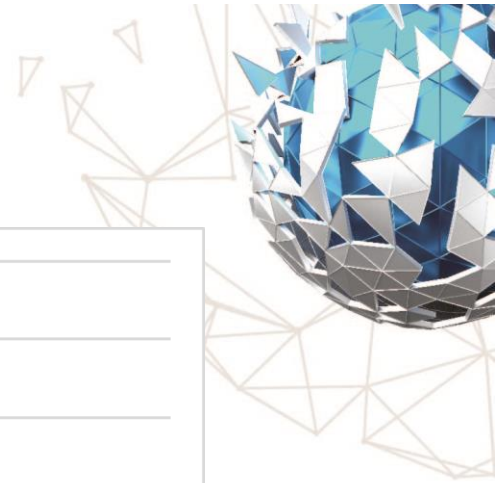
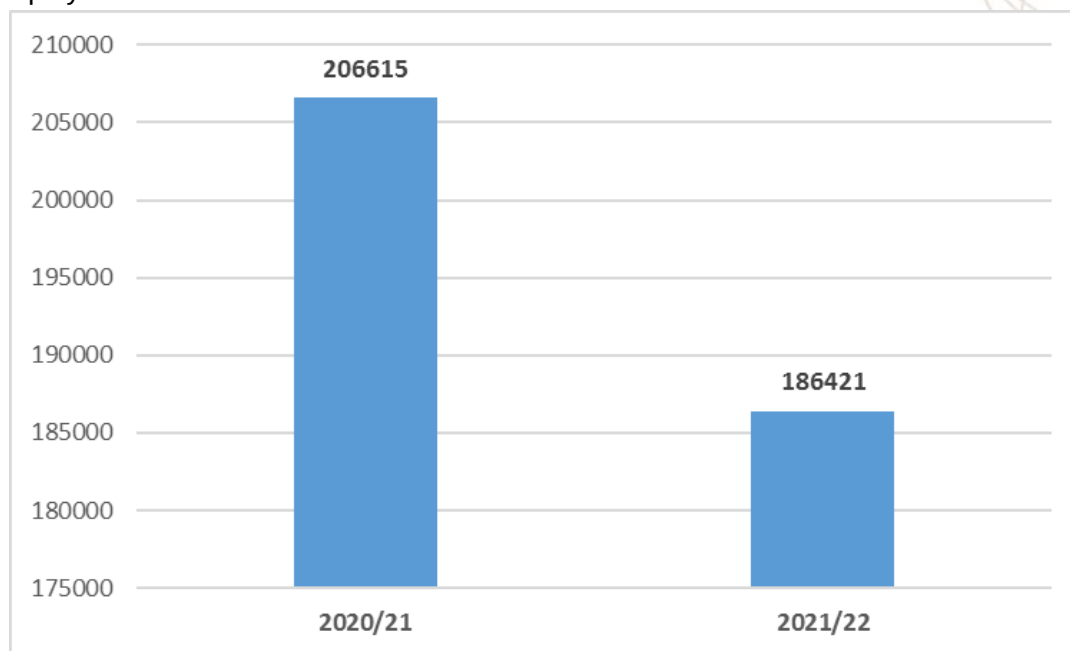


Figure 3: Employment in the MICT sector



Source: MICTSETA LevyHuge File, 2021

The largest proportion (50%) of employees are working in the Information and Technology sub-sector followed by 29% working in the Tele-communications sub-sector, and 10% in the Electronics subsector. The sub-sectors with the lowest number of employees are Film and Electronic Media accounting 6%, Advertising accounting 5%. The table 4 below shows the disaggregation:

Table 6: Number of Employees by Sub-sector

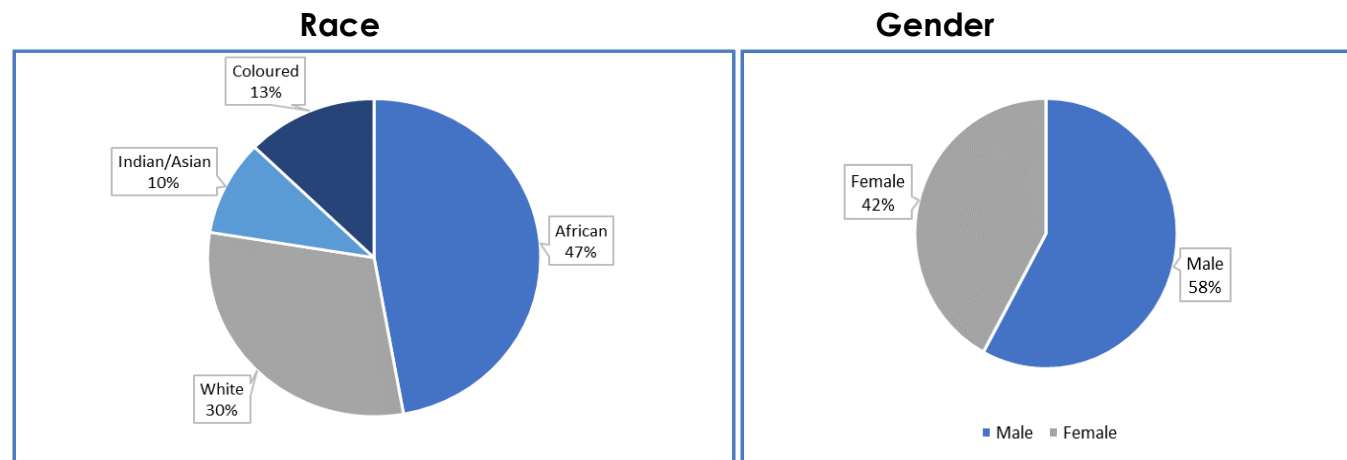
Subsector	Number of employees	Percentage
Advertising	8964	5%
Electronics	19426	10%
Film and Electronic Media	10968	6%
Information Technology	92555	50%
Tele-communications	54508	29%
Total	186421	100

Source: MICTSETA LevyHuge File, 2021

The highest proportion of people employed in the sector are African (47%), followed by White (30%). These two race categories make up just over three quarters (77%) of the total number of

employees in the MICT sector. Compared to 2020, 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 10% of employees in the sector. This can be seen in the figure below:

Figure 4: Race and Gender Profiles of Employees

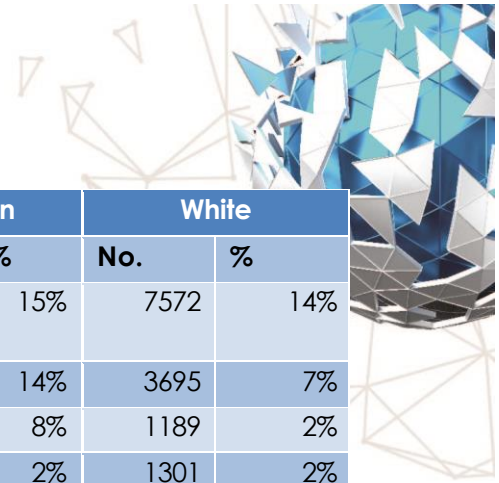


Source: MICTSETA Levy Huge File, 2021

There are more male employees (58%) in the sector than females. These results have remained similar over the past 3 years. 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 7% of African employees occupy managerial positions (with a 1% decrease from 2020) and 33% occupy professional positions (an increase of 2 % from last year).

Table 7: Race Profile by OFO Major Group

OFO Major Group	African		Coloured		Indian		White	
	No.	%	No.	%	No.	%	No.	%
Managers	6028	7%	2383	11%	3188	19%	12928	24%
Professionals	26991	33%	6957	31%	7137	41%	26566	49%

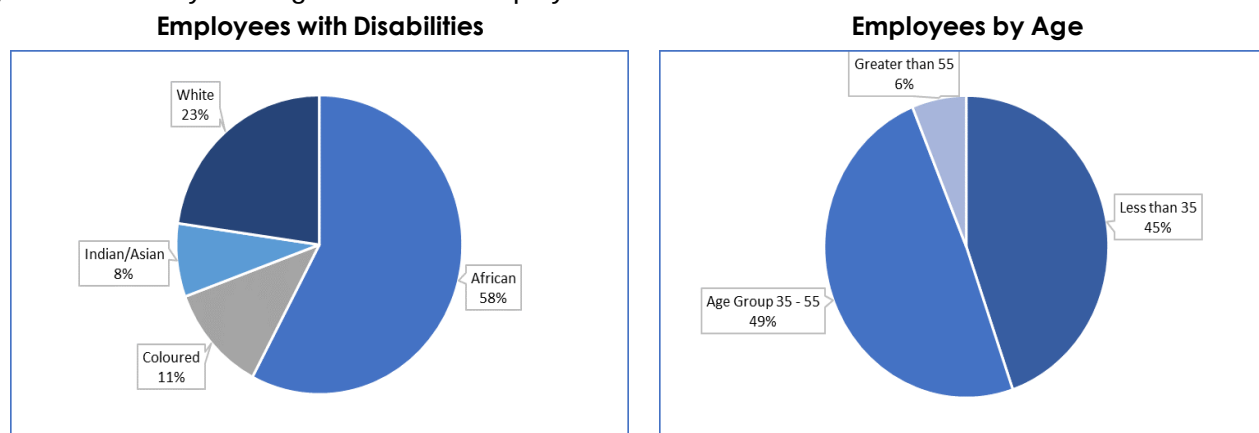


	African		Coloured		Indian		White	
OFO Major Group	No.	%	No.	%	No.	%	No.	%
Technicians and Associate Professionals	16875	20%	4444	20%	2618	15%	7572	14%
Clerical Support Workers	15532	19%	5787	26%	2401	14%	3695	7%
Service and Sales Workers	8060	10%	1144	5%	1371	8%	1189	2%
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	2847	3%	993	4%	263	2%	1301	2%
Plant and Machine Operators and Assemblers	1725	2%	406	1%	99	1%	129	0%
Elementary Occupations	4971	6%	450	2%	42	0%	293	1%
Grand Total	83029	100%	22564	100%	17119	100%	53673	100%

Source: MICTSETA WSP/ATR, 2021

In terms of the disability and age profiles within the MICT sector, most of the employees with disabilities are African at 58%. This is followed by White employees (23%) and Coloured employees (11%). The Indian/Asian category only accounts for 8% of employees with disabilities within the MICT sector. The two figures below illustrate this disaggregation.

Figure 5: Disability and Age Profiles of Employees



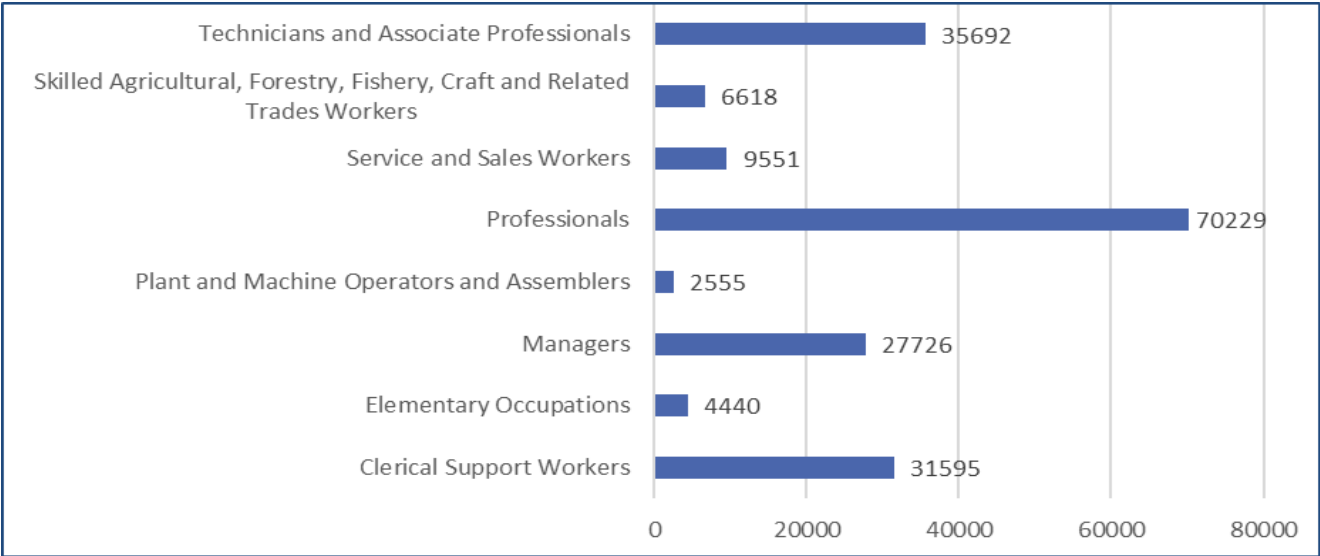
Source: MICTSETA WSP/ATR, 2021



While the current COVID-19 pandemic has significantly disrupted the economy, the South African MICT Sector is placed favourably to leverage the opportunities created. Employment in the MICT sector is dominated by younger employees. As of 2021, only 6% of people employed in the MICT sector are older than 55 years of age, of the remaining, 45% are younger than 35 years of age, and 49% are between the ages of 35 and 55.

Further expanding on the situational analysis, 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 6: Occupations by OFO major Groups



Source: MICTSETA WSP/ATR, 2021

- **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 are intended to establish linkages between the labour market, employers and education and training providers to achieve a number of objectives in the skills supply chain. These partnerships are intended to ensure that curricula reflect the changing needs of a dynamic industry, especially since public institutions are critical contributors to technical and vocational middle levels skills, and high-level skills with regards to 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.

This Strategic Plan will ensure that these partnerships are sustained and continue to promote 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 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.



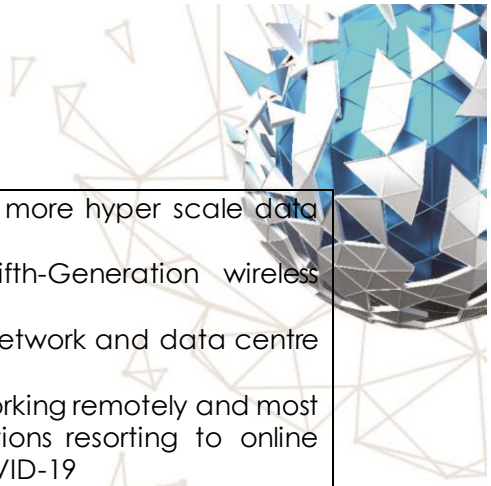
5 EXTERNAL ENVIRONMENT ANALYSIS

5.1 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.

