

# FP&M SETA ANNUAL PERFORMANCE PLAN

For the MTEF Period  
2018/19 – 2020/21

Financial Reporting Year: 2018 - 2019



**NAME OF PROVINCE: GAUTENG**  
**DATE OF TABLING: 28 FEBRUARY 2018**

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## ACKNOWLEDGEMENT

We would like to thank the CEO of the Fibre Processing and Manufacturing (FP&M) SETA, Ms Felleng Yende, for her dedicated assistance in compiling this document.

It is acknowledged that this strategic document is informed and underpinned by the new Business Model, which was developed by Ms Yende and adopted by the FP&M SETA Board with a vision to turn around performance of the FP&M SETA. The FP&M SETA is currently reaping the rewards of the vision of Ms Yende in the operational implementation of this new Business Model.

## FOREWORD

The Fibre Processing and Manufacturing Sector Education and Training Authority (FP&M SETA) Board takes pleasure in submitting to the Department of Higher Education and Training (DHET) the Annual Performance Plan for the FP&M SETA for the financial year 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.

The National Treasury Framework for Strategic Plans and Annual Performance Plans (August 2010) has been used as the basis for the preparation of this APP. It is submitted in accordance with the requirements of the DHET, the PFMA, National Treasury regulations and the FP&M SETA Constitution. In line with these requirements, FP&M SETA has developed a Materiality Framework. In preparing this APP, we have taken into account the funding regulations, which govern the SETA's levy-grant system. The changes outlined in the new regulations have been incorporated into our budgeting and training interventions.

This Annual Performance Plan was guided by the Strategic Plan, which is informed by the Sector Skills Plan, which also reflects the Government's long-term plans, the MTSF. The Accounting Authority takes overall responsibility for developing the performance targets for the present budget year of the FP&M SETA.

At the beginning of the Annual Performance Plan, the Accounting Authority sets out clear priorities that have guided the development of this plan. The Accounting Authority is responsible for ensuring that these priorities are in line with the Strategic Plan.

The Accounting Authority uses this opportunity to endorse the Annual Performance Plan and is committed to supporting its implementation.



**Mr Siphon Ngidi**

Chairman: FP&M SETA Board

## OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the Management of the Fibre Processing and Manufacturing Sector Education and Training Authority (FP&M SETA) under the guidance of the Department of Higher Education and Training (DHET);
- Was prepared in line with the current Strategic Plan of the FP&M SETA;
- Accurately reflects the performance targets, which the FP&M SETA will endeavour to achieve, given the resources made available in the budget for 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019.



**Mr Richard Marule**  
Chief Financial Officer



**Ms Felleng Yende**  
Chief Executive Officer



Approved by:  
**Mr Siphon Ngidi**  
Chairperson: FP&M SETA Board

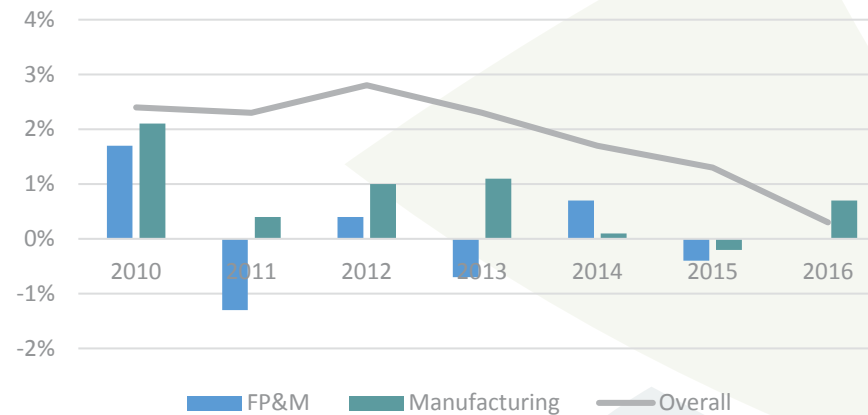
## PART A: STRATEGIC OVERVIEW

### 1. UPDATED SITUATIONAL ANALYSIS

#### 1.1 Economic Outlook

The FP&M sector forms part of South Africa's manufacturing mix and is experiencing a similar growth trajectory – slightly less growth than that achieved in the economy as a whole. The South African economy moved into recession with the reported decrease of 0,7% in GDP during the first quarter of 2017, following a 0,3% contraction in the fourth quarter of 2016. It is the first recession since 2009 as both trade and manufacturing recorded negative growth rates. Similarly, the FP&M sector has experienced decline. **Figure 1** shows that over a five-year period beginning 2010, the sector has not grown beyond 2% year on year.

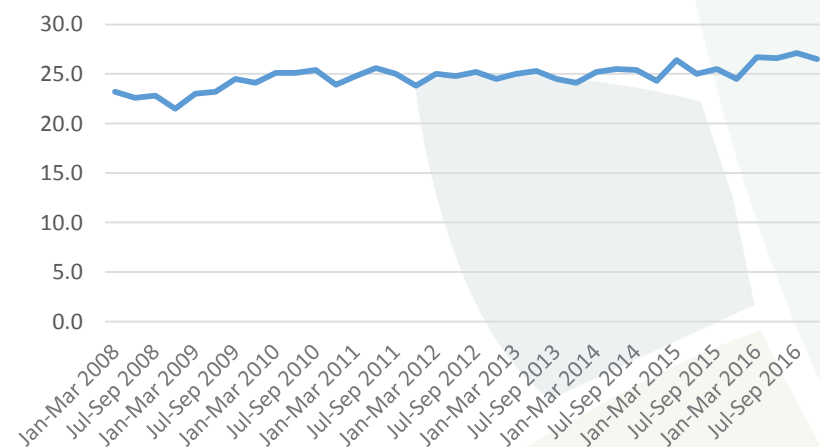
**Figure 1: Year on Year Economic Growth**



Since 2010 average growth has continued on a downward trajectory across the economy; despite some recovery in manufacturing. In the first quarter of 2017, both the secondary and tertiary sectors recorded negative growth rates. The trade and manufacturing industries were the major heavyweights that stifled production, with trade falling by 5,9% and manufacturing by 3,7%.

Output in the FP&M sector has tended to follow that in the wider manufacturing sector and the economy as a whole. In the first quarter of 2017 South Africa fell into economic recession after two successive quarters of no growth. In 2016, output in the FP&M sector comprised 13,7% of total manufacturing output. The FP&M sector's contribution to total output in the economy has remained relatively stable over the past five years, at an average of 3,6% year on year. Exports followed a similar trajectory, declining substantially between 2004 and 2014. Since 2010, there has been some recovery in wood and wood products, leather and leather products, footwear and wearing apparel exports in recent years. The only sub-sector that had a significant "up-turn" in exports since 2012, is paper and paper products. This is also by far the largest contributor to exports in the sector, valued at R17 billion in 2015.

The unemployment rate was 27.7% in the first quarter, up 1.2 percentage points from the fourth quarter of 2016. The economy added 144,000 jobs during the first quarter but this was offset by the number of job-seekers surging by 433,000 people. Despite the increase in unemployment, employment in the manufacturing sector grew by 62,000 jobs.



The following structural weaknesses of the South African Labour Market was identified by the IMF, which has implications for the FP&M Sector.

- Poor educational outcomes
- Lack of connectivity between job seekers and employers looking for jobs
- Importance of gaining first job
- Adversarial labour relations
- Minimum wage debate
- Criticism of concentration of power in business, organised labour and SOEs
- Insufficient small business and entrepreneurship
- Too much regulation

## 1.2 Service Delivery Environment

Since inception in 2011, the FP&M SETA has experienced exceptional growth as an organisation and has managed to cement its reputation in the FP&M sector as a credible partner in skills development. At a national level, FP&M SETA demonstrated support to the National Skills Development Strategy III through the alignment of its sector skills priorities with national priorities. Year-on-year there has been marked improvement in the overall quality and alignment of FP&M SETA's Strategic Plan, Annual Performance Plan and Sector Skills Plan. Feedback reports received from DHET and AGSA positively demonstrates our strict adherence to SMART principles as outlined in the National Treasury Regulations.

These strategic documents are fully aligned to the core mandate and strategic objectives of the National Skills Development Strategy (NSDS), the 2030 vision of the National Development Plan (NDP), the key priorities of the Medium Term Strategic Framework of Government (MTSF), the Medium Term Expenditure Framework of Government (MTEF), the Human Resource Development Strategy of South Africa (HRDSSA) and the Industrial Policy Action Plan (IPAP). Our strategy progressively demonstrates that we are closing the gaps that need to be addressed relating to areas such as the increased focus on research, monitoring and impact assessment of SETA interventions, the employability pipeline and the effective use of the Skills Development Levy (SDL), as outlined in the White Paper on Post-School Education and Training.

It is our mandate to ensure that we build a robust and fully integrated post-school education and training system for the FP&M sector that reflects innovation that is informed by research, and that encourages continued upward growth for all of our industrial sub-sectors.

As funding and implementation partner, the FP&M SETA has played a catalytic role, co-ordinating efforts of various skills development role players, to bring to fruition the vision of our industry leaders. FP&M SETA partners included media conglomerates, higher education institutions, TVET colleges, community organisations and churches, employer and labour organisations, youth development agencies, employers, private training providers, and government departments.

The FP&M SETA's performance increased in 2016/17 to 89.5%, from the 89% reported in 2015/16, having met 34 out of a total of 38 programme performance indicators and targets, as contained in its Service Level Agreement with the Department of Higher Education and Training.

This increase in performance and service delivery can largely be attributed to the implementation of the business model and organogram that was conceptualised and developed by the CEO, Ms Felleng Yende, in consultation with the FP&M SETA Board. The business model called for a high performance culture and a customer-centric approach to the FP&M Sector. The SETA's Strategic Plan is fully aligned to the White Paper for Post-School Education and Training to ensure the effective and efficient delivery of integrated Post-School Training.

During the 2016/17 financial year, the FP&M SETA registered approximately 13,422 employed and unemployed learners on learning programmes including learnerships, bursary programmes, internships, skills programmes, apprenticeship programmes and adult education and training programmes. During the same period, approximately 6,757 learners completed learning programmes relating to scarce and critical skills in the fibre processing and manufacturing sector.

The continuous improvement in performance by the FP&M SETA can be attributed to more efficient processes implemented at regional office level as well as the cultivation of good relationships with our stakeholders. This resulted in an increased awareness of stakeholders as to the important role that they play in ensuring the timely registration of learners on learning programmes, the effective implementation of learning programmes at workplaces and training institutions, and the submission of the required documentation to facilitate payment processes.

The earlier allocation of discretionary grants to beneficiaries during 2016/17 in line with the processes set out in the business model as conceptualised by the CEO, Ms Felleng Yende, also contributed to more effective learning programme implementation and more effective reporting.