Table 8: PESTEL analysis

POLITICAL FACTORS	ECONOMIC FACTORS
– Increased focus on inter-departmental cooperation and planning – Increased focus on accountability and Monitoring and Evaluation systems – Acceleration of digitisation programmes – Visibly dealing with corrupt practices – Changing political priorities – Shared service programme implementation	– The MICT sector remains amongst those that were less severely impacted by the pandemic, which makes it favourably placed to leverage on inadvertent opportunities brought about by digitisation and COVID-19 pandemic – International competition threatens local firms, particularly small-sized firms – Increased productivity and improved information flows in the economy – Despite the hardships brought by the pandemic whereby big businesses close shop and people being retrenched, recently there is a rising interest in entrepreneurship – Slow rollout of COVID-19 vaccination programmes hampering economic recovery – High cost of technology
ENVIRONMENTAL	LEGAL FACTORS
– Increased demand for ICT and digital services – Opportunities in sector for green technologies and their applications – E-waste management – Drive towards smart cities	– Revised Regulations on the allocation of the skills development levies and with the on-going BUSA case with the Minister is 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 – Impact of POPI Act – High cost of litigation
SOCIAL FACTORS	TECHNOLOGICAL FACTORS
– Existing weaknesses in post-education system together with fewer vocational colleges have exacerbated weaknesses in the education system	– Digitization and an increase in innovation – Increased accessibility and appeal of cloud-based systems



- Weaker education background making online learning difficult - 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 - Reality of fake news impacting on society - Entitlement to access local project opportunities - Psychological impact of COVID-19 on society - Poverty	- Introduction of the more hyper scale data centres - Advent of the fifth-Generation wireless technology - Expansion in fibre network and data centre markets - More consumers working remotely and most educational institutions resorting to online learning due to COVID-19 - Technological advancement resulting in increased digital technology solutions and posing the potential to reduce labour and transactional costs - Increased risk of cyber crime - Availability of new spectrum - Lack of connectivity in rural areas - Drive towards re-skilling with regards to future technologies
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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. 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. Complementing the NSDP outcomes are the six ERRP interventions that the SETA adopts, these become critical in the SETAs 2022/23 strategy as they mirror realistic goals for sector recovery against the effects caused by the pandemic. Moreover, 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.

5.2 DEMAND FOR SERVICES AND OTHER FACTORS WHICH INFORMS THE DEVELOPMENT OF THE STRATEGIC PLAN

While the sector contributes positively to the GDP, the 4IR will alter the way communities live and work through a fusion of technologies. 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. 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 sector and socio-economic systems are identified below:

Artificial Intelligence

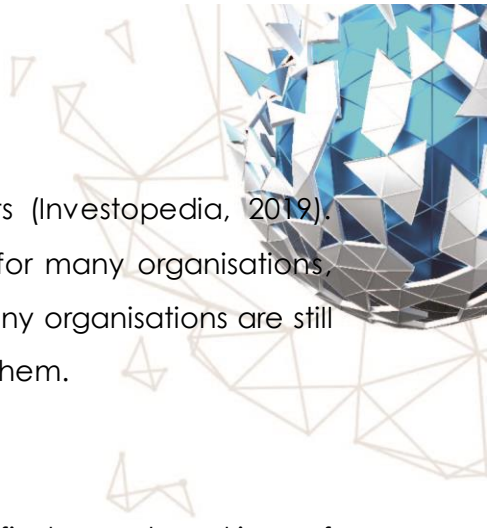
“Artificial Intelligence” (AI) has been identified as a key change driver in the MICT sector. It refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with 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, Artificial Intelligence (AI), 2020). Nearly half (46%) of South African companies are actively piloting AI within their organisations.

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, Cloud Computing, 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. 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).

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.

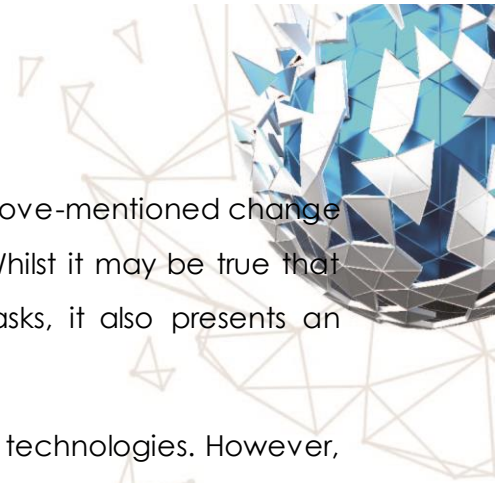
Fifth-generation wireless technology ("5G")

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.

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. **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. 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. 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).

5.3 CHALLENGES TO BE ADDRESSED

There are strategic challenges 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 and relevant policies
- Supporting innovation and promoting creativity
- Supporting skills development needs and priorities of rural communities (bridging the digital divide).
- Promoting more locally based production processes, solutions and increased exports
- Paying greater attention to development and support for small businesses as potential bedrocks for employment.
- Deepening the transformation agenda within the sector

5.4 MITIGATION STRATEGIES

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

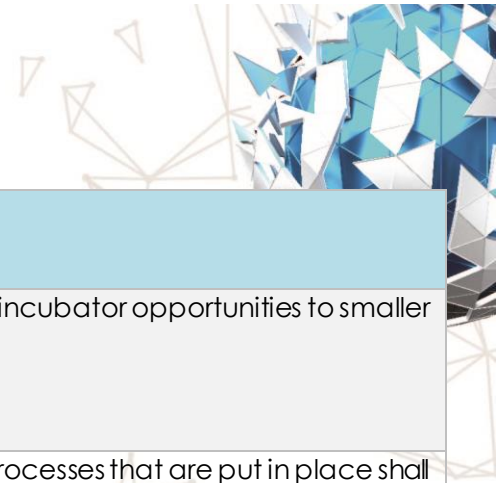
- Recognizing, planning and prioritizing occupations that are on the National List of Occupations in High Demand and linking occupations and specializations that address the above-mentioned change drivers; namely; AI, Cloud Computing, Big Data Analytics, 5G and IoT to that enable 4IR. In that way, the SETA will be fulfilling NSDP outcome 1 (identifying and increasing production of occupations in demand), and outcome 2 (linking education and the workplace). Additionally, the ERRP intervention on embedding skills planning into sectoral processes will be responded to by the SETA.
- Expanding opportunities for Work Integrated Learning, responding to NSDP outcome 4 (Increase access to, and delivery of industry and occupationally directed priority programmes and work placements), and also aligning to the ERRP intervention on Increased access to programmes resulting in qualifications in priority sectors.
- 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.

5.5 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:

Table 9: MICT SETA priorities

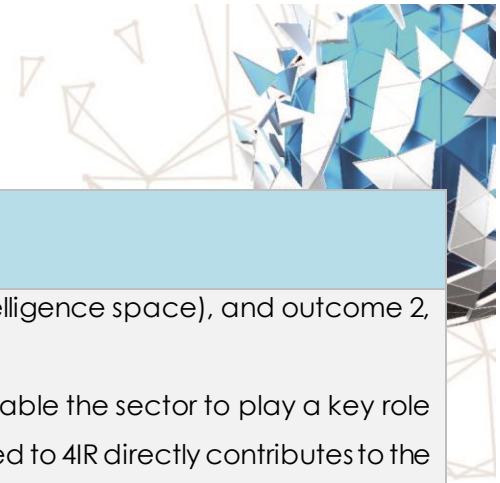
Outcome/Priority Area	Description
Priority 1 Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and	In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: the ability of an SMME to obtain funding for skills development; 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



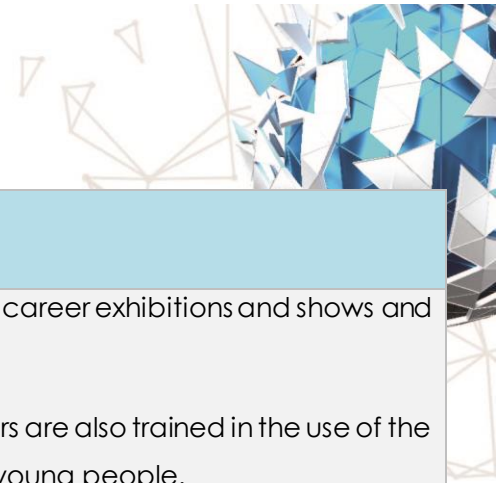
Outcome/Priority Area	Description
community-based organisations.	in the Sector to mentor and provide skills development incubator opportunities to smaller less well established businesses.
Priority 2 Ensure good corporate governance and a productive workforce.	The MICT SETA will ensure that the internal 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 striving to eliminate 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. 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,
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.. 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.
Priority 4 Ensure increased and focused skills development for rural and	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



Outcome/Priority Area	Description
marginalised communities to ensure inclusivity	pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth.
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.
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. In the 2021/22 financial year, the SETA has been successful in addressing this strategic priority, the focus being on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. .
Priority 7 Enablement of the Fourth Industrial Revolution (4IR)	The MICT sector key skills change drivers articulated in Chapter 2 of the SSP 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



Outcome/Priority Area	Description
	Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace. In addition, the SETA's strategy to provide support to enable the sector to play a key role in the development of technologies and products related to 4IR directly contributes to the principles and enablers of the ERRP. The ERRP highlights a number of principles including strengthening the productive capacity of the economy. The ERRP states that "necessary policy interventions will be put in place in order to ensure the building digital skills, digital capacity and competitiveness". Specifically, an Artificial Intelligence Institute will be established, necessary interventions will be made in order to increase broadband connectivity and creation of the virtual classroom to 152 schools and providing learners and workers with tools and training to be able to learn and work online. Furthermore, 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.
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 for their continuous development and for them to be adept with industry technological advancements.
Priority 9 Supported career development services within the MICT sector.	MICT SETA annually does labour market and skills needs research for the development of a sector skills plan (SSP), which includes the identification of hard-to-fill vacancies and sectoral priority occupations. Based on these identified occupations, the MICT SETA researches and develops a "scarce skills guide" in hardcopy and in digital format. This scarce skills guide describes what these identified occupations entail, and what the learning pathways are to obtain qualifications that will prepare people for entry into these



Outcome/Priority Area	Description
	occupations. The guide is distributed to young people at career exhibitions and shows and can also be accessed via the MICT SETA career portal. Career guidance counsellors and life orientation teachers are also trained in the use of the guide to assist them with providing career guidance to young people.

5.6 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, the evaluated cohort was the 2018/19 cohort. The ultimate sample size recorded was 712 that gives a Confidence Interval (CI) of 2.9 with a Confidence Level (CL) of 95%. Findings from the evaluation conducted by the SETA revealed the following:

- The satisfaction with the MICT SETA programmes is high at an average of 74%. Similarly, reported programme relevance is high at 78%.
- There is an improvement in reported employment levels from 8% before MICT SETA programmes to 24% after the MICT SETA training.
- Reported average income improvement is evident: from R1 257 before training to R2 322 per month after MICT SETA training.
- A relatively small proportion (11%) of the targeted cohort of learners have established their own businesses after the completion of their MICT SETA programmes.
- Of the learners who have ventured into business operations, the majority (70%) took a year or more to set up and had to fund their start-ups using their own resources and/or loans/grants from family (76%).

The biggest reported impact and benefit of the MICT SETA training undertaken is related to skills acquisition:

- Life changed for the better for 60%
- 58.1% feel more independent following their training
- 77.7% more confident about future employment due to acquired skills
- 90.8% have better/more skills
- 92.5% will apply the skills acquired in future

Lack of jobs in the market is the principal explanation for surveyed learners' status of being unemployed and/or starting their own businesses. Some learners also cited the effects of the Covid19 pandemic as one of the key barriers to securing employment or starting their businesses.

Furthermore, the evaluation study provides overall evaluation findings based on the Results Chain and DAC Criteria, it provides a detailed analysis of transformation imperatives and the relevance, efficiency, effectiveness, impact and sustainability of programmes. Below is a summary of the findings in terms of the DAC criteria:

Table 10: Overall Evaluation Assessment Summary

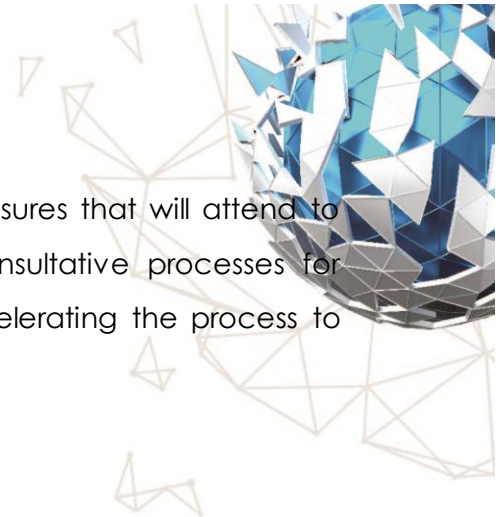
Evaluation Framework Component		Evaluation Framework Components		Rating
		Component		Overall
1	Transformation (NSDS III Targets)	Entered Learners:		Partially Met
		• Age	Not Met	
		• Disability	Partially Met	
		• Gender	Not Met	
		• Race	Met	
		Completed Learners:		
		• Age	Not Met	
		• Disability	Partially Met	
		• Gender	Partially Met	
		• Race	Met	
2	Relevance	The extent to which the Programmes are responsive to the needs of learners and employers	Met	Partially Met
		The extent to which the Programmes' achievements are relevant to the NSDS III targets and transformation imperatives	Partially Met	

Evaluation Framework Component		Evaluation Framework Components		Rating	
			Component	Overall	
		The extent to which the work of the Programmes is appropriately positioned and focused	Partially Met		
3	Governance and Management	Programme Planning	Exemplary	Met	
		Resource Management	Exemplary		
		Risk Management	Partially Met		
		Reporting	Partially Met		
		Stakeholder Communications	Met		
4	Efficiency Activities (as defined by the Results Chain)	Establishing a credible institutional mechanism for skills planning	Partially Met	Met	
		Increasing access to quality programmes	Met		
		Encouraging better use of workplace-based skills development	Met		
		Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Met		
5	Effectiveness	Extent to Which Objectives Were Met:		Partially Met	
		• Establishing a credible institutional mechanism for skills planning	Partially Met		
		• Increasing access to quality programmes	Partially Met		
		• Encouraging better use of workplace-based skills development			
		• Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Met		
		Outputs and Outcomes (as defined by the Results Chain):			
		• Establishing a credible institutional mechanism for skills planning	Partially Met		
		• Increasing access to quality programmes	Partially Met		
		• Encouraging better use of workplace-based skills development			

Evaluation Framework Component		Evaluation Framework Components		Rating	
			Component	Overall	
		Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Partially Met		
6	Impact (as defined by the Results Chain)	Increased Employment in Alignment to the Transformation Imperatives	Partially Met	Met	
		Increased Earning Capacity for Learners	Partially Met		
		Increased Career Advancement for Learners	Partially Met		
		Improved Qualifications for Learners	Met		
		Sustained Employment for Learners	Met		
		Increased the size of the MICT Co-operative sub-sector	Exemplary		
		Increased the size of the MICT Small Business sub-sector	Exemplary		
		Improved the relationship between MICT SETA and NGOs, CBOs and labour unions	Met		
7	Sustainability	How likely are the abovementioned benefits of the Programme able to continue beyond the end of a Programme?	Met	Partially Met	
		What are the risks emerging for the future of Programmes and their planned significance?	Partially Met		
Exemplary (80%-100%)		Met (66%-79%)	Partially Met (33%-65%)	Not Met (0%-32%)	

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 marginal.

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



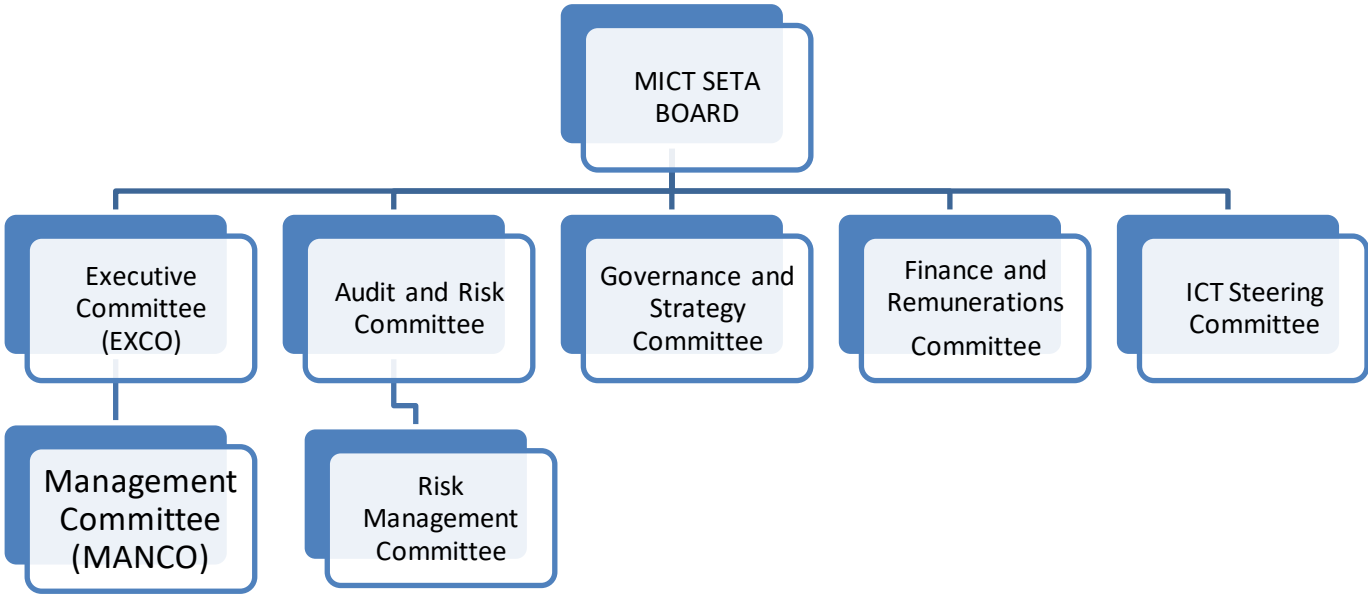
providers and there will be a strong oversight and accountability measures that will attend to ineptitude. In conjunction with QCTO, the SETA will improve the consultative processes for updating or developing qualifications and part-qualifications, by accelerating the process to include interested parties.



6 INTERNAL ENVIRONMENT ANALYSIS

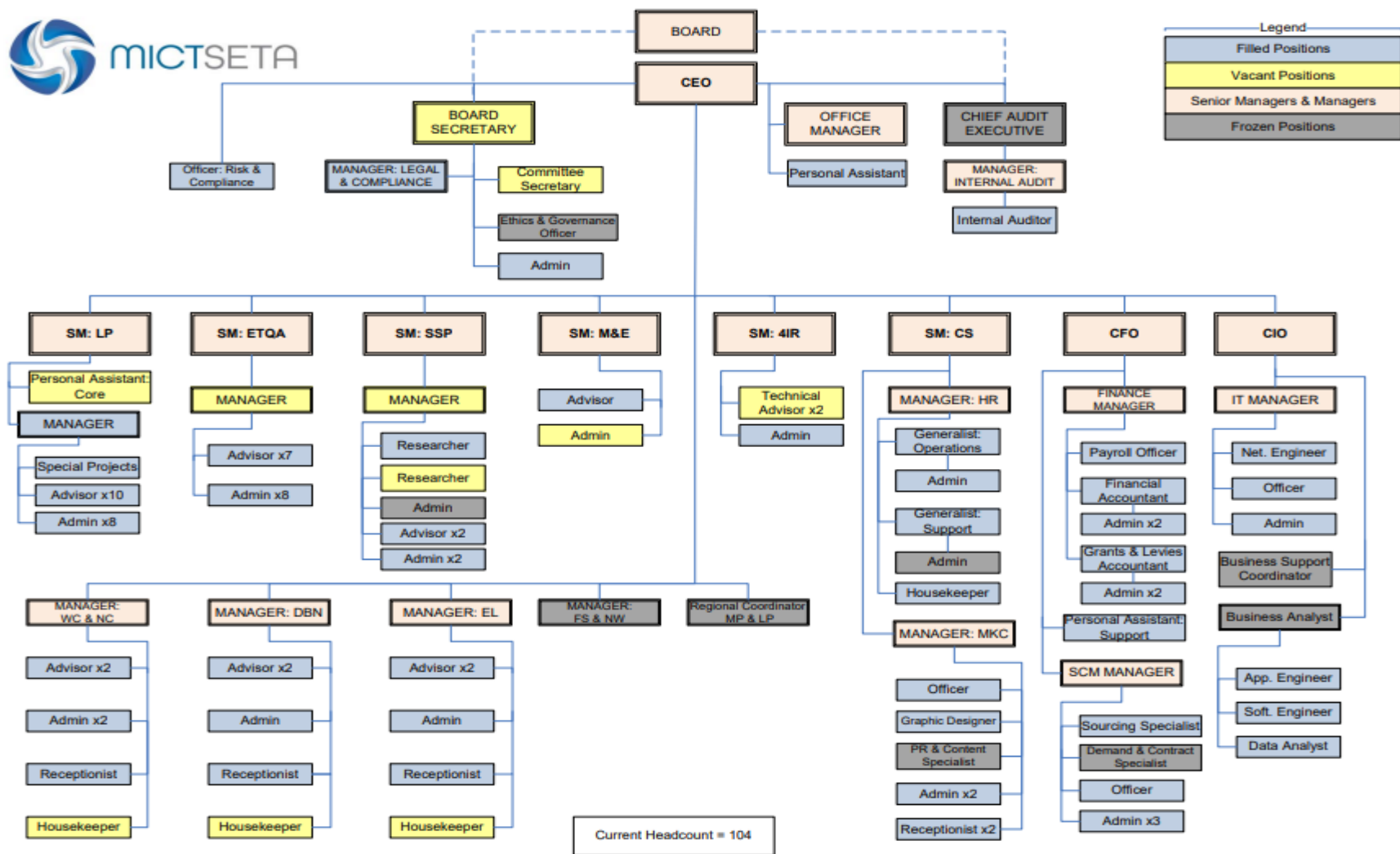
6.1 MICT SETA CAPACITY TO DELIVER ON THE MANDATE

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







5.1.1 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.

The purpose of the HR function is to deliver HR support that enables MICT SETA employees to meet all stakeholder needs as timeously as possible.

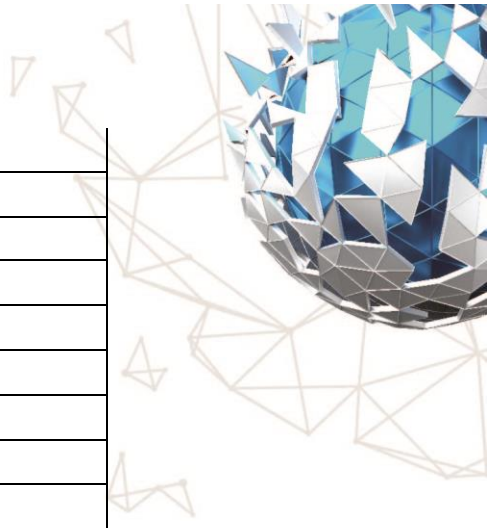
HR Objectives

- Driving HR excellence and innovation that leads to successful outcomes and moves MICT SETA forward while leveraging on its human resource 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 MICT SETA comprises of 104 employees, the disaggregation is as follows:

Table 11: MICT SETA employment by function

Title	Number of Employees
Administrators	34
Advisors	24
CEO	1
CFO	1
CIO	1
Board Secretary	0
Committee Secretary	0
Personal Assistant	2
Senior Managers	5
Receptionist	5
Interns	0



Managers	12
Housekeepers	1
Officers	5
Data Analyst	1
Applications Engineer	1
Software Engineer	1
Network Engineer	1
Graphic Designer	1
Accountants	2
Internal Auditor	1
Sourcing Specialist	1
Special Projects	1
Researcher	1
HR Generalist	2
Total	104

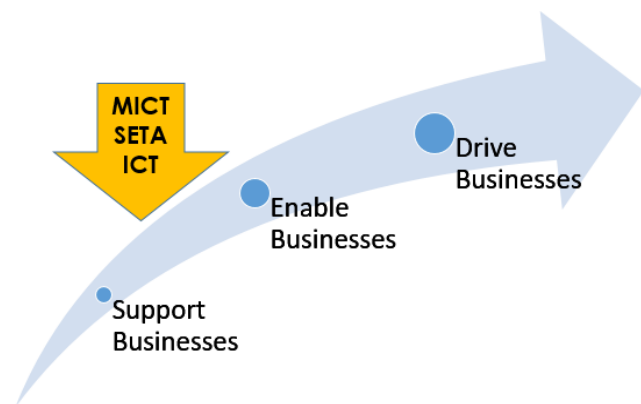
Regular customer satisfaction surveys will be conducted to evaluate and ensure continuous improvement and to strengthen customer relations.

A detailed organogram is illustrated on page 49 of this plan.

5.1.2 INFORMATION TECHNOLOGY

The MICT SETA has embarked on a drive towards digital transformation. In its digital transformation journey, the organisation has set its medium to long-term goals to achieve digital business enablement, which seeks to transform all processes of the business. The ICT transformation journey to digitally transform the business shall evolve as depicted on the diagram below.

The depicted evolution journey depicts how ICT is currently making an impact in driving the business. The goal is to ensure that the MICT SETA thinks digital, works digital and its stakeholders use digital in their interaction with the SETA. This is currently lacking behind as can be seen within the value chain throughout the organisation. In order to achieve maximum impact, the driver for digital transformation is geared towards the intertwined factors as depicted on the below diagram.



The development and adoption of the MICT SETA Digital Strategy during the 2021/22 financial year enables a clear game plan towards adoption of 4IR, this will provide similar benefits in the 2022/23 and 2023/24 financial years respectively.