Increased monitoring and evaluation of projects enabled the SETA staff to identify pockets of excellence and high performing project beneficiaries. It also enabled the SETA to identify projects that needed additional assistance from the SETA team to ensure that they remained on track in order to perform in line with agreed deliverables.

Sector skills planning remained an important part of the FP&M SETA's activities. The Sector Skills Plan continues to receive excellent reviews from the Department of Higher Education and Training. It provides a sound analysis of industrial sectors and articulated sector strategies that addresses current and future scarce and critical skills and occupations in demand within the sector. Since establishment in 2011, there has been an increase in the overall number of mandatory grant submissions received. This is indicative of our efforts to broaden participation in



skills development in the sector and promoting sector development and sustainability. In 2016/17 1,396 skills levy-paying companies submitted mandatory grant submissions, as compared to 1,291 in the previous financial year.

During the strategic planning session it emerged that there is a need to focus skills development interventions on “workplaces of the future” and not only on current needs. There was a view that skills development must not only lead to employment BUT employment that results in a decent living.

The FP&M SETA established a first of its kind Research Chair Partnership in the Political Economy of Skills with the University of Witwatersrand (WITS REAL) to give effect to its Research Agenda. As a result, the FP&M SETA undertook research which included a tracking and tracing study to empirically examine the impact of all its interventions, and a performance impact assessment study to ascertain alignment between the PIVOTAL list and learning programmes funded by the SETA. These research activities, as well as engagements with industry stakeholders during workshops, interviews and focus group discussions, contributed to the compilation of a best practice Sector Skills Plan that was favourably received by the DHET and accurately reflected labour market trends pertaining to its 13 sub-sectors.

Communities of expert practitioners continued to develop qualifications linked to priority occupations in the sector, resulting in the submission of 55 occupationally-directed qualifications to the QCTO for evaluation, resulting in 6 of these qualifications been registered with SAQA.

Strategic planning sessions between the FP&M SETA Board and Management, utilising research results, enhanced the understanding of the skills needs within industrial sub-sectors as well as improved skills development implementation and operational strategies. This led to an improved and updated Sector Skills Plan, Strategic Plan as well as Annual Performance Plan being submitted to the DHET within the required timeframes.

The White Paper on Post School Education and Training, which highlights the importance of partnerships between SETAs, educational institutions and the private sector, has received enormous attention. Many strategic and carefully selected partnerships have enabled the FP&M SETA to have a positive impact in the areas of rural development, disability, poverty alleviation, gender transformation and youth development.

The successful partnerships between TVET/HET institutions, the SETA, local businesses and industries have produced significant skills development, work-integrated-learning placement and employment opportunities for unemployed graduates in the sector. This in turn has increased the skills pool for middle and high level skills to address the scarce and critical skills priorities.

DG Projects fully aligned to NSDS III and the FP&M SETA Strategic Plan:

- Occupations in Demand: Scarce and Critical Skills
- Sectoral Priorities
- Rural Development
- Disability
- Strategic and Innovative interventions to address transformation imperatives



Various strategic and high impact projects implemented and conceptualised in the FP&M sector, during the period under review, include:

### **QCTO Qualifications Development**

The FP&M SETA in collaboration with the Industry stakeholders have realised many achievements with regard to occupational qualifications development. The FP&M SETA Board approved funding to update and restructure the current unit standard-based SAQA registered qualifications with a view to re-align to the curriculum requirements and the new occupational qualifications framework of the Quality Council for Trades and Occupations. The FP&M SETA has developed and submitted to QCTO for registration, a total of 55 occupationally-directed qualifications to the QCTO, resulting in six (6) of these qualifications been registered with the SAQA through the QCTO, whilst 49 are in the pipeline to be registered. Since 2012/13 financial year, the FP&M SETA Board approved a total amount of R72,150,000,00 for the development of 74 occupationally-directed qualifications in 10 industrial sub-sectors in the FP&M sector.

In a report to the QCTO at a special meeting of the SAQA Quality Assurance Committee(QAC) held on 27<sup>th</sup> June 2016, it was reported that the FP&M SETA: Occupational Certificate: Footwear Bottomstock Production Machine Operator, Level 2 was considered to be the best submission ever submitted by the QCTO.

During the period under review the FP&M SETA has partnered with the MICT SETA to develop the Journalist Occupational Qualification, which is now in the process of registration with SAQA through the QCTO.

In terms of occupationally-directed qualifications development, we are following a phase-approach methodology:

- **Phase 1:** Development of occupational qualifications and Trades, which concluded the 55 Occupational Qualifications that are registered/in the process of registration with SAQA.
- **Phase 2:** Development of External Integrated Summative Assessments (EISA) and data bank of assessment questions and model answers.
- **Phase 3:** Development of learning material to standardise across the sub-sector.

Through a concerted effort from the Quality Assurance Division, and in consultation with NAMB and the QCTO, the issuing of artisan certificates has improved markedly, and as a result, backlog issues have been resolved. In order to improve service delivery to our stakeholders, the division streamlined quality assurance processes and continued our enhancement of a fully functional Management Information System (MIS) with modules to improve the management and reporting of our learning programmes.

Newly funded Qualifications Development Projects during the period under review, are as follows:

- R13,200,000,00 was approved by the FP&M SETA Board to fund the development of **17** (trades in the footwear, printing, and textile sector)
- R2,200,706,00 was approved to fund one (1) Industry Entrepreneurial Occupational Qualification within the CTFL sector to address rural interventions and job creation, in order to empower rural and community – located businesses in the FP&M sector.

### **International Leadership Development Programme (ILDP) 2016**

The International Leadership Development Programme (ILDP) was conceptualised to uplift and capacitate young leaders who have the potential to grow into the top rungs of business leadership in the sector.

During the year under review, the FP&M SETA in partnership with the University of Pretoria's Gordon Institute of Business Science (GIBS), recruited 25 learners from the wood, textiles, pulp and paper, publishing, printing, forestry and clothing sub-sectors of the FP&M SETA and implemented a programme aimed at developing high-level strategic and innovative management and leadership skills, with a view to exposing learners to the model of World-Class Manufacturing (WCM) so that they are able to produce high quality products. It also aimed to improve the learner's problem-solving skills, assist with the adoption of new technologies and create a network of powerful young leaders who can be positioned as "champions". Through this programme, there is also potential for creating international business opportunities for local industry.

During March 2017, the learners undertook an international educational visit to countries that have tried and tested best practice models in World-Class Manufacturing (China and Germany) where learners were exposed to plant visits and presentations by the hosting organisations.

As part of the programme, the delegates are required to complete Action Learning Projects (or modules) in teams that cover the following:

- Team 1: The Meta Morphs: Global Competitiveness.
- Team 2: Dunamis: Work Ethic.
- Team 3: Phumelala: Entrepreneurship.
- Team 4: Carpe Diem: Manufacturing Model.

The visits were well rated by the delegates who went to China: "We saw high quality clothing products manufactured in a company which had basic machines. The experience changed my mind as I now understand that I need to do my best at all times with the resources at my disposal."

The final ALP presentations and graduations took place in August 2017 at GIBS.

### **Partnership with the Lead Accounting College to Produce Financially Qualified Business Leaders**

South Africa is facing a number of socio-economic challenges that includes the need for economic growth and job creation. In line with the FP&M SETA's goal to create jobs for unemployed youth from previously disadvantaged backgrounds, the FP&M SETA has partnered with the Lead Accounting College to train 40 unemployed matriculants in Management Accounting. This 3-and-a-half-year project offers the learners programmes that range from NQF Level 5 to 7.

The Lead College of Management Accounting is a private tertiary institution that was formed with the purpose of providing financial skills to un-employed matriculants and graduates from previously disadvantaged backgrounds. The learners participating in this project are young men and women, under the age of 35, who are mostly black and are from rural areas and townships across South Africa. They are all matriculants and some have previously enrolled in university but were unable to complete their studies for various reasons. This project has enabled them the opportunity to obtain the prestigious CIMA qualification.

This project was realised as a result of comprehensive research into areas where critical skills were in short supply and are impacting negatively on the growth of the South African economy. Among the top 5 critical skills identified through this research, accounting skills were one of them.

CIMA (Chartered Institute of Management Accountants) is a leading global professional body of Management Accountants. CIMA professionals are globally sought after and are highly employable in various sectors of the economy both locally and internationally. The CIMA qualification prepares the learner for a career in business and teaches skills in strategic management, risk management and decision-making.

## Buyel'Ekhaya Fashion Development Programme

The Buyel'Ekhaya Fashion Development Programme was created to expose disadvantaged youth in the Eastern Cape to nationally and internationally African designers, focusing on the finishing aspects of fashion design by following a specific process through to the final phase of manufacturing and design. This programme coincided with the Buyel'Ekhaya Fashion Show which draws a large audience from all over the country. As a core focus for the FP&M SETA, a budget of R2,5 million was allocated to this project.

The implementation of this programme addresses scarce and critical skills in the fields of design and manufacturing. In addition, the programme produced trained, coached and mentored designers who are able to grow their businesses or further their careers within the industry.

As a result of the programme, 8 emerging designers had the opportunity to work with the best designers in the SADC region, in terms of coaching and mentoring. In addition, 40 beneficiaries have been taught how to successfully establish and manage a profitable fashion business with the potential to transcend into international careers. The fashion show enabled maximum exposure and awareness of the clothing, textiles, footwear and leather industries. Furthermore, 4 new co-operatives have been registered, contributing to SMME development in the country.

## Clothing Industry Rises to the Challenge

The South African Apparel Association (SAAA) (previously Apparel Manufacturers Association of South Africa) is a leading employer organisation in the South African clothing sector and as such, represents the interests of a number of small, medium and large employers in the local clothing manufacturing sector.

In order to remain competitive through the timely delivery of high-quality products for the domestic and international markets, the Apparel Manufacturers of South Africa (AMSA) and its members have identified a critical need for the training of machinists with the ability to operate various types of machines and execute a range of operations.

To this end, AMSA applied for funding from the FP&M SETA to implement machinist training projects at various manufacturing companies in the Western Cape, KwaZulu-Natal and Gauteng. The programmes implemented were:

Programme	Number of Beneficiaries	Budget Allocated
Skills Programmes for Sewing Machinists, Pattern Making and Cutting and Quality Control	278	R2 million
Learnerships in Clothing, Textiles, Footwear and Leather Manufacturing Processes for Sewing Machinists, Pattern Making and Cutting	80	R2 million

The first learnership programme commenced in August 2016 and was rolled out in the Western Cape, KwaZulu-Natal and Gauteng with a total of 60 unemployed learners. Accredited training was conducted by TVET SA (Pty) Ltd. Positive feedback was received from all participating sites and the graduates from this project, the majority of whom are black women, will be entering the labour market as qualified and multi-skilled machinists.