5.2 BUDGET FOR STRATEGIC PLAN

5.2.1 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. The budget summary is as follows:

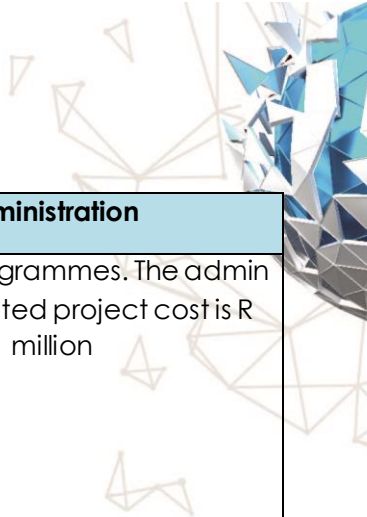


OVERVIEW OF 2022/23 TO 2026/27 BUDGET FOR THE MTEF ESTIMATES

Description	AUDITED OUTCOMES				CURRENT	REVISED	MEDIUM TERM EXPENDITURE ESTIMATE			
	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Actual	Actual	Actual	Approved Budget	Proposed Revised Budget	Estimate	Estimate	Estimate	Estimate
Revenue	907,020,000	982,717,000	763,012,000	1,025,312,000	1,008,914,855	1,068,578,373	1,101,955,232	1,157,052,994	1,214,905,643	1,275,650,926
Levy Income	866,992,000	938,277,000	622,257,000	973,990,000	994,172,855	1,028,077,573	1,079,481,452	1,133,455,525	1,190,128,301	1,249,634,716
• Administration Income 10.50%	113,801,000	123,154,000	81,750,000	127,307,000	130,485,187	134,935,182	141,681,941	148,766,038	156,204,340	164,014,556
• Mandatory Income 20.00%	216,162,000	234,052,000	155,139,000	246,298,000	248,543,214	257,019,393	269,870,363	283,363,881	297,532,075	312,408,679
• Discretionary Income 49.50%	537,029,000	581,071,000	385,368,000	600,385,000	615,144,454	636,122,999	667,929,149	701,325,606	736,391,886	773,211,481
Interest and Penalties	13,099,000	17,596,000	12,663,000	13,946,000	-	10,000,000	-	-	-	-
Other Income	379,000	190,000	116,413,000	22,598,000	-	9,097,200	-	-	-	-
Investment/Interest Income	26,550,000	26,654,000	11,679,000	14,778,000	14,742,000	21,403,600	22,473,780	23,597,469	24,777,342	26,016,210
Expenditure	820,079,000	1,021,349,000	819,477,000	758,389,000	1,008,914,855	1,068,578,373	1,101,955,232	1,157,052,994	1,214,905,643	1,275,650,926
Administration Costs	92,835,000	96,360,000	101,842,000	122,461,000	130,485,187	134,935,182	141,681,941	148,766,038	156,204,340	164,014,556
Mandatory Grants	166,826,000	175,082,000	120,888,000	175,978,000	211,261,732	218,466,484	229,389,809	240,859,299	252,902,264	265,547,377
Discretionary Costs	560,418,000	749,907,000	596,747,000	437,677,000	517,167,936	656,079,508	680,883,483	717,427,657	755,799,040	846,088,992
Other Expenses	-	-	-	22,273,000	-	9,097,200	-	-	-	-
Special/Strategic Projects										
(4IR IT Capital Costs + Qualification Development)	-	-	-	-	150,000,000	50,000,000	50,000,000	50,000,000	50,000,000	-
Surplus (Deficit)	86,941,000	(38,632,000)	(56,465,000)	266,923,000	-	-	-	-	-	-
Mandatory Grants Payout ratio	77.2%	74.8%	77.9%	71.4%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Administration Ratio	8.6%	8.2%	13.1%	10.1%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
Administration Ratio (with special projects)					22.6%	14.4%	14.2%	14.0%	13.9%	
Average growth rates:										
Revenue	6%	8%	-18%	34%	-2%	6%	3%	5%	5%	5%
Levy Income	6%	8%	-31%	57%	2%	3%	5%	5%	5%	5%
• Administration Income	6%	8%	-31%	56%	2%	3%	5%	5%	5%	5%
• Mandatory Income	7%	8%	-32%	59%	1%	3%	5%	5%	5%	5%
• Discretionary Income	6%	8%	-31%	56%	2%	3%	5%	5%	5%	5%
Interest and Penalties	-24%	34%	-28%	0%	0%	0%	0%	0%	0%	0%
Other Income	76%	-50%	61170%	0%	-100%	0%	0%	0%	0%	0%
Investment/Interest Income	27%	0%	-56%	27%	0%	45%	5%	5%	5%	5%
Expenditure	-3%	25%	-20%	-7%	33%	6%	3%	5%	5%	5%
Administration Costs	17%	4%	6%	20%	7%	3%	5%	5%	5%	5%
Mandatory Grants	8%	5%	-31%	46%	20%	3%	5%	5%	5%	5%
Discretionary Costs	-8%	34%	-20%	-27%	18%	27%	4%	5%	5%	12%
Other Expenses	0%	0%	0%	100%	-100%	100%	-100%	0%	0%	0%
Special Projects	0%	0%	0%	100%	100%	-67%	0%	0%	0%	-100%

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	The budget is allocated from the 10.5% administration portion of the total SETA budget. The budget for Programme 1 is R 114 million, this will assist the SETA in achieving the strategic goals set in in the annual performance plan, in terms of digitalising current manual processes, maintaining effective internal controls and retaining current staff compliment.
Programme 2: Sector Skills Planning	Increased and improved labour market information that accurately identifies occupations in high demand.	N/A	The budget allocated to achieve the programme objectives is R 229 million for employers to implement the Work Skills Plan as well as R7.8 million for research and other admin related costs to achieve the targets set for the Sector Skills Plan.
	Supported career development services within the MICT sector.	N/A	
Programme 3: Learning Programmes 4IR	Supported growth of the public college system. Increased delivery on programmes that link Education and the Workplace.		The budget allocated to achieve these strategic targets is R 503.8 million for pivotal programmes and 126.0 million for non-pivotal



Programme	Outcomes	Discretionary	Administration
	Increased Workplace Training of workers already in employment.		programmes. The admin related project cost is R 51.1 million
	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	The budget allocated to achieve the set targets is R 20.2 million, for qualification development, certification as well as other admin related costs.

2023/24 Levies Budget Calculation

MICT SETA estimated levy income - 80%	1,079,481,452
NSF Allocation - 20%	269,870,363
Estimated levy income - 100%	<u>1,349,351,815</u>
	1,079,481,452
Administration income (10.5%)	141,681,941
Discretionary Income (49.5%)	667,929,149
Mandatory Income (20%)	269,870,363
Interest and Penalties: SDL	-
Other Income - UIF Project	-
Investment Income	22,473,780
Total Income	<u>1,101,955,232</u>

ASSUMPTIONS AND CONSIDERATIONS:

1. Annual inflation rate of 5% was applied on the latest levy data projection post SDL payment holiday.
2. Interest and penalties have not been budgeted for due to its nature being uncertain.
3. Interest income and unused surplus on Mandatory grants is transferred to Discretionary at year end.

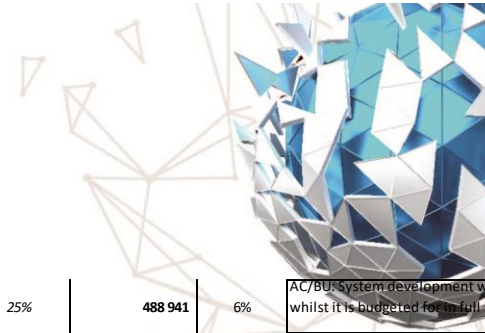
UTILISATION:

Administration expenditure	141,681,941
Mandatory expenditure	229,389,809
Discretionary expenditure	680,883,483
Special Projects (4IR system implementation + 4IR Qualifications Development)	50,000,000
Other Expenses - UIF Project	-
	<u>1,101,955,232</u>
Discretionary grant split	
- Pivotal	503,853,777
- Non Pivotal	125,963,444
	<u>629,817,222</u>
- Discretionary Admin Expenditure (7.5%)	51,066,261
	<u>680,883,483</u>

2023/24 BUDGET SUMMARY - Level 1

Description		2022/23	2022/23	2023/24
		Approved Budget	Proposed Revised Budget	Proposed Budget
Total Revenue		1,008,914,855	1,068,578,373	1,101,955,232
Levy Income		994,172,855	1,028,077,573	1,079,481,452
• Administration Income	10.50%	130,485,187	134,935,182	141,681,941
• Mandatory Income	20.00%	248,543,214	257,019,393	269,870,363
• Discretionary Income	49.50%	615,144,454	636,122,999	667,929,149
Interest and Penalties		-	10,000,000	-
Other Income - UIF Project		-	9,097,200	-
Investment/Interest Income		14,742,000	21,403,600	22,473,780
Total Expenditure		1,008,914,855	1,068,578,373	1,101,955,232
Administration Costs		130,485,187	134,935,182	141,681,941
Mandatory Grants		211,261,732	218,466,484	229,389,809
Discretionary Grants		517,167,936	656,079,508	680,883,483
Other Expenses		-	9,097,200	-
Special/Strategic Projects (4IR IT Capital Costs + Qualification Development)		150,000,000	50,000,000	50,000,000
Surplus (Deficit)		-	-	-

Description	2021/22 Financial Year Audited Actuals	2022/23 Financial Year Approved Budget	2022/23 Financial Year Proposed Revised Budget	2023/24 Financial Year Proposed Budget	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed Budget vs 2022/23 Financial Year Approved Budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
					R	%	R	%	
Travel Costs	1 025 312 000	1 008 914 853	1 068 578 373	1 101 955 232	(16 397 147)	-2%	93 040 379	8%	
<i>Levy Income</i>	974 182 000	994 172 853	1 028 077 573	1 079 481 452	19 990 853	2%	85 308 599	8%	AC: Proposed budget based on normal operations in a slow growing economy. BU: Adjusted for inflation.
• Administration Income	127 346 000	130 485 187	134 935 182	141 681 941	3 139 187	2%	11 196 754	8%	
• Mandatory Income	246 266 000	248 543 213	257 019 393	269 870 363	2 277 213	1%	21 327 150	8%	
• Discretionary Income	600 570 000	615 144 453	636 122 999	667 929 149	14 574 453	2%	52 784 696	8%	
Other Income-Interest on Bank and investments	51 130 000	14 742 000	40 500 800	22 473 780	(36 388 000)	-247%	7 731 780	34%	AC: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and interest transfers not budgeted for. BU: Increase due to increase in cash reserves and increase in the repo rate.
<i>Interest and Penalties</i>	13 946 000	-	10 000 000	-	(13 946 000)	-100%	-	0%	AC: SDL interest and penalties not budgeted for due to uncertainty of income. BU: On Par
<i>Other Income-UIF</i>	22 406 000	-	9 097 200	-	(22 406 000)	-100%	-	0%	AC/BU: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and interest transfers not budgeted for.
<i>Investment/Interest Income</i>	14 778 000	14 742 000	21 403 600	22 473 780	(36 000)	0%	7 731 780	34%	AC: is on par against the budget. BU: Adjusted for resumption of normal operations and increase repo rates.
Expenditure	758 389 000	1 008 914 853	1 068 578 373	1 101 955 232	250 525 853	25%	93 040 379	8%	
Administration Costs	122 461 000	130 485 187	134 935 182	141 681 941	8 024 187	6%	11 196 754	8%	Based on 10.5% allocation.
<i>Audit Fees</i>	3 314 000	3 997 007	3 997 007	4 236 827	683 007	17%	239 820	6%	AC: AC affected by pandemic, period where audit was halted and external audit strategy adjusted, that was normalise in the approved BU BU: adjusted for inflation.
<i>Board and Subcommittees Expenses</i>	7 087 000	6 506 533	7 506 533	6 896 925	(580 467)	-9%	390 392	6%	AC: Prior year included additional special meetings. BU: Proposed BU include renewal of Board portal system and increased in training costs.
<i>Building Expenses</i>	6 729 000	9 746 935	9 746 935	10 331 751	3 017 935	31%	584 816	6%	AC: Proposed budget adjusted the renewal of the three regional offices contracts that is expected to come at an increased costs. -Electricity costs were factored in at an increase of an average of 20% per annum. BU: adjusted for inflation
<i>Communication Costs (Office)</i>	530 000	648 270	648 270	687 166	118 270	18%	38 896	6%	AC: Covid 19 impact resulting in less telephone costs due to virtual meetings and usage of MS Teams. BU: Adjusted for inflation



Depreciation / Amortisation	6 104 000	8 149 021	8 149 021	8 637 962	2 045 021	25%	488 941	6%	AC/BU: System development was concluded towards the end of 2022 and part of 2023, whilst it is budgeted for to full in 2023/24.
Information Technology Expenses	10 939 000	7 175 700	7 175 700	15 114 963	(3 763 300)	-52%	7 939 263	53%	AC: ICT other costs are included in the Digital strategy. BU: ICT digital strategy contracts, included as normal running costs.
Legal, Investigations & Consulting Fees	1 334 000	1 287 800	2 787 800	3 000 000	(46 200)	-4%	1 712 200	57%	AC: Normal operation expected. BU: Legal costs relating to SCM contracts and normal operations.
Marketing Costs	2 916 000	2 500 000	2 500 000	5 450 000	(416 000)	-17%	2 950 000	54%	AC: More marketing happened in actuals due post Covid 19, BU expected to normalise. BU: More Marketing activities planned for the budget period.
Other Costs	9 932 000	3 318 650	3 318 650	2 931 247	(6 613 350)	-199%	(387 403)	-13%	Other costs include Provision for bad debt, stationery, printing, interest paid, operating leases and covid19 expenses. Covid 19 expenses expected to decrease due to increase in vaccination drive by government.
QCTO and Qualification Development	7 113 000	7 204 000	7 204 000	6 507 600	91 000	1%	(696 400)	-11%	AC: only include QCTO expense whilst BU incorporated qualification development. BU: Proposed budget based on the approved QCTO calculation from DHET. Qualification development budgeted for as part of DG admin costs.
Repairs and Maintenance	457 000	787 500	787 500	787 500	330 500	42%	-	0%	Proposed budget include any additional adhoc repairs and maintenance costs.
Research	1 213 000	1 000 000	1 000 000	2 000 000	(213 000)	-21%	1 000 000	50%	Comprises of impact or tracer study project on MICT SETA's rural strategy planned to be undertaken in the budget. Additional research expected for projects included in the MICT SETA Research Agenda.
Staff Costs	63 132 000	78 063 771	80 013 766	74 000 000	14 931 771	19%	(4 063 771)	-5%	AC: '2022/23 financial year: fully capacitated, including increased headcount approved. during 2021/22 financial year: position were vacant. BU: '2023/24 financial year: Salary bill adjusted for 7% inflation plus 3% performance related increases plus effect of Job grading. Learning programme salary bill is included as part of DG admin costs.
Travel Costs	1 661 000	100 000	100 000	1 100 000	(1 561 000)	-1561%	1 000 000	91%	AC/BU : Major travel costs relating to Learning Programme division, therefore it is covered under (7.5%). Discretionary Grants admin budget. BU: Proposed budget include international travel in the office of the CEO and ETQA local travel.
Mandatory Grants	175 978 000	211 261 731	218 466 484	229 389 809	35 283 731	17%	18 128 077	8%	Based on 20% allocation, with a 85% payout rate.
Discretionary Grants	437 677 000	517 167 936	656 079 508	680 883 483	79 490 936	15%	163 715 547	24%	AC/BU: Based on 49.5% allocation adjusted for special projects plus other income swept to DG as per SDLA BU: Based on 49.5% including Discretionary Grant admin cost of 7.5%
UIF expense	22 273 000	-	9 097 200	-	(22 273 000)	-100%	-	0%	MICT SETA/UIF learnership contract expected to come to an end in 2022 financial year.
Special/ Strategic Projects (4IR IT Capital)	-	150 000 000	50 000 000	50 000 000	150 000 000	100%	(100 000 000)	-200%	4IR IT capital costs + 4IR Qualification Development included as part of approved Digital Strategy projects.
Surplus/(Deficit)	266 923 000	(0)	0	(0)	(266 923 000)	(0)	0		

5.2.2 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.