At the end of 2016, TVET SA commenced with mechanics and pattern making programmes at various manufacturing companies. TVET SA conducted an analysis of the current skills of the employed learners identified to participate in the programme and with input from their employers, provided practical and theoretical training in order to multi-skill the learners in line with company production requirements.

The second learnership for 80 unemployed learners was rolled out during March 2017 and training is currently underway at the TVET SA training facilities in Cape Town and at partner sites in both KwaZulu-Natal and the Western Cape.

### **The South African Book Fair – Providing SMMEs the Tools Needed for Sustainable Business Growth**

The South African Book Fair started in 2006 and is an annual event that coincides with National Book Week. The FP&M SETA, in partnership with the South African Book Development Council (SABDC) and the Department of Arts and Culture offers small publishers, editors and writers the opportunity to build their own skills and showcase them at the Book Fair, in order to gain exposure to international publishers and established industry role players to boost their careers and businesses.

As part of the South African Book Fair, and to fill the scarce skills gap in publishing for indigenous languages, the FP&M SETA offered 15 learners an intensive, quality controlled skills programme to develop their skills as indigenous language publishers. Correct interpretation, alignment to cultures and reliability of translated content is critical to publishing in indigenous languages and this skills programme seeks to address these challenges. In addition to this, business management skills programmes are also offered in order to assist SMMEs with the growth and sustainability of their businesses through sound business management practises.

Due to the popularity and value that this event provides the industry, the reach to SMMEs from all provinces, and in both rural and urban areas in South Africa, makes it a key tool for business owners to improve their skill sets and gain new local and international business opportunities. The event is well attended by the media and receives a lot of coverage through newspapers, social media platforms and publishing sector mailing lists.

### **Printing South Africa -Rural Screen Printing Projects**

#### **Project Intervention 1**

The 2016/17 year saw the successful close-out of the rural screen printing project with Printing South Africa. An amount of R21,800,00 was approved by the FP&M SETA Board to fund the screen printing technician programme. Twenty-six (26) learners successfully graduated with the Screen Printing Technician Level 1 qualification. Of the 26 learners 20 learners progressed and completed the entrepreneurial programme.

Learners on this programme were selected from rural areas in Kwa-Zulu Natal, Cape Town and Tshwane in an effort to address youth unemployment. At the end of this programme, the learners received a screen printing starter kit which contained training manuals as a refresher to what they had learnt on the programme as well as fabrics and the basic necessities in order to enable them to set up their businesses from home.

We are witnessing another trend in our work with rural communities – a growing number of high school learners do prefer to return to their rural hometowns if good career opportunities present themselves.

At the FP&M SETA we know that young entrepreneurs exhibit a passion to create. When channeled and combined with entrepreneurial education and real world experience, they can establish businesses with significant wealth and job creation potential. At the FP&M SETA we believe that engaging, equipping and supporting young entrepreneurs are key to long-term vitality and sustainability of rural communities.

## **Project Intervention 2**

Employment is critical for a prisoner's reintegration into society. Printing SA in partnership with FP&M SETA, is proud to report that the National Training and Development Administrator of Printing SA, Shallon Mphasane, collaborated with the Boksburg Correctional Services Department to present the Screen Printing and Business Studies courses to 20 inmates who were imminent for release.

When an inmate is released from prison, skills and employment is a critical factor as to whether he or she becomes a law-abiding citizen or commits more crimes. These programmes facilitated by the FP&M SETA provides individuals with the skills and knowledge needed to find and keep a job once they are released.

The amount committed for this project was R288,000,00.

*"By supporting the workforce of the future through educational programs, we are helping them gain the skills they need to reach their full potential"*

*CEO of the FP&M SETA*

## **Project Intervention 3**

Another proud achievement from this partnership with Printing SA and the FP&M SETA is that the KZN Chamber hosted its second Screen Printing Project in collaboration with the Lungisa Indlela Village, which is based near the Hazelmere Dam outside Verulam. The Collaboration was selected on the basis that the Lungisa Indlela Village runs an active agricultural project, manufacturing clothing and other fabric based products.

Lungisa Indlela Village (LIV) NPC was officially established in 2010 with a focus on providing residential foster cluster care to vulnerable and orphaned children in the Durban area.

The Screen Printing training project to the value of R288,000,00 will empower forty residents in the local community with skills to enable them to provide screen printing services to the Lungisa Indlela Village where clothing and other fabrics that are produced in its clothing manufacturing department can be contracted out to the community for printing, thereby setting up several micro enterprises.

## **Centre of Excellence for Footwear and Leather - Richmond- Indaleni Skills Development Centre**

The training centre is an established and recognised Footwear Centre of Excellence and learners are participating in a footwear shoe-making learnership, NQF Level 2 National Certificate in CTFL Manufacturing Processes.

The skills development centre is fully equipped with footwear manufacturing machinery and equipment and is located in mobile classrooms and workshops, purchased with FP&M SETA funding.

The Footwear and Leather Centre of Excellence is fully accredited by the FP&M SETA to offer occupational programmes related to footwear manufacturing processes. at the outset:

Phase one to train 40 learners on a footwear making learnerships has been successfully completed. An additional R1500,000,00 was approved in March 2017 to fund a further 20 learners

## HIGH LEVEL AND STRATEGIC RESEARCH RELATED PROJECTS

### (i) WITS REAL: Research Chair Partnership:

With a view of addressing the key strategic objectives of the National Skills Development Strategy relating to establishing a credible skills planning mechanism to promote labour market research, the Fibre Processing and Manufacturing SETA (FP&M SETA) has established a Research Chair at the School of Education, University of Witwatersrand, in the 'Political Economy of Skills'.

The main purpose of establishing the FP&M SETA Research Chair is to provide research support, increase capacity with respect to implementing the FP&M SETA research agenda and strategy and establish a university based centre of excellence.

In our quest to improve research capacity and expertise within the FP&M sector, -our multi-faceted research partnership with University of Witwatersrand - WITS REAL continues to thrive with a view to addressing a transformation output of creating a pool of researchers that would be capacitated with the requisite research skills.

The following are the key outcomes and focus areas of this research project :

- i. Production of 4 Phd Graduates to conduct research on local and international companies of FPM SETA's 13 sub-sectors to identify global and local skills ladder of learning, establish best practices to inform successful and sustainable future/long term sector growth strategies.
- ii. Profile of the local FP&M industries
- iii. Specific research on FP&M sector and production of Sector Skills Plan, PIVOTAL List and alignment to Strategic Plan and APP.
- iv. Conduct impact study – tracking and tracer studies of FP&M SETA learning programmes

An amount of R8,577,427,00 was approved by the FP&M SETA Board to support the skills planning and research division in the FP&M sector to ensure accurate skills planning models are implemented to address occupations in demand and labour market needs in the sector in order to promote sustainable industrial sector growth.

### (ii) Research to promote TVET Partnerships in the FP&M Sector in partnership with the South African College Principal's Organisation (SACPO) – Public TVET College Principals

The purpose of the research is to gather information which will inform and guide strategic and innovative partnerships with TVET Colleges. The FP&M SETA Board approved an amount of R2,000,000,00 to foster partnerships and promote the growth of TVET colleges in the FP&M sector. This research study commenced in October 2016 and will be completed in September 2017.

The study had the following clearly defined research objectives:

- Research: Geographic and economic profiling of TVETs to link to sector geographic economic profile
- To address TVET college accreditation and TVET College staff capacity needs aligned to FP&M SETA programmes
- Promote WIL placements of students



### **(iii) Research Study – The Efficacy and Efficiency of the LEAD SETA-TVET Offices in Public TVET Colleges in partnership with JET Education Services.**

The FP&M SETA in partnership with DHET conducted a research study to address the efficacy and efficiency of the Lead SETA=TVET Office Model as implemented by DHET across all 21 SETAs. Funding to the value of R1,284,723,00 was allocated to realise the objectives of this project.

#### **Phase i: Research Outcome:**

This phase focused on a SWOT analysis of the LEAD SETA Office Model. Findings and recommendations of the research study resulted in development of standardised SETA-TVET Office Framework. This research project was imperative to create a standardised/value adding model that enables CSTO's to operate effectively and efficiently.

This research study culminated in the implementation of the Co-ordinating SETA-TVET Office Model (CSTO Model) in public TVET colleges.

**Phase II:** Implementation of CSTO Model in progress (across 21SETAs).

### **1.3 Organisational Environment**

To address, among others, the inherited challenges generally experienced by amalgamated organisations, a focused three-year turnaround plan was prepared and an organisational review was conducted to identify the pressure points in the organisation. This gave rise to the development of an innovative business model, with a proposed new organisational structure, and clear delivery mechanisms, that would enable the organisation to deliver on time and to the agreed standard on its commitments, as set out in the Annual Performance Plan.

The FP&M SETA made significant changes to its organisational structure in order to address the implementation of the new business model to ensure cost-effective and efficient service delivery to the sector. The new business model is already delivering outstanding results and the SETA's performance has increased year-on-year. Changes have been made to the operational procedures in order to streamline the organisation to deliver timeously and to acceptable standards.

Generally, staff carried out their duties diligently and enthusiastically, and in line with their agreed new job descriptions and performance agreements. Changes that occurred during the year due to the consequences of the implementation of a new organogram were managed in line with approved HR policies and procedures. Performance management and the continuous professional development of staff, contributed markedly to the organisation meeting its strategic objectives.

FP&M SETA's financial performance has improved steadily, with significant strides being made to ensure adequate financial and administrative controls to deliver prudent financial management, with strict adherence to generally acceptable accounting practices and National Treasury regulations. The SETA continues to deliver its mandate with the 10.5% administration budget. The FP&M SETA, as guided by the *Public Finance Management Act (PFMA), (Act 1 of 1999)*, has the ultimate objective of promoting sound financial management in order to maximise the delivery of SETA services through the efficient and effective use of limited resources and financial prudence in addressing specific areas of cost containment in implementation of the SETA mandate.

In terms of Quality Assurance, the focus of accreditation is moving from compliance to continuous improvement as the quality assurance system in the SETA matures.



The Projects Division has implemented optimised internal controls to ensure maximum impact is derived from activities of the Division. Weekly, monthly and quarterly reviews ensure a valid, accurate Commitments Register. Efficient utilisation of the Monitoring and Evaluation Division to vet project applicants prior to approval assists in high quality partnerships with stakeholders and providers.

The FP&M SETA implemented a functional and integrated management information system (MIS) aligned to the operational business processes of the SETA. The purpose was to streamline the operational activities of the SETA and ensure more accurate reporting and efficient record management. The system includes web-based mandatory and discretionary grant application facilities, as well as management modules, which enhance service delivery in the skills planning and projects divisions. MIS module integration is at 78% complete. Quality assurance activities were also enhanced with the implementation of the learner management system, which resulted in the automated and controlled issuing of learnership certificates and skills programme statement of results. Internal modules such as the supply chain management system and HR leave module proved to be time saving and effective. The MIS increased the overall efficiency of operational activities of the SETA and ensured more accurate reporting and efficient record management.

The FP&M SETA has efficient governance structures in place to ensure good corporate governance, the implementation of relevant policies and procedures, and sound financial management. Risk areas are continuously being work on. Capacity building workshops are conducted with Management to address early signalling of risks, risk identification, root causes and the implementation of controls.

The FP&M SETA consistent with the Government-Wide Monitoring and Evaluation Policy Framework and Treasury Regulations adopted an integrated framework for monitoring and evaluation of performance and service delivery within the organisation. The Division engaged independent Sector Skills Advisors (SSAs) with a view to obtaining an objective perspective on discretionary grant project implementation and compliance of skills development providers with their accreditation criteria. In the last financial year, approximately 591 projects were monitored.

FP&M SETA complied with all prescripts of Supply Chain Management (SCM) legislation, aligned to National Treasury regulations and our electronic procurement system was successfully integrated to the Central Supplier Database.

The FP&M SETA Board provides strategic direction to the FP&M SETA and an Independent Audit Committee plays an oversight role to ensure that the implementation of financial policies and procedures are in line with the PFMA and other legislative requirements. An Executive Committee is responsible for the monitoring and evaluation of operational activities including the implementation of action plans.

On 18th April 2017, a fire destroyed the fifth floor at Braampark Forum 1B. Our offices are located on the second floor of this building. Firefighters responded and extinguished the fire, however the entire fifth floor was destroyed. Water that was used to extinguish the fire, flowed through to the floors below which caused significant damage to ceilings, carpets, furniture and equipment in the FP&M SETA offices.

## Human Resource Personnel Expenditure Trends per Programme

			2014/15 R,000	2015/16 R,000	2016/17 R,000	2017/18 R,000	2018/19 R,000	2019/20 R,000	2020/21 R,000
			Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure
<b>PROGRAMME 1: Administration Per</b>									
1	Office of CEO	100%	2,216,000	2,662,671	3,061,996	3,306,956	3,571,512	3,857,233	4,165,812
	Finance/IT	100%	2,903,000	3,250,910	3,888,622	4,199,711	4,535,688	4,898,543	5,290,427
	SCM	100%	846,000	1,016,842	1,301,530	1,405,652	1,518,105	1,639,553	1,770,717
	Human Resources	100%	1,131,000	1,300,408	1,388,436	1,499,511	1,619,472	1,749,030	1,888,952
	GCRL	100%	1,442,000	1,645,518	2,073,520	2,239,401	2,418,553	2,612,037	2,821,000
	Regional Offices	10%	672,700	816,221	817,728	883,146	953,798	1,030,102	1,112,510
2	Communications and Skills Planning Manager	100%	517,000	857,938	878,040	948,283	1,024,146	1,106,078	1,194,564
	<b>TOTAL</b>		<b>9,727,700</b>	<b>11,550,509</b>	<b>13,409,872</b>	<b>14,482,661</b>	<b>15,641,274</b>	<b>16,892,576</b>	<b>18,243,982</b>
<b>PROGRAMME 2: Skills Planning</b>									
	Skills planning and research	80%	2,107,200	2,463,388	2,256,779	2,437,322	2,632,307	2,842,892	3,070,323
	Monitoring and Evaluation	10%	149,200	152,319	182,428	197,022	212,783	229,806	248,191
	Regional Offices	20%	1,345,400	1,632,443	1,635,456	1,766,293	1,907,596	2,060,204	2,225,020
	<b>TOTAL</b>		<b>3,601,800</b>	<b>4,248,150</b>	<b>4,074,663</b>	<b>4,400,636</b>	<b>4,752,687</b>	<b>5,132,902</b>	<b>5,543,534</b>
<b>PROGRAMME 3: Learning Programme and Projects</b>									
	Skills Planning, Research and Reporting	20%	526,800	615,847	564,195	609,330	658,077	710,723	767,581
2 & 3 & 4	Projects	100%	1,126,000	1,257,950	1,009,062	1,089,787	1,176,970	1,271,127	1,372,818
	Regional Offices	60%	4,036,200	4,897,328	4,906,369	5,298,878	5,722,789	6,180,612	6,675,061
	QA Staff	40%	1,138,000	1,428,109	1,433,884	1,548,595	1,672,483	1,806,281	1,950,784

			2014/15 R,000	2015/16 R,000	2016/17 R,000	2017/18 R,000	2018/19 R,000	2019/20 R,000	2020/21 R,000
			Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure
<b>PROGRAMME 3: Learning Programme and Projects</b> <i>(contd)</i>									
	Monitoring and Evaluation	70%	1,044,400	1,066,233	1,276,993	1,379,152	1,489,484	1,608,643	1,737,334
	<b>TOTAL</b>		<b>7,871,400</b>	<b>9,265,467</b>	<b>9,190,503</b>	<b>9,925,743</b>	<b>10,719,802</b>	<b>11,577,386</b>	<b>12,503,577</b>
<b>PROGRAMME 4: Quality Assurance, Partnerships and Qualifications Development</b>									
	Regional Offices	10%	672,700	816,221	817,728	883,146	953,798	1,030,102	1,112,510
	QA Staff	60%	1,707,000	2,142,163	2,150,826	2,322,893	2,508,724	2,709,422	2,926,176
	Monitoring and Evaluation	20%	298,400	304,638	364,855	394,043	425,567	459,612	496,381
	<b>TOTAL</b>		<b>2,678,100</b>	<b>3,263,022</b>	<b>3,333,410</b>	<b>3,600,082</b>	<b>3,888,089</b>	<b>4,199,136</b>	<b>4,535,067</b>
	<b>Overall Total</b>		<b>23,879,000</b>	<b>28,327,148</b>	<b>30,008,447</b>	<b>32,409,123</b>	<b>35,001,853</b>	<b>37,802,001</b>	<b>40,826,161</b>

## 2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

### **Extension of the Current NSDS III - Gazette No 39263**

The current NSDS III, which guides disbursement of skills development levies, has been extended until 31<sup>st</sup> March 2020.

### **Extension of Tenure for the Current SETA Boards - Gazette No 39394**

The tenure for the current SETA Boards has been extended until 31<sup>st</sup> March 2020 in line with the re-establishment of the SETAs for the same period.

**Generic National Artisan Workplace Data, Learner Grant funding and Administration System Policy, June 2015** – The policy standardised artisan funding through the creation of a single artisan funding mechanism. The artisan learner grant amount for the period 2018/19 is R165,000,00 per new artisan learner enrolled with effect from 01<sup>st</sup> April 2018.

### **2.1 Relevant court rulings**

A court ruling was issued setting aside Regulation 3(12), which provides that the remaining surplus of discretionary funds must be paid by SETAs by 01<sup>st</sup> October of each year into the National Skills Fund, and Regulation 4(4), which reduced the mandatory grant that an employer could claim back from 50% to 20%.

In terms of the court ruling, the Minister of Higher Education and Training issued Gazette No. 39592 of 2016 on 13<sup>th</sup> January 2016, which re-promulgated Regulation 4(4) of the Sector Education and Training Authorities Grant Regulations of 03<sup>rd</sup> December 2012. The re-promulgation provides that the Mandatory Grant be set at 20%, as per Regulation 4(4). The Minister has appealed Regulations 3(12) which provides that the remaining surplus of discretionary funds must be paid by SETAs by 01<sup>st</sup> October 2015 of each year into the National Skills Fund.

SETAs were advised to continue planning based on the SETA Grant Regulations of 03<sup>rd</sup> December 2012 inclusive of the re-promulgation of regulation 4(4).

Skills Development Circular No. 11/2016 issued on 18<sup>th</sup> August 2016 confirms the following:

- As things presently stand, with effect from 01<sup>st</sup> April 2016 SETAs are neither entitled nor obliged to comply with Regulation 3(12).
- It should be noted that if the appeal is ultimately re-instated and is ultimately successful, SETAs will be obliged to comply with the terms of Regulation 3(12).
- In the meantime, SETAs must continue to disclose uncommitted surpluses transferable to the NSF as a contingent liability at the end of each financial year.
- SETAs are required to continue to submit their applications for the retention of surpluses to National Treasury and the Department of Higher Education and Training as prescribed by the Public Finance Management Act (PFMA).
- The Minister received another challenge from BUSA on 30<sup>th</sup> June 2016 pertaining to Regulation 4(4).
- Regulation 4(4) as gazetted by the Minister on 13<sup>th</sup> January 2016 remains enforced until the court makes a ruling on the matter.

Skills Development Circular No. 15/2017 issued on 30<sup>th</sup> November 2017 has the following implications for this Annual Performance Plan:

- Regulation 3(12) of the SETA Grant regulations will no longer apply to SETAs and the National Skills Fund (NSF).
- Regulation 4(4) is not affected by the decision and is still in force based on compliance with the statutory requirement outlined in Section 5(a)(v) of the Skills Development Act.
- The funds which SETAs had previously disclosed as uncommitted surpluses which were due to be transferred to the NSF as a contingent liability at the end of each financial year should now be allocated to the discretionary grant.
- SETAs will continue to submit their respective applications for the retention of surpluses to National Treasury and the Department of Higher Education and Training as prescribed by section 53(3) of the Public Finance Management Act.
- SETAs should also observe National Treasury Instruction No.6 of 2017/18 regarding the retention of surpluses by public entities.

There have been no other significant changes to the FP&M SETA's legislative and other mandates.