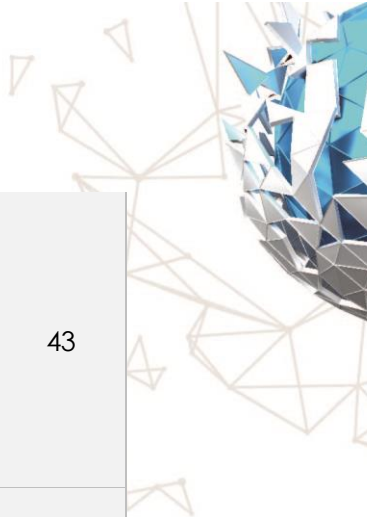
5.2.3 MICT SETA STATUS ON COMPLIANCE WITH WOMEN AND PEOPLE LIVING WITH DISABILITIES LEGISLATIVE REQUIREMENTS

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.

The total staff headcount is 118, which is made up as follows:

Table 12: Key demographics of MICT SETA

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	M	F	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	2	0	0	0	4	1	0	0	0	0	7
Professionally qualified and experienced specialists and mid-management	5	0	0	0	7	1	0	0	0	0	13



Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	0	0	0	29	0	1	0	0	0	43
Semi-skilled and discretionary decision making	20	0	0	0	18	1	0	0	0	0	39
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1
TOTAL PERMANENT	41	0	0	0	59	3	1	0	0	0	104
Temporary employees	4	1	0	0	9	0	0	0	0	0	14
GRAND TOTAL	45	1	0	0	68	3	1	0	0	0	118

PART C: MEASURING MICT SETA PERFORMANCE

Table 13: Audited performance of MICT SETA	Audited Actual Performance					
	2017/18	2018/19	2019/20	2020/21	2021/22	Totals
Number of qualifying unemployed/employed learners entering Learnerships on an annual basis.	2890	3593	3612	3782	3850	17727
Number of qualifying unemployed/employed learners receiving Bursaries on an annual basis.	706	443	421	505	559	2634
Number of qualifying TVET/University students placed at workplaces on an annual basis.	678	1461	878	1192	1307	5516
Number of TVET/University students completed workplace experience on an annual basis.	849	434	501	576	1219	3579
Number of qualifying unemployed learners entering Internship programmes on an annual basis.	1673	1567	1453	1015	909	6617
Number of qualifying unemployed learners entering Skills/Short programmes on an annual basis.	1633	3562	4408	2718	1019	13340
Number of unemployed/employed learners completing Learnership programmes on an annual basis.	1056	1596	2548	2630	814	8644
Number of unemployed/employed learners completing Bursary programmes on an annual basis.	183	175	404	229	146	1137
Number of unemployed learners completing Internship programmes on an annual basis.	573	887	1021	812	739	4032
Number of unemployed/employed learners completing Skills Programmes on an annual basis.	1124	1192	1434	1835	855	6440
SETA/TVET College Partnerships established on an annual basis.	5	8	7	19	47	86
Number of Collaborative Agreements signed with Universities and Stakeholders on an annual basis	4	14	6	62	37	123
Number of qualifying Lecturers entering Development Programmes on an annual basis	156	104	107	32	50	449
Number of Lecturers completed Development Programmes on an annual basis	116	104	91	0	0	311
Number of Rural development programmes implemented on an annual basis	12	9	20	34	190	265

7 INSTITUTIONAL PERFORMANCE INFORMATION

MICT SETA's performance information shows the extent to which the institution is meeting its strategic intent and realise its intended impact. This information enables the SETA to determine which policies and processes are working. This information also plays a pivotal role to inform budgeting and will therefore be used to monitor service delivery.

7.1 TREND ANALYSIS BASED ON ANNUAL REPORTS AND END TERM REPORTS THAT WILL INFORM THE STRATEGY GOING FORWARD.

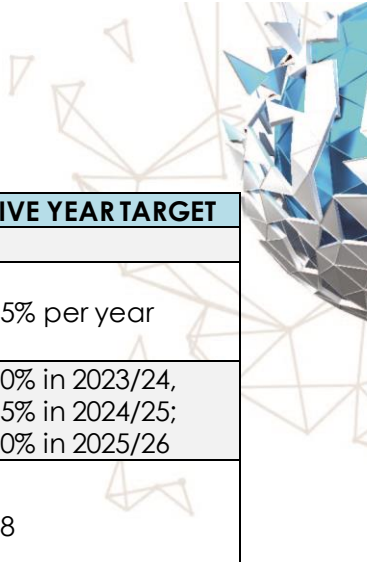
The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. The MICT SETA will continue to support the implementation of demand-led learning programmes that afford beneficiaries opportunities for sustainable growth, mobility and progression. The table below presents performance for the previous five-year period of the Annual Performance Plan (2016/17 to 2020/21).

7.2 MEASURING IMPACT

IMPACT STATEMENT	An agile organisation that supports the development of cutting-edge, creative and innovative skills for sustainable employment and entrepreneurship by 2025.
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7.3 MEASURING OUTCOMES

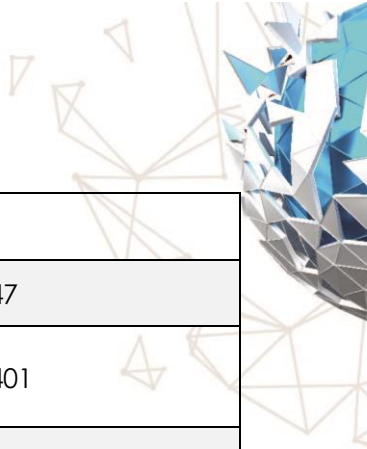
OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Outcome 2 Good corporate governance and a productive workforce	Obtaining an unqualified AG audit opinion	2014/15 – 2016/17 Clean Audit. 2017/18–2019/20 Unqualified Audit.	5



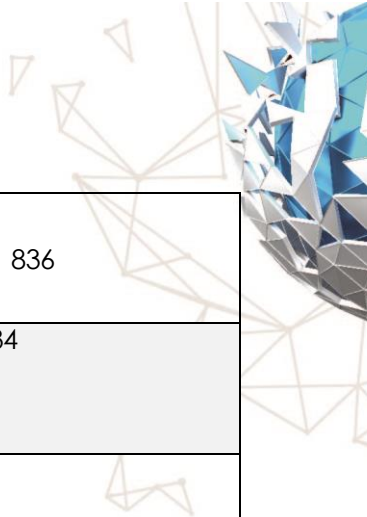
OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
		2020/21 Clean Audit.	
	Percentage vacancy rate at the end of each financial year	15%	15% per year
	Percentage implementation of approved training plan	New target	70% in 2023/24, 75% in 2024/25; 80% in 2025/26
	Number of business processes digitized in line with the Business Processes Automation Plan	8 business processes	38
	Number of monitoring reports submitted.	New Target	24
	Percentage implementation of internal audit plan	New target	100%
	Percentage of activities completed on the risk management plan	New target	100%
	Number of governance charter reports submitted to DHET	New target	8
Outcome 3: Increase and improve labour market information that accurately identifies occupations in high demand.	Percentage of WSP / ATR applications evaluated	New target	100%
	Accounting Authority (AA) approved Sector Skills Plan submitted to DHET	1 SSP submitted	5
	Number of evaluation studies conducted.	1 Evaluation study	5
Outcome 9: Supported career development services within the MICT sector.	Number of career opportunities guides with labour market information distributed	3000 distributed.	19 500
	Number of Career Development events on occupations in high demand attended.	50 Strategic Career Events attended	277
	Number of Career development practitioners trained	30 Career development practitioners trained	240
	Number of capacity building workshops on career development services hosted.	2 capacity building workshops hosted	16



Outcome 5: Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Unemployed learners entering and completing learning programmes	7 004 unemployed learners entering learning programmes	41 768
		6 704 unemployed learners completing learning programmes	20 605
Outcome 5: Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Employed learners entering and completing learning programmes	549 employed learners entering learning programmes	1 673
		222 employed learners completing learning programmes	1 027
	Employed learners entering and completing Recognition of Prior Learning (RPL) programmes	60 Employed learners entering Recognition of Prior Learning (RPL) programmes	370
		40 Employed learners completing Recognition of Prior Learning (RPL) programmes	137
	Worker-initiated skills development (federations/trade unions) interventions supported	200 worker-initiated skills development (federations/trade unions) interventions supported	750
Outcome 4: Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity	Rural skills development projects approved and implemented	40 rural skills development projects approved and implemented	180
Outcome 1: Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations	Small Enterprises (SEs) supported through skills development interventions	150 Small Enterprises (SEs) supported through skills development interventions	700
	Skills development interventions supported for members / employees of Co-operatives	150 Skills development interventions supported for members / employees of Co-operatives	560
	People trained on entrepreneurship programmes	100 people trained on entrepreneurship programmes	600
	Skills development interventions supported for members / employees of	150 skills development interventions supported for	600



	NGOs/NPOs/CBOs	members / employees of NGOs/NPOs/CBOs	
Outcome 6: Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions	Centres of Specialization supported	Ten Centres of Specialization supported	47
	TVET lecturers exposed to the industry through skills programmes	120 TVET lecturers exposed to the industry through skills programmes	401
	TVET lecturers awarded bursaries	New target	295
	CET college lecturers exposed to skills development programmes	New target	335
	Partnerships established with universities	26 partnerships with HETs	110
	Partnerships with TVET colleges established	New target	328
	CET partnerships established	New Target	81
Outcome 6: Enablement of the Fourth Industrial Revolution (4IR)	New 4IR partnerships established to implement 4IR initiatives in the MICT sector	– New target	130
	Students funded under established 4IR Research Chairs	– New target	317
	4IR occupational qualifications developed	– New target	45
	Learning laboratories supported in collaboration with industry partners	– New target	45
	Skills competitions conducted in partnership with stakeholders	– New target	25
Outcome 8: Improve the quality of education to address programmes in high demand within the MICT Sector.	Exit verifications conducted to ensure completion of historical and occupational programmes	New Target	700
	Training providers accredited for historical and occupational programmes	573 Accredited Training Providers	2 470
	Qualified Subject Matter Experts conducting assessment of occupational programmes	New target	315



	Constituent moderators moderating quality of programmes	1 007	1 836
	Realigned and developed MICT SETA relevant qualifications submitted to the QCTO	8	34
	Registered assessment Centres for the implementation of the External Integrated Summative Assessment (EISA)	New target	27

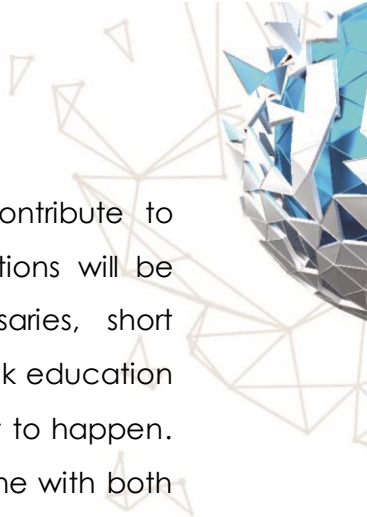
7.4 Explanations of planned performance over a five-year planning period

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 and non-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 rural areas and disadvantaged people 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. 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. For this planning period, implementation targets by the SETA will be in line with both the NSDP and the ERRP outcomes and interventions that find expression in the MICT SETA scope. The partnerships with TVETs will not be side-lined, they will remain key to programmes implementation.

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. Responding to the 4IR will remain key of the SETA, the priority will be to create a capable South African youth, not that is just employable but also that is able to 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.

7.5 UPDATED KEY RISKS AND MITIGATION FROM THE SP

Outcomes	Key risks	Risk mitigations
Outcome 5: Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.	Inability of the Skills Development Providers (SDPs) to record the required categories of data as mandated by SAQA and DHET	➤ Learner enrolment spreadsheet developed and issued to SDP's for import into the LMIS ➤ Tracking of all accreditation updates and ETD Practitioner updates and submission to the LMIS provider for updating of the system. ➤ Recording on the learner certification on a Master Spreadsheet which includes certificate number and issuing to LMIS Provider for update in the system.
Outcome 2: Good corporate governance and a productive workforce.	ICT Failure	➤ Digital Strategy approved ➤ Digital Strategy Implementation Plan approved ➤ Digital Strategy budget approved for implementation ➤ ICT Policy Review Plan in place ➤ ICT Policies approved by the CEO ➤ ICT Governance Policy developed
Outcome 2: Good corporate governance and a productive workforce.	Inability to retain key staff	➤ Benchmark of salaries ➤ Exit Interviews ➤ Trend analysis by Divisions ➤ Formal and informal engagements with staff
Outcome 2: Good corporate governance and a productive workforce.	Inability to continue business operations due to disasters, business disruptions at the normal site of operations	➤ Draft ICT Service Continuity / DR Plan in place ➤ Users allocated laptops, LTE dongles and SIM cards ➤ Sage ERP system hosted offsite ➤ IMS Skills system hosted offsite ➤ Office 365 (O365) hosted on the cloud ➤ Website hosted offsite ➤ Approved Business Continuity Plan in place

Outcomes	Key risks	Risk mitigations
		➤ Establishment and training of the OHS Committee to manage emergencies in the workplace
Outcome 1: Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations; Outcome 4: Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity; Outcome 5: Increase access to, and delivery of industry and occupationally directed priority programmes and work placements. Outcome 6: Enablement of the Fourth Industrial Revolution (4IR) Outcome 7: Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.	Failure by stakeholders to implement programmes in accordance with the Service Level Agreement stipulations	➤ Signed MICT SETA and Employers SLA's in place. ➤ No approval of any program without onsite vetting process by LPD Advisor. ➤ Effective programme management, monitoring and evaluation processes in place. ➤ Programme rollout plan submitted to LPD department prior to the implementation of programme. ➤ Policy and procedures in place to determine suitability of participating workplaces. ➤ Strong partnerships established between the SETA, MICT employers, TVET colleges and Universities. ➤ Entrepreneurship development strategy in place.
Outcome 2: Good corporate governance and a productive workforce.	Failure to eliminate fraud and corruption	➤ Annual Declaration of interest by all MICT SETA staff ➤ Declarations on every sitting where decisions are made ➤ Fraud Prevention Policy and Plan in place ➤ Whistle Blowing Policy in place ➤ Functional whistleblowing hotline, for reporting of allegations of fraud and corruption