## OVERVIEW OF 2017/18 TO 2020/21 BUDGET AND MTEF ESTIMATES

### 3. MEDIUM TERM INCOME ESTIMATES

		2014/15 R'000	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000	2019/20 R'000	2020/21 R'000
<b>Levy Income</b>	<b>Based on new grant regulations</b>	315,744	324,323	319,966	347,025	339,552	349,738	360,231
	<b>Administration levy income</b>	41,389	42,651	42,095	45,547	44,566	45,903	47,280
	<b>Mandatory grant Income</b>	86,348	81,041	79,697	86,756	84,888	87,434	90,058
	<b>Discretionary income</b>	188,007	200,631	198,174	214,721	210,098	216,401	222,893
<b>Investment income</b>		33,298	33,622	38,942	25,482	41,113	42,141	43,194
<b>SDL interest and penalties</b>		7,814	10,203	8,512	5,250	9,030	9,301	9,580
<b>Donor Funding</b>		5,114	3,442	80				
<b>Other income</b>		178	364	94				
<b>Total Estimated Revenue</b>		362,148	371,954	367,594	377,757	389,695	401,180	413,005

#### 3.1 Expenditure Estimates

FP&M SETA	Medium Term Expenditure Estimates						
Expenses	2014/15 R'000	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000	2019/20 R'000	2020/21 R'000
<b>Less Expenses</b>	440,302	341,589	370,633	377,757	389,695	401,180	413,005
<b>Mandatory grant expenses</b>	84,481	66,101	61,687	70,272	68,759	70,822	72,947
<b>Total discretionary spending/commitments including discretionary and project administration excluding spending on previous year commitments</b>	312,464	230,882	267,226	261,938	276,370	284,455	292,778
<b>Discretionary expenses on pivotal programmes ( 80% of total discretionary funds received)</b>	128,354	117,975	148,834	193,834	204,514	210,497	216,656
<b>Discretionary expenses - project costs (20% of total discretionary funds received)</b>	140,367	93,750	98,834	48,458	51,128	52,624	54,164
<b>Discretionary pivotal grant administration expenses 7.5% limit</b>	36,673	9,469	9,459	15,716	16,582	17,067	17,567

FP&M SETA	Medium Term Expenditure Estimates						
Expenses	2014/15 R'000	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000	2019/20 R'000	2020/21 R'000
Discretionary project administration expenses 7.5% limit	7,070	9,688	10,099	3,929	4,146	4,267	4,392
Donor Funding Expenses	5,114	3,442	80	-	-	-	-
Administration expenses	38,243	41,164	41,640	45,547	44,566	45,903	47,280
Surplus/(deficit)	-78,154	30,365	-3,039	-	-	-	-

### Overview of the MTEF expenditure estimates for 2017/18 to 2020/21

Note 1: In order to improve operational and financial performance, the FP&M SETA has implemented dedicated internal projects to address the following:

- Contract management and payment process deficiencies including mechanisms to address fast tracking of discretionary grant payments in line with timeframes set out in the National Treasury Regulations.

The budget information (Medium term estimate) is done on (accrual) basis.

Revenue R Thousand Revenue	Notes	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
		Audited Outcome	Audited Outcome	Audited Outcome	Approved Budget	Approved Budget	Approved Budget	Approved Budget
Tax revenue	1	-	-	-	-	-	-	-
Entity revenue		41,290	44,189	47,548	30,732	50,143	51,442	52,774
Entity revenue other than sales		41,290	44,189	47,548	30,732	50,143	51,442	52,774
Fines penalties and forfeits	7	7,814	10,203	8,512	5,250	9,030	9,301	9,580
Interest, dividends and rent on land		33,298	33,622	38,942	25,482	41,113	42,141	43,194
Interest	10	33,298	33,622	38,942	25,482	41,113	42,141	43,194
Unclassified revenue	13	178	364	94	-	-	-	-
Other income	-	178	364	94	-	-	-	-
Transfers received	14	320,858	327,765	320,046	347,024	339,552	349,738	360,231
Social contributions received (social security funds only)	15	-	-	-	-	-	-	-

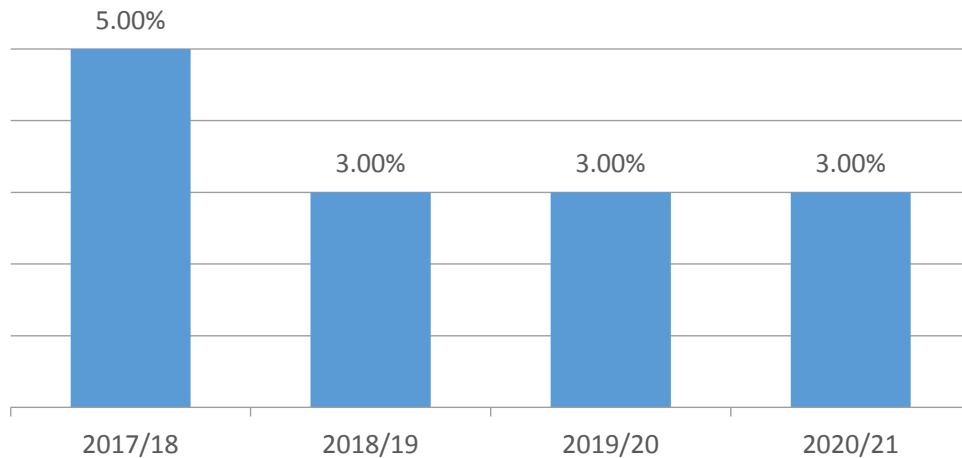


Revenue R Thousand Revenue	Notes	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
		Audited Outcome	Audited Outcome	Audited Outcome	Approved Budget	Approved Budget	Approved Budget	Approved Budget
National government		5,114	3,442	80	-	-	-	-
Other government units		5,114	3,442	80	-	-	-	-
Skills development <b>(SETAS only)</b>	17	315,744	324,323	319,966	347,024	339,552	349,738	360,231
Skills development levies		315,744	324,323	319,966	347,024	339,552	349,738	360,231
Admin - 10.5%		41,389	42,651	42,095	45,547	44,566	45,903	47,280
Employer grant fund levy - 20%		86,348	81,041	79,697	86,756	84,888	87,434	90,058
Discretionary grants - 49.5%		188,007	200,631	198,174	214,721	210,098	216,401	222,893
<b>Total revenue</b>		<b>362,148</b>	<b>371,954</b>	<b>367,594</b>	<b>377,757</b>	<b>389,695</b>	<b>401,180</b>	<b>413,005</b>

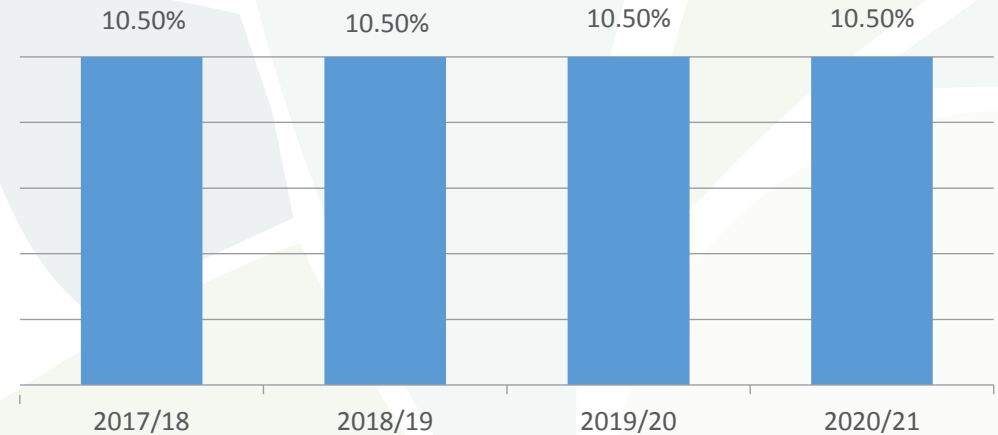
Revenue R Thousand Revenue	Notes	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
		Audited Outcome	Audited Outcome	Audited Outcome	Approved Budget	Approved Budget	Approved Budget	Approved Budget
<b>Administration</b>		38,243	41,164	41,640	45,547	44,566	45,903	47,280
<b>Current payments</b>								
<b>Current payments</b>		<b>38,243</b>	<b>41,164</b>	<b>41,640</b>	<b>45,547</b>	<b>44,566</b>	<b>45,903</b>	<b>47,280</b>
Compensation of employees		19,798	20,312	21,128	23,224	21,642	22,291	22,960
Salaries and wages		19,798	20,312	21,128	23,224	21,642	22,291	22,960
Social contributions		-	-	-	-	-	-	-
Goods and services		16,405	19,470	19,078	20,983	21,326	21,966	22,592
Of which <sup>1</sup>								
Agency and support/outsourced services		-	-	-	-	-	-	-
Communication		923	1,086	933	973	406	418	439
Computer services		-	-	-	-	-	-	-
Consultants		1,193	2,667	668	867	874	900	945

Revenue R Thousand Revenue	Notes	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
		Audited Outcome	Audited Outcome	Audited Outcome	Approved Budget	Approved Budget	Approved Budget	Approved Budget
Inventory		57	89	108	99	118	122	128
Lease payments		3,549	3,714	4,369	4,710	4,767	4,910	5,156
Repairs and maintenance		46	34	63	58	69	71	75
Research and development		2,076	2,052	2,151	2,331	2,348	2,418	2,539
Training and staff development		138	286	216	314	236	243	255
Travel and subsistence		1,628	1,423	1,027	1,712	1,483	1,527	1,604
Other		6,795	8,119	9,543	9,919	11,025	11,356	11,451
Depreciation		1,958	1,304	1,416	1,287	1,546	1,592	1,672
Losses from		82	78	18	53	52	54	56
Sale of fixed assets		82	78	18	53	52	54	56
<b>Transfers and subsidies</b>		<b>402,059</b>	<b>300,425</b>	<b>328,993</b>	<b>332,210</b>	<b>345,129</b>	<b>355,277</b>	<b>365,725</b>
Employer Grant <b>(SETAs only)</b>		84,481	66,101	61,687	70,272	68,759	70,822	72,947
Public corporations and private enterprises (subsidies and other transfers)		84,481	66,101	61,687	70,272	68,759	70,822	72,947
Public corporations		-	-	-	-	-	-	-
Private enterprises		84,481	66,101	61,687	70,272	68,759	70,822	72,947
Households and non government units		-	-	-	-	-	-	-
Discretionary Grant <b>(SETAs only)</b>		317,578	234,324	267,306	261,938	276,370	284,455	292,778
Public corporations and private enterprises (subsidies and other transfers)		317,578	234,324	267,306	261,938	276,370	284,455	292,778
Public corporations		-	-	-	-	-	-	-
Private enterprises		317,578	234,324	267,306	261,938	276,370	284,455	292,778
<b>Total Expenditure</b>		<b>440,302</b>	<b>341,589</b>	<b>370,633</b>	<b>377,757</b>	<b>389,695</b>	<b>401,180</b>	<b>413,005</b>

## Skills Development levy income % increase



## Administration expenses as a % of total levy income paid to SARS



- For the financial years ending 2015/16 and 2016/17, National Treasury instructed FP&M SETA on the total skills development levy in-come allocations. The 2017/18 budget for levy income was set at a 5% increase and from 2018/19 onwards - this has been reduced to a 3% increase after analysing last year's levy trends.
- The revised grant regulations allow for the SETA to allocate 10.5% to its administration expenses of which 0.5% must be paid out to the QCTO. The approved amount for which FP&M SETA must pay over to the QCTO for 2018/19 has already been communicated to FP&M SETA, this totals an amount of R2,325 million. FP&M SETA has allocated the full 10.5% skills development levy administration to the administration expense budget. Cost containment measures have also been adopted regarding travel and accommodation expenses by making use of video and telephone conferencing.
- The 2017/18 mandatory grant expenses are estimated at 20% of skills development levies received. However, the budget is restricted to a pay-out ratio of 81% (including for the years 2017/18-2020/21)
- Discretionary grants available for allocation include 49.5% of skills development levies, interest and penalties on skills development levies, 19% (unspent) of mandatory grant income and investment income.
- Depreciation and amortization budget is based on the budgeted CAPEX needs of the organisation.