TECHNICAL INDICATOR DESCRIPTORS (TIDs)

PROGRAMME 1: ADMINISTRATION

SUB-PROGRAMME 1.1: FINANCE

Indicator Title	Obtaining an unqualified AG 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 - Management report from the AGSA - Audited Annual Financial Statements
Method of Calculation/Assessment	Simple count; each audit opinion is counted once
Means of verification	- Audit report from the AGSA - AGSA management report
Assumptions	- Adequate and proficient Human Capital - Functional Financial Management System - Functional Learner Management System - Explicit processes and procedures - Approved Budget
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	Unqualified audit opinion.
Indicator Responsibility	Chief Financial Officer

SUB-PROGRAMME 1.2: MARKETING AND COMMUNICATIONS

Indicator Title	Number of career opportunities guide with labour market information distributed
Definition	Distribution 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 distributed is counted separately and once every year.
Means of verification	Proof of distribution: - Career Guide Acknowledgement of receipt or attendance lists
Assumptions	- Approved Budget
Calculation type	- Cumulative
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	Rural and urban
Reporting Cycle	Quarterly
Desired Performance	4000 career opportunities guides are distributed

Indicator Responsibility	Senior Manager: Corporate Services
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Indicator Title	Number of Career Development Events on occupations in high demand attended
Definition	Attendance of career events by the MICT SETA, driven by its sector, DHET and other government departments to communicate career opportunities within the MICT sector.
Source of data	– Career Opportunities Guide – Invitations
Method of Calculation/Assessment	– Simple Count; each career event is counted separately and once every year.
Means of verification	– Attendance Registers
Assumptions	– Availability of Career Opportunities Guide – Approved budget – HR capacity
Disaggregation of beneficiaries	N/A
Spatial transformation	Rural and urban
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	55 Career Events are attended
Indicator Responsibility	Senior Manager: Corporate Services

Indicator Title	Number of Career Development Practitioners trained
Definition	Training of Career Development Practitioners to capacitate learners to make informed choices about the MICT sectoral occupations and to showcase career opportunities within the MICT sector.
Source of data	– Career Opportunities Guide – Invitations – Training manual
Method of Calculation/Assessment	– Simple Count; each career development practitioner trained is counted separately and once every year.
Means of verification	– Attendance Registers – Programme of events – Training summary report
Disaggregation	– Black – Female

	– Youth
Spatial transformation	– Rural and urban
Assumptions	– Availability of Career Opportunities Guide – Availability of Career Development Practitioners – Approved budget – HR capacity
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	40 career development practitioners are trained.
Indicator Responsibility	Senior Manager: Corporate Services.

Indicator Title	Number of capacity building workshops on career development services hosted
Definition	Capacity building workshops on career development services initiated to provide orientation to career development and information on post-school education and training opportunities.
Source of data	– Career Opportunities Guide – Invitations
Method of Calculation/Assessment	– Simple Count; each career development workshop is counted separately and once every year.
Means of verification	– Attendance Registers – Workshop programmes
Assumptions	– Availability of Career Opportunities Guide – Approved budget – HR capacity
Disaggregation	N/A
Spatial transformation	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	two capacity building workshops hosted
Indicator Responsibility	Senior Manager: Corporate Services

SUB-PROGRAMME 1.3: HUMAN RESOURCES

Indicator Title	Percentage vacancy rate maintained
Definition	Maintain vacancy rate of below 15% to make sure that the SETA has adequate staff to implement its mandate.
Source of data	– Payroll report – HR administration files
Method of Calculation/Assessment	– Simple Count of total number of vacant positions, expressed as a percentage of total approved positions Where: $A = \text{total number of approved positions, minus}$ $B = \text{number of filled positions, divide by}$ $A = \text{total number of approved positions, multiplied by 100}$
Means of verification	Payroll report
Assumptions	– Explicit Retention Strategies, Policies and Processes – Approved Staffing Budget
Disaggregation (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	15% or less
Indicator Responsibility	Corporate Services Senior Manager

Indicator Title	Percentage implementation of approved training plan
Definition	This indicator measures the implementation of the training and development plan of the SETA in line with personal development plans and any other training identified as a need by the organisation. Training includes full qualifications, part qualifications, skills programmes, short courses, conferences, seminars / webinars, workshops, coaching and mentoring meant to upskills and reskill staff and all continuous development programmes.
Source of data	WSPs
Method of Calculation/Assessment	Count the number of training interventions, divided by the total number of training interventions planned, and express as a percentage. Where:

	– A = total number of training interventions implemented – B = total number of planned training interventions on the training plan – Multiplied by 100
Means of verification	– Annual training report – Finance training journal
Assumptions	– Approved budget – Approved training plan – Availability of people to attend training
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	70% implementation of training plan
Indicator Responsibility	Corporate Services Senior Manager

SUB-PROGRAMME 1.4: INFORMATION AND COMMUNICATION TECHNOLOGY

INDICATOR TITLE	Number of business processes digitized in line Business Process Automation Plan.
DEFINITION	The indicator measures the realisation of the MICT SETA goal of a digitised organisation to redress the legacy manual processes. The business processes are outlined in the Business Automation Plan.
SOURCE OF DATA	– Needs analysis report – Approved Business Automation Plan
METHOD OF CALCULATION/ASSESSMENT	Simple count of the number of business processes digitized
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
SPATIAL TRANSFORMATION	N/A
CALCULATION TYPE	Cumulative
REPORTING CYCLE	Quarterly
DESIRED PERFORMANCE	10 business processes digitized
INDICATOR RESPONSIBILITY	Chief Information Officer

SUB-PROGRAMME 1.5: MONITORING AND EVALUATION

Indicator Title	Number of Performance monitoring reports submitted.
Definition	The indicator measures the performance against APP targets in any financial year through the Quarterly Performance Report (QPR) submitted to DPME. It also measures the performance against the Service Level Agreement between DHET and MICT SETA through the Quarterly Monitoring Reports/SETMIS Report submitted to DHET.
Source of data	– Quarterly Performance Reports (QPR) – Quarterly Monitoring Report (QMR) or SETMIS Report – M&E performance information files
Method of Calculation/Assessment	Simple Count; counting the number of quarterly reports submitted
Means of verification	– Proof of submission of QPR – Proof of submission of QMR or SETMIS reports
Assumptions	– APP in place – Cooperation from other departments – Planned performance is reported timeously
Disaggregation of beneficiaries (where applicable)	– N/A
Spatial transformation (where applicable)	– N/A
Calculation Type	– Cumulative
Reporting Cycle	– Quarterly
Desired Performance	8 Performance monitoring reports submitted
Indicator Responsibility	Senior Manager: Monitoring and Evaluation

Indicator Title	Number of evaluation studies conducted.
Definition	Assessment of the relevance and impact of learning programmes funded by the SETA in line with DHET tracer studies and evaluation guidelines.
Source of data	– Survey Reports – QMRs – LPD administration files – ETQA Administration files

Method of Calculation/Assessment	Simple Count; each evaluation study is counted separately and once every year.
Means of verification	– Evaluation Study Report
Assumptions	– Service Level Agreement with research institution/s – Adequate and proficient Internal research capacity – Updated database of learners that completed learning programmes – Approved budget – Stakeholder cooperation – Learning Programmes Division cooperation – ETQA cooperation
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	One evaluation study report produced
Indicator Responsibility	Senior Manager Monitoring and Evaluation

SUB-PROGRAMME 1.6: GOVERNANCE

Indicator title	Number of approved governance charter reports submitted to DHET
Definition	The indicator measures the number of reports submitted in terms of the Governance charter. It measures compliance with the PFMA and National Treasury Regulations.
Source of data	– Board secretariat administration files – Audit action plan report – Risk management plan
Method of Calculation/Assessment	Simple count: count the number of governance charter reports submitted to DHET per annum
Means of verification	Approved governance charter reports submitted to DHET
Assumptions	• Approved governance charter • Human resources • Approved policies • Annual governance calendar • DHET compliance calendar
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative

Reporting Cycle	Quarterly
Desired performance	Four approved governance charter reports submitted to DHET
Indicator responsibility	Board secretary

SUB-PROGRAMME 1.7: INTERNAL AUDIT

DIMENSION	Description
Indicator title	Percentage implementation of internal audit plan
Definition	The extent to which the internal audit plan is being implemented.
Source of data	– Internal audit plan
Method of Calculation/Assessment	Count the number of actual audit interventions implemented during the year, divide by the total number of planned audit interventions, multiplies by 100. Where: A = number of actual audit interventions implemented, divide by B = total number of planned audit interventions Multiplied by 100
Means of verification	– Internal audit reports
Assumptions	– Approved internal audit plan – Collaboration of MICT SETA managers – HR capacity
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	100% of audit plan implemented
Indicator responsibility	Chief Executive Officer

SUB-PROGRAMME 1.8: RISK AND COMPLIANCE

Indicator title	Percentage implementation of the risk management plan
Definition	This indicator measures the implementation of the approved Risk Management plan in any financial year. It assessing the % of risk management activities implemented towards ensuring an improved risk management culture within the organisation.
Source of data	– Progress reports – Approved risk management governance reports – Updated risk registers
Method of Calculation/Assessment	A = total number of activities B = completed activities B divide by A multiplied by 100

Means of verification	– Approved risk management plan – Approved risk management governance policies – Approved fraud prevention governance policies – Approved whistle blowing policy – Attendance registers for risk management training interventions – Updated risk registers
Assumptions	– Approved risk management plan – Co-operation from management
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	100% implementation of the risk management plan
Indicator responsibility	Chief Executive Officer

PROGRAMME 2: SECTOR SKILLS PLANNING

INDICATOR TITLE	Percentage of WSP and ATR applications evaluated
DEFINITION	This indicator measures the evaluation of all WSPs and ATRs submissions received, to inform the Sector Skills Plan development on an annual basis.
SOURCE OF DATA	– Management Information System reflecting the number of WSPs and ATR received
METHOD OF CALCULATION/ASSESSMENT	– Simple Count; each firm that have submitted a WSP and an ATR is counted separately and once every year.
MEANS OF VERIFICATION	– WSPs and ATRs submission report, which reflects the number of WSPs and ATRs that have been received by MICT SETA
ASSUMPTIONS	– Functional and efficient Management Information System for submission purposes
Disaggregation of beneficiaries (where applicable)	– N/A
Spatial transformation (where applicable)	– N/A
CALCULATION TYPE	– Cumulative
REPORTING CYCLE	– Annually
Desired performance	100% evaluation of WSP/ATR
INDICATOR RESPONSIBILITY	Senior Manager: Sector Skills Planning

INDICATOR TITLE	Approved Sector Skills Plan submitted to DHET
DEFINITION	Labour market analyses conducted to identify key drivers of change in the MICT sector, identify skills priorities and develop a Sector Skills Plan that contain lists of occupational shortages (scarce skills) and skills gaps



	(critical/top-up skills) on an annual basis. SSP approved by Accounting Authority for submission to DHET.
SOURCE OF DATA	– WSPS and ATRs – Survey Reports – Stakeholder Engagement Reports – Research Reports
METHOD OF CALCULATION/ASSESSMENT	Simple Count; each approved SSP is counted separately and once every year.
MEANS OF VERIFICATION	– – Approved Sector Skills Plan – notification of approval by DHET – List of occupational shortages and skills gaps
ASSUMPTIONS	– Adequate and proficient Internal research capacity – Functional Management Information Systems – Approved Research Budget – Stakeholder Cooperation
CALCULATION TYPE	Non-Cumulative
REPORTING CYCLE	Annually
DESIRED PERFORMANCE	1 SSP Approved
INDICATOR RESPONSIBILITY	Senior Manager: Sector Skills Planning

PROGRAMME 3: LEARNING PROGRAMMES

Dimension	Description
Indicator Title	Number of unemployed learners entering learning programmes
Definition	Number of unemployed learners successfully registered to enter workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICTSETA discretionary grant policy.
Source of data	MICT SETA online MIS / Learning Programmes administration files
Method of Calculation/Assessment	Count the number of unemployed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, where there is verifiable evidence as listed in source/collection of data above
Means of verification	Learnerships- Learnership List; duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications. Internships- duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications. WIL (TVET placement) - duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution. WIL (University placement) - duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution. Skills programmes- skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification. Short Programmes: - Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Adult Education and Training (AET): AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme. Candidacy: Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment. Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or confirmation of registration from the education institution



Dimension	Description
Assumptions	Approved Discretionary Grant policy is in place
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of learners will be done in any of the 9 provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Entered: • TVET WIL 1600 • HE WIL 685 • Internships 1200 • Skills programmes 950 • Learnerships 3 250 • Candidacy 85 • Short programmes 950 • New bursaries 300 • Continuing bursaries 200 • AET 65 9 285 unemployed people entering learning programmes.
Indicator Responsibility	Senior manager: Learning programmes

Dimension	Description
Indicator Title	Number of unemployed learners completing learning programmes
Definition	Number of unemployed learners completing workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICTSETA discretionary grant policy.
Source of data	MICT SETA online MIS / Learning Programmes administration files
Method of Calculation/Assessment	Count the number of unemployed learners completing learning programmes captured on the MICT SETA online system or reflected in learner agreements and statements of results, where there is verifiable evidence as listed in source/collection of data above
Means of verification	Learnerships- Learnership List; duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; statement of results. Internships- duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; letter of completion from employer. WIL (TVET placement) - duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from. WIL (University placement) - duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from employer. Skills programmes- skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification, statement of results. Short Programmes: - Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification, statement of results. Adult Education and Training (AET): AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme, statement of results Candidacy: Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment. Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or

Dimension	Description
	confirmation of registration from the education institution, statement of results
Assumptions	Approved Discretionary Grant policy is in place
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of learners will be done in any of the 9 provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Completing • TVET WIL 560 • HE WIL 230 • Internships 600 • Skills programmes 470 • Learnerships 1 600 • Candidacy 50 • Short programmes 475 • Bursary completions 135 4 120 unemployed learners completing learning programmes
Indicator Responsibility	Senior manager: Learning programmes

Dimension	Description
Indicator Title	Number employed learners entering learning programmes
Definition	Number of employed learners successfully registered to enter workplace based Learning programmes (Skills programmes, AET and Bursary), as per MICT SETA grants policy
Source of data	MICT SETA online MIS /Learning Programmes administration files
Method of Calculation/Assessment	Count the number of employed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
Means of verification	Skills programmes- registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status. Adult Education and Training (AET): AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification.