FP&M SETA has acquired a video conferencing facility, a new telephone system and more cost effective shared printers which should have a saving effect on the following administration expenses for 2017/18 and the rest of the MTEF period.

- All airfares and travel costs, accommodation and meals, vehicle hire costs, printing costs, telephone costs.

Further savings has been forecasted in the budget by ensuring staff who use their private vehicles for work on a regular basis in line with their KPIs have structured their cost to company to incorporate a travel allowance where the tax break will give them relief in financing their fuel and wear and tear costs on their vehicles.

During 2013/14, FP&M SETA leased a new head office building which has better and larger meeting facilities to conduct all committee meetings, this has resulted in anticipated savings on venue hire costs for 2017 to 2020. Catering costs are limited to between R60 and R150 per head.

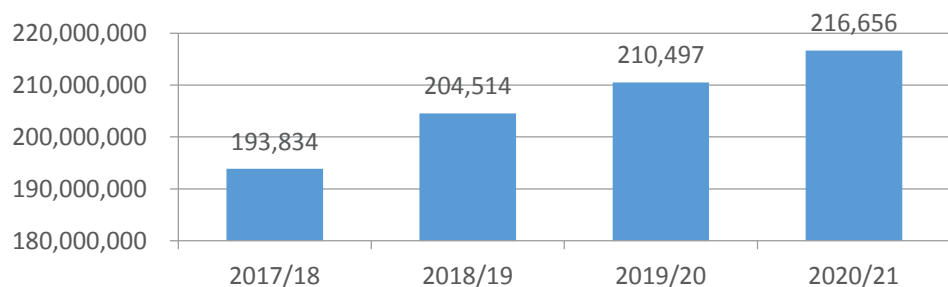
Funds available for discretionary grants, project administration costs and special projects which have been allocated in accordance to the strategic objectives and the SETA Grant Regulations of 2012 are reflected in the graphs below:

**I. Total Discretionary Grant Budget (2017/18-2020/21) excluding reserves carried over from 2016/17**

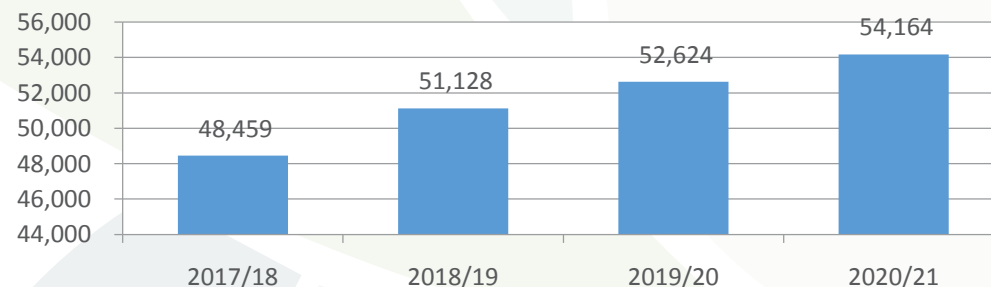
2017/18	2018/19	2019/20	2020/21
R261,938,250	R276,369,687	R284,455,212	R292,778,164

80% of Discretionary grants allocated to PIVOTAL programmes that addresses scarce and critical skills in the FP&M sector, 20% of Discretion-ary grant budget allocated to address other key strategic objectives of the FP&M Sector Skills Plan and Annual Strategic Plan.

**Discretionary grant allocations on Pivotal programmes (80%)**  
R'000

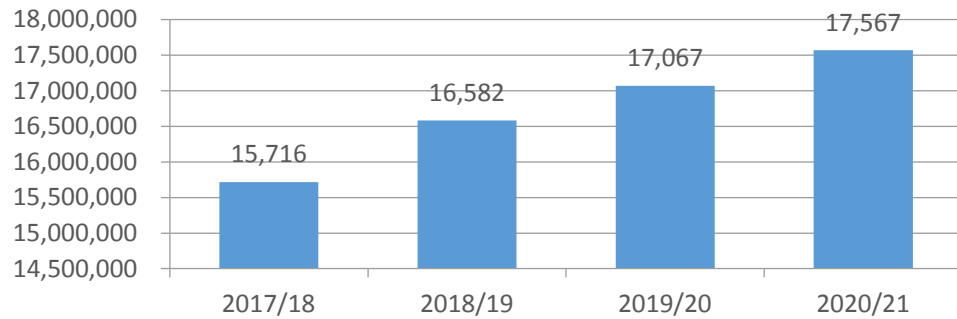


**Discretionary grant allocations on non Pivotal programmes (20%)**  
'000

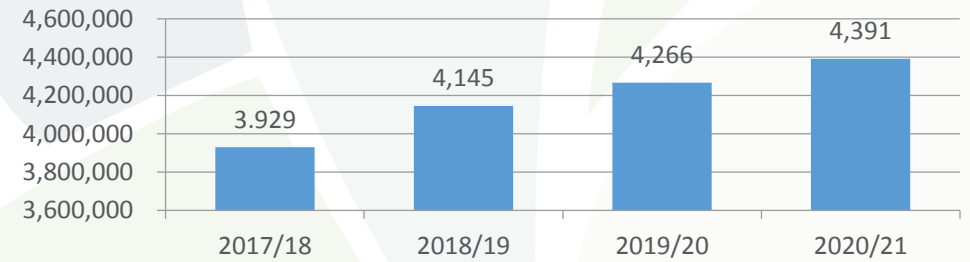


Pivotal and non-pivotal grant administration has been limited to 7.5% in line with the grant regulations.

### Discretionary grant Admin allocations on Pivotal programmes: 7.5% R'000



### Discretionary grant Admin allocations on non Pivotal programmes: 7.5% R'000



## PART B: PROGRAMME PLANS

### 4. STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS AND TARGETS

#### 4.1 Programme 1: Administration

**Strategic Goal 1:** To be an effective and high performing organisation to support the implementation of the skills development strategy for the sector.

**Purpose:** An effective, efficient and optimally functioning FP&M SETA. Implementation of effective policies, strategies and plans that comply with the applicable legislation and its ensuing regulations, good corporate governance, responsible citizenship and social justice. Effective and efficient financial, material and human resource planning and deployment of resources.

**STRATEGIC OBJECTIVE 1: To Improve the effectiveness and efficiency of the governance, human resources, corporate services and financial administration to enhance skills delivery.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
1.1 Percentage of key positions filled.	New KPI	New KPI	New KPI	95%	88%	88%	88%

#### Programme 2: Skills Planning

**Strategic Goal 2:** To ensure that appropriate skills-related research is conducted to promote labour absorption and address skills priorities identified in the SSP.

**Purpose:** Relates to establishing a credible institutional mechanism for skills planning and establishing partnerships and networks with key delivery forum partners among the provider community, labour market and interested, organised learner communities to enhance skills planning holistically in the education and training landscape. The rationale is that any human resource/skills planning should be complemented with better data and improved labour market analysis. The FP&M SETA must develop capacity for this function because demand projections for labour depend on the economic growth rate and this is the single most important variable for skills planning in the sector. This would ensure that information sources, with regard to the demand and supply of skills and identifying new and emerging occupations in the sector are co-ordinated and integrated.

**STRATEGIC OBJECTIVE 2: To conduct labour market research and implement skills planning activities, ensuring the development of a quality sector skills plan annually and ensuring accurate labour market analysis within the sector to address the scarce and critical skills gaps.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 TARGET	2020/21 TARGET
2.1 Number of agreements entered into for research partnerships.	New KPI	1	1	2	2	2	2
2.2 Number of WSPs and ATRs approved for large firms.	360	354	396	335	350	365	380

**STRATEGIC OBJECTIVE 2: To conduct labour market research and implement skills planning activities, ensuring the development of a quality sector skills plan annually and ensuring accurate labour market analysis within the sector to address the scarce and critical skills gaps. (contd)**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 TARGET	2020/21 TARGET
2.3 Number of WSPs and ATRs approved for medium firms.	382	413	401	390	410	430	450
2.4 Number of WSPs and ATRs approved for small levy-paying firms.	526	540	599	560	590	620	650
2.5 An updated OFO-aligned pivotal list submitted to DHET by 31 <sup>st</sup> August 2018.	(a) A skills matrix instrument is developed and implemented to identify scarce and critical skills gaps within five sub-sectors to update labour market needs within these sub-sectors.  (b) 10% of the employees in the FP&M sector are evaluated and the credibility of the instrument verified.	An updated skills matrix approved	An updated OFO-aligned pivotal list submitted	An updated OFO-aligned pivotal list submitted.	An updated OFO-aligned pivotal list submitted.	An updated OFO-aligned pivotal list submitted.	An updated OFO-aligned pivotal list submitted.
2.6 An impact assessment study on a minimum of two training interventions conducted by 31 <sup>st</sup> March 2019.	New KPI	Impact Assessment was compiled and presented to CEO.	Not applicable.	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2018.	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2019.	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2020.	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2021.



### Programme 3: Learning Programmes and Projects

**Strategic Goal 3:** To develop a skilled and capable workforce for a sustainable, technologically-advanced and productive FP&M manufacturing sector.

**Purpose:** To implement occupationally-directed programmes to address technical middle level skills needs especially in artisan, technician and related occupations. A large number of youth and adults are not in employment, education or training with poor educational foundation programmes making it impossible for them to access further education and training opportunities that will enable them to acquire a minimum qualification at NQF level 4.

#### STRATEGIC OBJECTIVE 3: To increase access to occupationally-directed programmes to address scarce and critical skills.