Dimension	Description
	Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment.
Assumptions	Approved Discretionary Grant policy is in place
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of learners will be done in any of the 9 provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Entered • New bursaries 70 • Continuing bursaries 30 • Skills programmes 180 • AET/CET 65 345 employed Learners entered into learning programmes
Indicator Responsibility	Senior manager: Learning programmes

Dimension	Description
Indicator Title	Number employed learners completing learning programmes
Definition	Number of employed learners completing workplace based learning programmes (skills programmes, AET and bursaries), as per MICT SETA grants policy
Source of data	MICT SETA online MIS /Learning Programmes administration files
Method of Calculation/Assessment	Count the number of employed learners completing learning programmes, as captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
Means of verification	Skills programmes- registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status, statement of results. Adult Education and Training (AET): AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification, statement of results.

Dimension	Description
	Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment, statement of results.
Assumptions	Approved Discretionary Grant policy is in place
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of learners will be done in any of the 9 provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Completed • Skills programmes 140 • AET / CET 25 • Bursary completions 20 185 employed learners completed learning programmes
Indicator Responsibility	Senior manager: Learning programmes

Dimension	Description
Indicator Title	Number of employed learners entering Recognition of Prior Learning (RPL) programmes
Definition	Number of employed learners entering and completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
Source of data	MICT SETA online MIS /Learning Programmes administration files MICT SETA grant policy ETQA approved assessment report
Method of Calculation/Assessment	Count the number of employed learners entering RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
Means of verification	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation.
Assumptions	Approved Discretionary Grant policy is in place



Dimension	Description
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	100 learners are doing RPL programmes
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of employed learners completing Recognition of Prior Learning (RPL) programmes
Definition	Number of employed learners completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
Source of data	MICT SETA online MIS /Learning Programmes administration files MICT SETA grant policy ETQA approved assessment report
Method of Calculation/Assessment	Count the number of employed learners completing RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
Means of verification	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation and statement of results.
Assumptions	Approved Discretionary Grant policy is in place
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	42 employed learners completed RPL programmes
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of Rural skills development projects implemented.
Definition	Number rural skills development projects approved and implemented in rural areas as per SETA grant policy
Source of data	MICT SETA online MIS /Learning Programmes administration files Project implementation reports and data
Method of Calculation/Assessment	Simple Count of the number of approved projects implemented in Rural areas
Means of verification	Service Level Agreements or MOUs;
Assumptions	SETA Rural strategy is in place
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Rural areas across the nine provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	50 rural projects are implemented
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of Small Enterprises (SEs) supported through skills development interventions
Definition	Number of Small Enterprises (SEs) supported through skills development interventions on an annual basis
Source of data	Learning Programmes administration files
Method of Calculation/Assessment	Count the number of SEs supported financially in implementing pivotal and non-pivotal learning programmes
Means of verification	A duly signed Service Level Agreement (SLA) entered into between the SE and MICT SETA; Program rollout plan, Learner agreements, certified ID, certified highest qualification; learner list
Assumptions	SEs are operating within the MICT sector and there are guiding principles as per strategic projects and partnerships policy in place



Dimension	Description
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Recruitment of SEs will be done in all MICTSETA regions
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	200 SEs are supported
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of Co-operatives supported through the subsidising of skills development interventions for their members
Definition	Number of Co-ops within MICT SETA sub-sectors that are assisted through the roll-out of PIVOTAL and/or Non-PIVOTAL training interventions for their members.
Source of data	Learning Programmes administration files, learner IDs and learner induction attendance registers; learner IDs; highest qualification; MICT agreement; fixed term contract; learner lists
Method of Calculation/Assessment	Count the number of Co-operatives supported with verifiable evidence as listed in source/collection of data above
Means of verification	A duly signed SLA entered into between the Co-op and MICT SETA;,, Program rollout plan; learner IDs and learner induction attendance registers
Assumptions	Guiding principles as per DG Policy in place; Co-operatives are operating within MICT SETA sub-sectors.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Recruitment of Co-operatives' learners will be done in all provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	150 Co-operatives' learners are supported
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of people trained on entrepreneurship programmes
Definition	Measures the number of people trained on entrepreneurship programmes
Source of data	Learning Programmes administration files; Learner ID numbers
Method of Calculation/Assessment	Count the number of people trained on entrepreneurship programmes where there is verifiable evidence as listed in source/collection of data above
Means of verification	Strategic projects policy guidelines are in place Discretionary grant policy in place
Assumptions	People to be trained on entrepreneurship and supported to start their businesses will enter and complete the programme within the set time frames
Disaggregation of beneficiaries (where applicable)	• Target for Women: 54% • Target for Youth: 80% • Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of people to be trained on entrepreneurship programmes will be done in any of the 9 provinces
Calculation type	Non-cumulative
Reporting Cycle	Annually
Desired performance	150 people trained on entrepreneurship
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of skills development intervention support for members/employees of NGOs/NPOs/CBO
Definition	Number of NGOs/NPOs/CBOs assisted through skills development interventions (short courses, skills programmes, PIVOTAL programmes, bursaries.
Source of data	Learning Programme administration files Signed MoUs with NGOs/NPOs/CPOs Signed SLAs / MOUs
Method of Calculation/Assessment	Count the number of NGOs/NPOs/CBOs supported through skills development interventions as reported, where there is verifiable evidence as listed in source/collection of data above
Means of verification	A duly signed SLA / contract entered into between the NGO/NPO/CBO and MICT SETA; Certified ID, Program rollout plan and learner list; learner agreements, fixed term contracts

Dimension	Description
Assumptions	Guiding principles as per the Discretionary Grant Policy in place; NGOs/NPOs/CBOs are operating within MICT SETA sub-sectors.
Disaggregation of beneficiaries (where applicable)	- Target for Women: 54% - Target for Youth: 80% - Target for People with Disabilities: 4%
Spatial transformation (where applicable)	Recruitment of entities will be done in all MICT SETA Regions
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	150 NGOs/NPOs/CBOs are supported
Indicator Responsibility	Senior Manager: Learning programmes

Dimension	Description
Indicator Title	Number of worker-initiated skills development (federations/trade unions) interventions supported
Definition	Number of federations/trade members (of unions operating within MICT SETA sub-sectors) that complete skills development interventions
Source of data	Learning Programmes administration files Learner ID numbers Learner induction attendance registers
Method of Calculation/Assessment	Count the number of Federations/Trade Union members that attended skills development interventions, with verifiable evidence as listed in source/collection of data above
Means of verification	A duly signed agreement / SLA entered into between the federations/trade unions and MICT SETA; confirmation of employment letter, duly signed MICT agreement; Certificate of completion of programme by union members; Programme rollout plan and learner list.
Assumptions	Guiding principles as per the Discretionary Grants in place; Federations/Trade Unions are operating within MICT SETA sub-sectors.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Recruitment of Federations/Trade Unions will be done across all nine provinces
Calculation type	Cumulative
Reporting Cycle	Quarterly
desired performance	200 worker-initiated skills development interventions supported
Indicator Responsibility	Senior Manager: Learning programmes

Indicator Title	Number of Centres of Specialization supported on an annual basis.
Definition	Recognize existing and establish centres of specialization in partnership with industry to afford learners from these recognised centres the appropriate workplace experience in innovation and enterprise development, 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	- Signed MOU between MICT SETA and Centre of Specialisation -
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 -
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	12 Centres of Specialization are supported
Indicator Responsibility	Senior Manager: Learning programmes

Indicator Title	Number of TVET Lecturers exposed to the industry through skills development programmes.
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
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	- Duly signed TVET Lecturer Agreement, certified ID copies, certified highest qualification, learner list, program rollout plan and confirmation of employment letter - Monthly reports and closeout report; statements of results or certificate of completion
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
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	75 TVET Lecturers exposed to the industry through skills development programmes
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	- Duly signed TVET Lecturer bursary agreement, certified ID Copies, certified highest qualification, learner list, fee statement and proof of registration / acceptance letter. - Learner year end results
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 –
Calculation type	Cumulative
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	65 TVET lecturers are awarded bursaries
Indicator Responsibility	Senior Manager: Learning programmes

Indicator Title	Number of CET colleges Lecturers exposed to skills development programmes
	Expose CET colleges lecturers to skills development programmes
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	- Duly signed MICT SETA CET agreement, certified ID copies, certified highest qualification, Learner list, confirmation of employment letter, proof of registration / acceptance letter - Learner year end results
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 –
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	75 CET colleges Lecturers
Indicator Responsibility	Senior Manager: Learning programmes

Indicator Title	Number of partnerships with TVET colleges established
Definition	This is the number of partnership projects established with TVET colleges, as per the SETA grant policy
Source of data	– MICT SETA online MIS / Learner programmes administration files
Method of Calculation/Assessment	Count the number of approved partnership projects with TVET colleges
Means of verification	- Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and TVET colleges
Assumptions	– SETA partnership strategy in place
Disaggregation of beneficiaries	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	80 partnership projects established
Indicator Responsibility	Senior Manager Learning Programmes

Indicator Title	Number of CET partnerships established
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	- Approved MICT SETA and CETS MOUs
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
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	12 CET partnerships are established
Indicator Responsibility	Senior Manager: Learning Programmes

Indicator Title	Number of partnerships established with Universities
Definition	This is the number of partnership projects established with universities, as per the SETA grant policy
Source of data	- MICT SETA online MIS / Learner programmes administration files
Method of Calculation/Assessment	Count the number of approved partnership projects with universities
Means of verification	- Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and universities
Assumptions	- SETA partnership strategy in place
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	25 partnership projects with universities are established
Indicator Responsibility	Senior Manager Learning Programmes

SUB-PROGRAMME 3.2: 4IR

Indicator Title	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
Definition	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
Source of data	4IR administration files. Partnerships agreements / MOUs
Method of Calculation	Simple Count
Means of verification	Signed MOUs with deliverables
Assumptions	SETA partnership guidelines in place
Disaggregation of beneficiaries	Not applicable
spatial transformation	N/A
calculation type	Cumulative
Reporting Cycle	Quarterly
desired performance	35 4IR partnerships established
Indicator Responsibility	Senior Manager: 4IR

Indicator Title	Number of students funded under established 4IR Research Chairs
Definition	To form partnerships and research collaborations with Public HET institutions to conduct research on 4IR related themes in relation to the MICT SETA sub-sectors.
Source of data	4IR Administration files SLAs signed with universities Student lists
Method of Calculation/Assessment	Simple Count, each student funded under the Research Chairs is counted once
Means of verification	- Signed SLAs with public Universities
Assumptions	Discretionary grant policy in place
Disaggregation of beneficiaries	Not applicable
spatial transformation	Not applicable
calculation type	Cumulative
Reporting Cycle	Quarterly
desired performance	90 students funded
Indicator Responsibility	Senior Manager: 4IR



Indicator Title	Number of 4IR occupational qualifications developed.
Definition	Number of 4IR occupational qualifications developed in the current financial year.
Source of data	– Administration files – Proof of submission of qualifications to the QCTO for registration
Method of Calculation/Assessment	Count the number of 4IR occupational qualifications that have been submitted to the QCTO
Means of verification	List of submitted qualifications submitted to the QCTO
Assumptions	4IR Integrated Digital Skills Strategy in place
Disaggregation of beneficiaries	Not applicable
spatial transformation (where applicable)	N/A
calculation type	Cumulative
Reporting Cycle	Quarterly
desired performance	15 4IR Occupational qualifications developed
Indicator Responsibility	Senior Manager: 4IR

DIMENSION	Description
Indicator Title	Number of learning laboratories supported in collaboration with industry partners
Definition	The learning laboratories initiated or supported in collaboration with industry partners aligned to emerging technologies
Source of data	Administration files and MoAs
Method of Calculation/Assessment	Count the number of labs/ learning factories established with ICT infrastructure
Means of verification	List of labs/ learning factories established and ICT infrastructure supported
Assumptions	4IR Integrated Digital Skills Strategy in place
Disaggregation of beneficiaries	Not applicable
Spatial transformation	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly

DIMENSION	Description
Desired performance	10 learning laboratories supported
Indicator Responsibility	Senior Manager: 4IR

DIMENSION	Description
Indicator Title	Number of skills competitions supported in partnership with stakeholders
Definition	Skills competitions, in partnership with stakeholders, supported financially to create and prepare a pool of learners that can compete in the World Skills competitions
Source of data	Administration files Invitations to skills competitions SLAs / MoUs with stakeholders
Method of Calculation/Assessment	Simple count: One skills competitions will be counted once.
Means of verification	List of competitions supported financially. Reports of competitions supported.
Assumptions	4IR Integrated Digital Skills Strategy in place Approved budget. Approved DG policy.
Disaggregation of beneficiaries (where applicable)	Not applicable
spatial transformation (where applicable)	N/A
calculation type	Cumulative
Reporting Cycle	Quarterly
desired performance	15 skills competitions
Indicator Responsibility	Senior Manager: 4IR

PROGRAMME 4: EDUCATION, TRAINING AND QUALITY ASSURANCE

Dimension	Description
Indicator title	Number of exit verifications conducted
Definition	Ensure that the process of exit verification is conducted for funded and unfunded MICT SETA historical programmes for learner achievement.
Source of data	– Exit verification Plan – ETQA administration files
Method of Calculation/Assessment	Simple count of the number of exit verifications conducted
Means of verification	– Approved exit verification reports
Assumptions	– An approved budget – Explicit QCTO policies, processes and procedures – Sufficient capacity to conduct the exit verifications – Commitment schedule
Disaggregation of beneficiaries (where applicable)	– N/A
Calculation Type	Cumulative
Reporting Cycle	Annual
Desired performance	400 exit verifications conducted
Indicator responsibility	Senior Manager: Education, Training and Quality Assurance

Dimension	Description
Indicator title	Number of training providers accredited
Definition	Total number of accredited training providers against historical and occupational qualifications.
Source of data	– Accreditation reports – Monthly EXCO reports – Quarterly Management Reports
Method of Calculation/Assessment	Simple count
Means of verification	– List of recommended providers – Accreditation reports –
Assumptions	– Approved budget – Occupational qualifications are registered to allow for accreditation of providers – There is sufficient interest in obtaining accreditation against occupational qualifications – Explicit QCTO policies, processes and procedures – Sufficient capacity
Disaggregation of beneficiaries (where applicable)	– Not applicable
Calculation Type	Cumulative

Reporting Cycle	Annually
Desired performance	300 providers accredited
Indicator responsibility	Senior Manager: Education, Training and Quality Assurance

Dimension	Description
Indicator Title	Number of qualified Subject Matter Experts Registered
Definition	Ensure that there are MICT SETA registered Assessors to conduct assessment on historical qualifications and QCTO approved Subject Matter Experts to conduct assessment on occupational programmes.
Source of data	– Accreditation reports
Method of Calculation/Assessment	– Each SME is counted separately and according to the programme(s) they are qualified to assess on.
Means of verification	– Approved registration letters
Assumptions	– Approved Budget – Explicit Policies, processes and procedures – Sufficient applications.
Calculation type	Cumulative
Reporting Cycle	Quarterly
Disaggregation of beneficiaries (where applicable)	Women: 35% Youth: 25% Disability: 4%
Spatial transformation (where applicable)	N/A
Desired Performance	150 qualified registered subject matter experts
Indicator Responsibility	Senior Manager: Education and Training Quality Assurance

Dimension	Description
Indicator Title	Number of qualified constituent registered moderators, moderating quality of programmes
Definition	Ensure that there are qualified registered moderators (including in TVETs and CETs) moderating on MICT SETA historical qualifications
Source of data	– Monthly Reports – QMRs
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
Disaggregation	Women: 35% Youth: 25% Disability: 7%
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	150 Registered Moderators
Indicator Responsibility	Senior Manager: Education and Training Quality Assurance

Dimension	Description
Indicator Title	Number of realigned MICT SETA qualifications submitted to the QCTO
Definition	Realignment of MICT SETA historical qualifications into occupational qualifications and development of new occupational qualifications in high demand.
Source of data	– Process reports per realignment phase – Monthly Reports
Method of Calculation/Assessment	– Each qualification is recorded separately and counted once.
Means of verification	– Proof of submissions of qualifications to the QCTO prior to verification – Acknowledgement letter from QCTO
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
Desired Performance	12 Qualifications Developed
Indicator Responsibility	Senior Manager: Education and Training Quality Assurance

Dimension	Description
Indicator Title	Number of registered assessment Centres for External Integrated Summative Assessment (EISA)
Definition	Ensure that there are registered EISA Centres to conduct the External Integrated Summative Assessment for learner achievement on Occupational Programmes.
Source of data	– Recommendation reports – ETQA Administration file
Method of Calculation/Assessment	– Simple count of the number of assessment centres recommended for registration



Means of verification	– MICT SETA list of recommended assessment centres – QCTO list of approved assessment centres.
Assumptions	– Approved Budget – Explicit Policies, processes and procedures – Adequate and proficient Human Capital to qualifications development activities – Sufficient applications
Calculation type	Cumulative
Disaggregation	N/A
Reporting Cycle	Quarterly
Desired Performance	13 registered EISAs
Indicator Responsibility	Senior Manager: Education, Training and Quality Assurance

ANNEXURE B: CONSOLIDATED OUTPUT INDICATORS

OUTPUT INDICATOR	DETAILED OUTPUT INDICATOR	REPORTING PERIOD	TARGET REPORTING TYPE	ANNUAL TARGET 2023/24	QUARTERLY TARGETS			
					1	2	3	4
Number of unemployed learners entering learning programmes	Number of TVET students that require Work Integrated Learning to complete their qualifications, being placed in workplaces	Quarterly	Cumulative	1600	500	500	300	300
	Number of university students requiring work-integrated learning to complete their qualifications placed in workplaces	Quarterly	Cumulative	685	200	220	140	125
	Number of unemployed learners enrolled in internships	Quarterly	Cumulative	1200	300	400	250	250
	Number of unemployed learners enrolled in skills programmes	Quarterly	Cumulative	950	237	237	237	239
	Number of unemployed CET learners accessing AET programmes	Quarterly	Cumulative	65	20	20	25	0
	Number of unemployed learners enrolled in learnership programmes	Quarterly	Cumulative	3250	800	816	816	818
	Number of unemployed learners enrolled for candidacy programmes	Quarterly	Cumulative	85	20	20	20	25
	Number of unemployed learners enrolled for short programmes	Quarterly	Cumulative	950	150	200	300	300
	Number of unemployed learners granted Bursaries (new enrolments)	Quarterly	Cumulative	300	50	50	100	100
	Number of unemployed learners granted Bursaries (continuing)	Quarterly	Cumulative	200	25	25	75	75
Number of unemployed learners completing learning programmes	Number of TVET students that completed their work integrated learning placements	Quarterly	Cumulative	560	0	75	242	243
	Number of university students completed their Work Integrated Learning placements	Quarterly	Cumulative	230	0	76	76	78
	Number of unemployed learners completed internships	Quarterly	Cumulative	600	0	200	200	200
	Number of unemployed learners completed skills programmes	Quarterly	Cumulative	470	158	0	156	156
	Number of unemployed learners completed learnership programmes	Quarterly	Cumulative	1600	0	250	675	675

OUTPUT INDICATOR	DETAILED OUTPUT INDICATOR	REPORTING PERIOD	TARGET REPORTING TYPE	ANNUAL TARGET 2023/24	QUARTERLY TARGETS			
					1	2	3	4
	Number of unemployed learners completed candidacy programmes	Quarterly	Cumulative	50	0	0	15	35
	Number of unemployed learners completed short programmes	Quarterly	Cumulative	475	0	75	200	200
	Number of unemployed bursars who completed their studies	Quarterly	Cumulative	135	0	0	35	100
Number of employed learners entering learning programmes	Number of workers enrolled for bursary programmes (new entries)	Quarterly	Cumulative	70	15	17	17	21
	Number of workers enrolled for bursary programmes (continuing)	Quarterly	Cumulative	30	0	0	15	15
	Number of workers enrolled for skills programmes	Quarterly	Cumulative	180	50	36	36	58
	Number of workers enrolled for AET/CET programmes	Quarterly	Cumulative	65	10	10	22	23
Number of employed learners completing learning programmes	Number of workers completed bursary programmes	Quarterly	Cumulative	20	0	0	10	10
	Number of workers completed skills programmes	Quarterly	Cumulative	140	0	40	50	50
	Number of workers completed AET/ CET programmes	Quarterly	Cumulative	20	10	0	0	10

Annexure C: MATERIALITY & SIGNIFICANCE FRAMEWORK 2023/24

Process:	Materiality & Significance Framework
Policy Number:	FRAM FIN MAT v1p9 271022
Effective Date:	01 April 2023
Version:	1.9

Recommended to FinRemCo by:	Matome Madibana
Designation:	Chief Executive Officer
Signature:	
Recommended to The Board by:	Tebogo Mamorobela
Designation:	Chairperson: Finance and Remuneration Committee
Signature:	
Approved by:	Simphiwe Thobela
Designation:	Chairperson of the Board
Signature:	
Approval Date:	

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.

QUANTITATIVE ASPECTS

MATERIALITY LEVEL

The level of materiality (for reporting to the Executive Authority) is assessed as R4 870 910 (**Note 1**) (2021/22 R4 666 927), 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 2021/22 financial year.

$$[R974\ 182\ 000\ (\text{levies})] \times 0.5\% = R4\ 870\ 910$$

Materiality can be based on several 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:

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.

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.

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.

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:

New ventures that the SETA has entered into;

- 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.
- Transactions entered into that could result in reputational risk to the SETA.
- Any fraudulent or dishonest behaviour of an officer or staff of the SETA.
- Any infringement of MICT SETA's agreed QMS performance levels; and
- Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).

MICT SETA INTERNAL MATERIALITY LEVEL

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 435 455 (**Note 1**) (2021/22: R2 333 464), 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 2021/22

$[R974\ 182\ 000 \text{ (levies)}] \times 0.25\% = R2\ 435\ 455$

Qualitative Aspects

Qualitative materiality will be the same whether reporting internally (to the Accounting Authority) and externally (to the Executive Authority). Section 54 (2)	Information to be submitted by accounting authorities (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: (a) establishment or participation in the establishment of a company; (b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement (c) acquisition or disposal of a significant shareholding in a company (d) acquisition or disposal of a significant asset (e) commencement or cessation of a significant business activity; and	Specific level of significance defined per subsection: Any transaction to establish a company. Where participation exceeds 20% of voting rights. Any transaction to acquire or dispose of shareholding in a company. The cost of the asset acquired or disposed exceeds 15% of the total cost of assets. Any transaction where the income from or the investment in the business activity exceeds the amount determined in section 2.1.
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	(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).

ANNEXURE D: DISTRICT DEVELOPMENT MODEL FOR STRATEGIC PLAN

Five-year planning period						
Areas of intervention	Project description	Budget allocation	District municipality	Location: GPS coordinates	Project leader	Social partners
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	Rustenburg	25°40'03" S Longitude: 27°14'31"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	City of Johannesburg and Sedibeng District Municipality	26° 12' 14.7708" S and 28° 2' 50.298" E.	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners	5 352,000.00* 5years =26 760 000	Capricorn	24.64062 28.09770 - 22.44677 30.36622	MICT SETA and TVET College	Employers, SMME, professional bodies

	Internships-20 Learners					
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	Nkangala	25.75,29.41667	T= MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	uMgungundlovu	29.6034437988, 30.3795719707	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	Mangaung	29° 5' 6.77" S 26° 9' 34.474"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners	5 352,000.00* 5years =26 760 000	Buffalo	33° 00' 55.04" S	MICT SETA and TVET College	Employers, SMME, professional bodies

	Skills Programme-40 Learners					
	Internships-20 Learners					
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners					
	Skills Programme-40 Learners	5 352,000.00* 5years =26 760 000	Saldanha Bay	33.0083 S, 17.9394 E	MICT SETA and TVET College	Employers, SMME, professional bodies
	Internships-20 Learners					
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners					
	Skills Programme-40 Learners	5 352,000.00* 5years =26 760 000	Springbok	9.6643: 17.8865	MICT SETA and TVET College	Employers, SMME, professional bodies
	Internships-20 Learners					

DISTRICT DEVELOPMENT MODEL FOR APP

Five-year planning period						
Areas of intervention	Project description	Budget allocation	District municipality	Location: GPS coordinates	Project leader	Social partners
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	Rustenburg	25°40'03" S Longitude: 27°14'31"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship		5 352,000.00* 5years =26 760 000	City of Johannesburg and Sedibeng District Municipality	26° 12' 14.7708" S and 28° 2' 50.298" E.	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners LEARNERSHIP-40 Learners Skills Programme-40 Learners	5 352,000.00* 5years =26 760 000	Capricorn	24.64062 28.09770 - 22.44677 30.36622	MICT SETA and TVET College	Employers, SMME, professional bodies

	Internships-20 Learners = 100 Learners*5Years =500					
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	Nkangala	25.75,29.41667	T= MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	uMgungundlovu	29.6034437988, 30.3795719707	MICT SETA and TVET College	Employers, SMME, professional bodies

Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	Mangaung	29° 5' 6.77" S 26° 9' 34.474"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	Buffalo	33° 00' 55.04" S	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 5years =26 760 000	Saldanha Bay	33.0083 S, 17.9394 E	MICT SETA and TVET College	Employers, SMME, professional bodies

	= 100 Learners*5Years =500					
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners Skills Programme-40 Learners Internships-20 Learners = 100 Learners*5Years =500	5 352,000.00* 5years =26 760 000	Springbok	9.6643: 17.8865	MICT SETA and TVET College	Employers, SMME, professional bodies

Medium Term (3 years - MTEF)						
Areas of intervention	Project description	Budget allocation	District municipality	Location: GPS coordinates	Project leader	Social partners
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners	5 352,000.00* 3 years =16 056 000	Rustenburg	25°40'03" S Longitude: 27°14'31"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners	5 352,000.00* 3 years =16 056 000	City of Johannesburg and Sedibeng District Municipality	26° 12' 14.7708" S and 28° 2' 50.298" E.	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners	5 352,000.00* 3 years =16 056 000	Capricorn	24.64062 28.09770 - 22.44677 30.36622	MICT SETA and TVET College	Employers, SMME, professional bodies

	Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners					
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners	5 352,000.00* 3 years =16 056 000	Nkangala	25.75,29.41667	T= MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners	5 352,000.00* 3 years =16 056 000	uMgungundlovu	29.6034437988, 30.3795719707	MICT SETA and TVET College	Employers, SMME, professional bodies

	100 Learners * 3 years =300Learners					
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners Skills Programme- 40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners	5 352,000.00* 3 years =16 056 000	Mangaung	29° 5' 6.77" S 26° 9' 34.474"	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners Skills Programme- 40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners	5 352,000.00* 3 years =16 056 000	Buffalo	33° 00' 55.04" S	MICT SETA and TVET College	Employers, SMME, professional bodies
Learnership Skills Programme Internship	LEARNERSHIP- 40 Learners	5 352,000.00* 3 years =16 056 000	Saldanha Bay	33.0083 S, 17.9394 E	MICT SETA and TVET College	Employers, SMME, professional bodies

	Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300Learners					
Learnership Skills Programme Internship	LEARNERSHIP-40 Learners Skills Programme-40 Learners Internships-20 Learners 100 Learners * 3 years =300 Learners	5 352,000.00* 3 years =16 056 000	Springbok	9.6643: 17.8865	MICT SETA and TVET College	Employers, SMME, professional bodies