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
3.1 Number of learners entered into artisan programmes.	300	225	447	350	368	372	381
3.2 Number of learners completed artisan programmes.	24	110	108	225	200	205	210
3.3 Number of unemployed learners entered into learnership programmes.	2,519	1737	2,316	1,800	1,900	1,975	2,000
3.4 Number of unemployed learners completed learnership programmes.	791	836	1,389	1250	1,140	1,185	1,200
3.5 Number of unemployed learners entered into Bursary programmes.	414	217	556	300	350	380	400
3.6 Number of unemployed learners completed Bursary programmes.	60	84	232	130	175	190	200
3.7 Number of partnership agreements established with universities during the year to address scarce and critical skills.	11	8	5	3	4	5	6
3.8 Number of unemployed learners entered Workplace Experience/ Internships.	396	310	304	250	310	320	320
3.9 Number of unemployed learners completed Workplace Experience/ Internships.	125	169	215	175	185	195	195
3.10 Number of unemployed learners entered skills programmes.	1,471	1,712	3,098	850	1,029	1,087	1,187
3.11 Number of unemployed learners completed skills programmes.	1,065	455	1,443	600	720	735	830

**Strategic Goal 4:** To increase access of youth and adults to post-school education and training opportunities and to encourage further learning to improve their employability.

**Purpose:** Many South Africans are poorly prepared to undertake further learning when they leave school and cannot access post-school education and training opportunities. This programme is focused on assisting youth and adults to access adult education and training programmes and bridging programmes that will enable them to access further learning to improve their employability.

**STRATEGIC OBJECTIVE 4: To address the low level of youth and adult foundational skills in the sector by providing youth and adults with basic and intermediate skills in order to access further technical and occupational training through partnership agreements with workplaces and youth development organisations.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
4.1 Number of learners who entered AET programmes.	769	803	807	630	655	656	661
4.2 Number of learners who completed AET programmes.	310	402	427	440	390	395	400
4.3 Number of collaborative partnership agreements signed with youth development organisations.	Two MoAs were signed –Department of Agriculture, Forestry and Fisheries (DAFF) and Thuto Adult Centre.	2	2	3	3	4	5
4.4 Number of bridging programmes with learners implemented.	One bridging module programme developed and rolled out for the printing sector to support apprenticeship implementation.	2	2	2	2	2	2

**Strategic Goal 5:** To ensure the continuous upgrading of skills in the workforce, to help ensure an increase in the skills pool especially middle-and-high level occupations.

**Purpose:** To encourage better use of workplace-based skills development opportunities annually in order to develop a knowledgeable workforce for the sustainability of FP&M sector workplaces.

**STRATEGIC OBJECTIVE 5: To encourage better use of workplace-based skills development to upskill workers to ensure sustainability and industrial growth.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
5.1 Number of employed learners entered skills programmes.	3,264	3,396	4,107	2,050	1,875	1,945	2,001
5.2 Number of employed learners completed skills programmes.	768	1,514	1,880	1,500	1,320	1,365	1,400

**STRATEGIC OBJECTIVE 5: To encourage better use of workplace-based skills development to upskill workers to ensure sustainability and industrial growth. (contd)**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
5.3 Number of employed learners entered into learnership programmes.	869	705	945	800	900	925	925
5.4 Number of employed learners completed learnership programmes.	352	336	416	560	540	555	565
5.5 Number of employed learners entered Bursary Programmes.	143	82	98	100	110	110	116
5.6 Number of employed learners completed Bursary Programmes.	16	41	45	40	50	50	55
5.7 Number of unemployed learners entered Work-Integrated Learning Programmes from TVETs.	201	362	468	400	400	425	440
5.8 Number of unemployed learners completed Work-Integrated Learning Programmes from TVETs.	161	193	252	275	240	255	265
5.9 Number of unemployed learners entered Work-Integrated Learning Programmes from HETs.	159	175	250	200	250	255	270
5.10 Number of unemployed learners completed Work-Integrated Learning Programmes from HETs.	97	90	175	150	150	155	165

**Strategic Goal 6:** To provide support to co-operatives, small enterprises, worker-initiated and community organisations to implement skills development training initiatives to address unemployment, poverty alleviation, disability and rural development.

**Purpose:** To encourage and support co-operatives, small enterprises, worker initiated NGOs and community training initiatives in order to expand technical, financial and entrepreneurial capacity to address poverty alleviation and unemployment in rural areas. Co-operatives, Small Enterprises, CBOs, NLPEs, Worker, NGOs and community-based education programmes supported with skills training and development to expand and contribute to sector economic and employment growth. SSP identified a number of key areas of critical skills demand for co-operatives, small enterprises, worker-initiated, NGOs and community training initiatives, all of which affect the efficacy and sustainability of these enterprises.

**STRATEGIC OBJECTIVE 6: To encourage and support co-operatives, small enterprises, worker-initiated, NGO and community training initiatives to address poverty alleviation and unemployment.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
6.1 Number of SMME, NGO, worker initiated, co-operative, and community training initiatives supported through capacity building initiatives or funding.	22 co-operatives /worker organisations, identified and supported through discretionary grant projects,  20 small enterprises identified and supported through discretionary grant projects,  11 NGOs identified and supported through discretionary grant projects,  6 CBO's identified and supported through discretionary grant projects,  18 NLPE's identified and supported through discretionary grant projects.	21 co-operatives,  21 small businesses (SMMEs),  7 NGOs, 3 CBOs, and 3 trade unions.	20 co-operatives,  55 small enterprises,  6 NGOs,  4 CBOs,  14 NLPEs, and  2 trade unions and/or worker-initiated interventions funded.	20 co-operatives,  20 small enterprises,  3 NGOs,  3 CBOs,  5 NLPEs, and  2 trade unions and/or worker-initiated interventions funded.	30 co-operatives and/or small enterprises,  10 NGOs and/or NLPEs,  2 trade unions and/or worker-initiated interventions funded.	40 co-operatives and/or small enterprises,  15 NGOs and/or NLPEs,  2 trade unions and/or worker-initiated interventions funded.	60 co-operatives and/or small enterprises,  20 NGOs and/or NLPEs,  2 trade unions and/or worker-initiated interventions funded.
6.2 Number of rural development projects implemented.	New KPI	16	24	20	25	25	30

**Strategic Goal 7:** Career paths are communicated effectively, and contribute to improved relevance of training and greater career and vocational awareness for learners.

**Purpose:** For FP&M sector learners to succeed, they need to be guided prior to enrolment on both best match of their interest and their abilities to occupational requirements, as well as best prospects for employment and decent remuneration. These programmes require input from the labour market, as well as vehicles for matching potential learners to opportunities. Career paths are mapped to qualifications in all sectors and sub-sectors, and communicated effectively, contributing to improved relevance of training and greater mobility and progression, the FP&M SETA needs to submit information in a standard format and help expose learners to work before they make final decisions. FP&M SETA to provide information on steps taken to expose prospective learners to work in the FP&M sector.

**STRATEGIC OBJECTIVE 7: To build career and vocational guidance in order to expose learners to FP&M sector occupations through career events and exhibitions.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
7.1 A number of career awareness initiatives conducted.	22	23	44	24	25	30	40
7.2 Number of schools exposed to FP&M sector career opportunities.	378	422	30	60	80	90	100

## Programme 4: Quality Assurance and Partnerships

**Strategic Goal 8:** To ensure quality, relevant and fit-for-purpose education and training through promoting partnerships with post-school education and training institutions and workplaces to improve the supply of skills and education and training within the FP&M sector.

**Purpose:** To establish a sustainable post-school education and training system complimented by strategic partnerships to promote skills development within the sector. To uplift the capacity of public partner learning institutions to deliver programmes that are of the required quality. Programmes offered must industry needs. Relevant, fit-for-purpose and appropriate occupational qualifications and curricula aligned to industry needs to be developed and registered with QCTO. Develop skills programmes to address skills gaps of NCV students.

**STRATEGIC OBJECTIVE 8: To promote the growth of a public TVET college system, RPL and occupationally-directed qualifications development that is responsive to FP&M sector skills needs and priorities.**

Performance indicators	Audited/actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19 Target	2019/20 Target	2020/21 Target
8.1 Number of TVET colleges accredited or re-accredited during the year.	New KPI	10	11	10	10	10	10
8.2 Number of TVET colleges where Centres of Excellence are established	Lead SETA Offices established at False Bay TVET College, College of Cape Town and South Cape TVET College.	3	3	3	3	3	3
8.3 Number of partnership agreements signed with TVET colleges during the year.	11	11	10	10	10	10	10
8.4 Number of lecturer development programmes implemented.	Capacity building of lecturers was facilitated through the participation of lecturers from 2 TVETs/HEI's in ETDG programmes.	2	-	2	2	2	2

The targets reflected in the Annual Performance Plan fall short of the scarce and critical skills needs and priorities of the FP&M sector as contained in the 2018–2022 FP&M SETA Sector Skills Plan due to discretionary funding budgetary constraints. Should additional funding be secured through collaboration with institutions like the National Skills Fund, National and Provincial Government Departments (e.g. Department of Trade and Industry, Department of Economic Development and Tourism, Department of Arts and Culture, Department of Agriculture, Forestry and Fisheries and KwaZulu-Natal Department of Economic Development and Tourism) and inter-SETA collaboration funding, the FP&M SETA would be in a position to increase its targets.

## 5. PROGRAMME PERFORMANCE INDICATORS ALIGNED TO QUARTERLY PERFORMANCE TARGETS

**STRATEGIC OBJECTIVE 1: To Improve the effectiveness and efficiency of the governance, human resources, corporate services and financial administration to enhance skills delivery.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
1.1 Percentage of key positions filled.	Annually	88%	0	0	0	88%

**STRATEGIC OBJECTIVE 2: To conduct labour market research and implement skills planning activities, ensuring the development of a quality sector skills plan annually and ensuring accurate labour market analysis within the sector to address the scarce and critical skills gaps.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
2.1 Number of agreements entered into for research partnerships.	Annually	2	0	0	0	2
2.2 Number of WSPs and ATRs approved for large firms.	Annually	350	0	0	350	0
2.3 Number of WSPs and ATRs approved for medium firms.	Annually	410	0	0	410	0
2.4 Number of WSPs and ATRs approved for small levy-paying firms.	Annually	590	0	0	590	0
2.5 An updated OFO-aligned pivotal list submitted to DHET by 31 <sup>st</sup> August 2018.	Annually	An updated OFO-aligned pivotal list submitted.	0	0	0	An updated OFO-aligned pivotal list submitted.
2.6 An impact assessment study on a minimum of two training interventions conducted by 31 <sup>st</sup> March 2019	Annually	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2019.	0	0	0	Impact Assessment Report on a minimum of two training interventions completed by 31 <sup>st</sup> March 2019.

**STRATEGIC OBJECTIVE 3: To increase access to occupationally-directed programmes to address scarce and critical skills.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
3.1 Number of learners entered into artisan programmes.	Quarterly	368	37	110	147	74
3.2 Number of learners completed artisan programmes.	Quarterly	200	20	60	80	40
3.3 Number of unemployed learners entered into learnership programmes.	Quarterly	1,900	190	380	760	570
3.4 Number of unemployed learners completed learnership programmes.	Quarterly	1,140	114	228	456	342
3.5 Number of unemployed learners entered into Bursary programmes.	Quarterly	350	35	70	140	105
3.6 Number of unemployed learners completed Bursary programmes.	Quarterly	175	0	0	75	100
3.7 Number of partnership agreements established with universities during the year to address scarce and critical skills.	Annually	4	0	0	2	2
3.8 Number of unemployed learners entered Work-place Experience/Internships.	Quarterly	310	30	93	124	63
3.9 Number of unemployed learners completed Work-place Experience/Internships.	Quarterly	185	19	56	74	36
3.10 Number of unemployed learners entered skills programmes.	Quarterly	1,029	103	308	413	205
3.11 Number of unemployed learners completed skills programmes.	Quarterly	720	72	216	288	144

**STRATEGIC OBJECTIVE 4: To address the low level of youth and adult foundational skills in the sector by providing youth and adults with basic and intermediate skills in order to access further technical and occupational training through partnership agreements with workplaces and youth development organisations.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
4.1 Number of learners who entered AET programmes.	Quarterly	655	66	197	262	130
4.2 Number of learners who completed AET programmes.	Quarterly	390	39	117	156	78
4.3 Number of collaborative partnership agreements signed with youth development organisations.	Annually	3	0	0	0	3
4.4 Number of bridging programmes with learners implemented.	Annually	2	0	0	0	2



**STRATEGIC OBJECTIVE 5: To encourage better use of workplace-based skills development to upskill workers to ensure sustainability and industrial growth.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
5.1 Number of employed learners entered skills programmes.	Quarterly	1,875	188	563	615	509
5.2 Number of employed learners completed skills programmes.	Quarterly	1,320	132	396	450	342
5.3 Number of employed learners entered into learnership programmes.	Quarterly	900	90	270	360	180
5.4 Number of employed learners completed learnership programmes.	Quarterly	540	54	162	216	108
5.5 Number of employed learners entered Bursary Programmes.	Quarterly	110	11	33	44	22
5.6 Number of employed learners completed Bursary Programmes.	Quarterly	50	5	15	20	10
5.7 Number of unemployed learners entered Work-Integrated Learning Programmes from TVETs.	Quarterly	400	40	80	120	160
5.8 Number of unemployed learners completed Work-Integrated Learning Programmes from TVETs.	Quarterly	240	0	40	80	120
5.9 Number of unemployed learners entered Work-Integrated Learning Programmes from HETs.	Quarterly	250	25	50	75	100
5.10 Number of unemployed learners completed Work-Integrated Learning Programmes from HETs.	Quarterly	150	0	15	35	100

**STRATEGIC OBJECTIVE 6: To encourage and support co-operatives, small enterprises, worker-initiated, NGO and community training initiatives to address poverty alleviation and unemployment.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
6.1 Number of SMME, NGO, worker initiated, co-operative, and community training initiatives supported through capacity building initiatives or funding.	Quarterly	30 co-operatives and/or small enterprises.	0	10	10	10
	Quarterly	10 NGOs and/or NLPE's.	0	3	3	4
	Quarterly	2 trade unions and/or worker-initiated interventions funded.	0	0	1	1
6.2 Number of rural development projects implemented	Quarterly	25	0	5	10	10

**STRATEGIC OBJECTIVE 7: To build career and vocational guidance in order to expose learners to FP&M sector occupations through career events and exhibitions.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
7.1 A number of career awareness initiatives conducted.	Quarterly	25	3	9	12	1
7.2 Number of schools exposed to FP&M sector career opportunities.	Quarterly	80	8	24	32	16

**STRATEGIC OBJECTIVE 8: To promote the growth of a public TVET college system, RPL and occupationally-directed qualifications development that is responsive to FP&M sector skills needs and priorities.**

Performance indicators	Reporting period	Annual Target 2018/19	Quarterly targets			
			Q1 (10% + Administration)	Q2 (30%)	Q3 (40%)	Q4 (20%)
8.1 Number of TVET colleges accredited or re-accredited during the year.	Quarterly	10	0	0	5	5
8.2 Number of TVET colleges where Centres of Excellence are established.	Annually	3	0	0	0	3
8.3 Number of partnership agreements signed with TVET colleges during the year.	Quarterly	10	0	0	5	5
8.4 Number of lecturer development programmes implemented.	Annually	2	0	0	0	2

## 6. RECONCILING PERFORMANCE TARGETS WITH THE MTEF BUDGET

### 6.1 Pivotal and Non-Pivotal Budgets

#### PIVOTAL BUDGET - 80% DG BUDGET (2018/19 to 2022/23)

Prog. No.	Performance Indicator	Emp. Status		Target 2018/19	Budget 2018/19		Target 2019/20	Budget 2019/20		Target 2020/21	Budget 2020/21		Target 2021/22	Budget 2021/22		Target 2022/23	Budget 2022/23	
<b>SETA Admini-Stration Budget</b>																		
1:ADMIN	1.1 % key positions filled			80%	Included in SETA Adm budget	Project Admin (7.5%)	88%	Included in SETA Adm budget	Project Admin (7.5%)	88%	Included in SETA Adm budget	Project Admin (7.5%)	88%	Included in SETA Adm budget	Project Admin (7.5%)	88%	Included in SETA Adm budget	Project Admin (7.5%)
<b>SETA PIVOTAL BUDGET</b>																		
3: LP & PROJ	3.1 Artisan Programmes Ent	Emp/ Une	R 165,000,00	368	R 60,720,000,00	R 4,923,481,20	372	R 61,380,000,00	R 4,976,997,30	381	R 62,865,000,00	R 5,097,408,53	390	R 64,350,000,00	R 5,217,819,75	400	R 66,000,000,00	R 5,351,610,00
	3.3 Learnership Programmes Ent	Une	R 25,000,00	1700	R 42,500,000,00	R 3,446,112,50	1725	R 43,125,000,00	R 3,496,790,63	1750	R 43,750,000,00	R 3,547,468,75	1806	R 45,150,000,00	R 3,660,987,75	1825	R 45,625,000,00	R 3,699,503,13
	3.5 Bursary Programmes Ent	Une	R 150,000,00	150	R 22,500,000,00	R 1,824,412,50	170	R 25,500,000,00	R 2,067,667,50	180	R 27,000,000,00	R 2,189,295,00	190	R 28,500,000,00	R 2,310,922,50	200	R 30,000,000,00	R 2,432,550,00
		Une	R 100,000,00	100	R 10,000,000,00	R 810,850,00	90	R 9,000,000,00	R 729,765,00	100	R 10,000,000,00	R 810,850,00	100	R 10,000,000,00	R 810,850,00	100	R 10,000,000,00	R 810,850,00
		Une	R 50,000,00	100	R 5,000,000,00	R 405,425,00	120	R 6,000,000,00	R 486,510,00	120	R 6,000,000,00	R 486,510,00	130	R 6,500,000,00	R 527,052,50	140	R 7,000,000,00	R 567,595,00
	3.8 Work Experience/ Internships Ent	Une	R 36,000,00	310	R 11,160,000,00	R 904,908,60	320	R 11,520,000,00	R 934,099,20	320	R 11,520,000,00	R 934,099,20	330	R 11,880,000,00	R 963,289,80	350	R 12,600,000,00	R 1,021,671,00
	3.10 Skills Programmes Ent	Une	R 10,000,00	729	R 7,290,000,00	R 591,109,65	762	R 7,620,000,00	R 617,867,70	812	R 8,120,000,00	R 658,410,20	820	R 8,200,000,00	R 664,897,00	840	R 8,400,000,00	R 681,114,00
3: LP & PROJ	5.1 Skills Programmes Ent	Emp	R 7,200,00	1875	R 13,500,000,00	R 1,094,647,50	1945	R 14,004,000,00	R 1,135,514,34	2001	R 14,407,200,00	R 1,168,207,81	2050	R 14,760,000,00	R 1,196,814,60	2075	R 14,940,000,00	R 1,211,409,90

Prog.No.	Performance Indicator	Emp.Status		Target 2018/19	Budget 2018/19		Target 2019/20	Budget 2019/20		Target 2020/21	Budget 2020/21		Target 2021/22	Budget 2021/22		Target 2022/23	Budget 2022/23	
	5.3 Learnership Programmes Ent	Emp	R 20,000,00	900	R 18,000,000,00	R 1,459,530,00	925	R 18,500,000,00	R 1,500,072,50	925	R 18,500,000,00	R 1,500,072,50	925	R 18,500,000,00	R 1,500,072,50	940	R 18,800,000,00	R 1,524,398,00
	5.5 Bursary Programmes Ent	Emp	R 105,000,00	110	R 11,550,000,00	R 936,531,75	110	R 11,550,000,00	R 936,531,75	116	R 12,180,000,00	R 987,615,30	121	R 12,705,000,00	R 1,030,184,93	130	R 13,650,000,00	R 1,106,810,25
	4.1 AET Programmes Ent	Emp/Une	R 3,500,00	655	R 2,292,500,00	R 185,085,70	656	R 2,296,000,00	R 185,497,08	661	R 2,313,500,00	R 186,752,72	700	R 2,450,000,00	R 197,840,68	716	R 2,506,000,00	R 202,360,73
					<b>R 204,512,500,00</b>			<b>R 210,495,000,00</b>			<b>R 216,655,700,00</b>			<b>R 222,995,000,00</b>			<b>R 229,521,000,00</b>	
					R 1,068,00	R 86,60		R 1,857,00			R 142,00			R 698,00			R 754,00	
					R 204,513,568,00			R 210,496,857,00			R 216,655,842,00			R 222,995,698,00			R 229,521,754,00	
					R 16,582,181,00			R 17,067,313,00			R 17,566,690,00			R 18,080,732,00			R 18,609,872,00	
									R 17,067,313,00			R 17,566,690,00			R 18,080,732,01			R 18,609,872,01
					<b>R 221,095,749,00</b>	<b>R 16,582,181,00</b>		<b>R 227,564,170,00</b>			<b>R 234,222,532,00</b>			<b>R 241,076,430,00</b>			<b>R 248,131,626,00</b>	

**NON-PIVOTAL BUDGET - 20% DG BUDGET(2018/19 to 2022/23)**

SPECIAL PROJECT -PIVOTAL																	
Prog. No.	Performance Indicator	Unit Costs	Target 2018/19	Budget 2018/19	Project Admin (7.5%)	Target 2019/ 20	Budget 20119/20	Project Admin (7.5%)	Target 2020/21	Budget 2020/21	Project Admin (7.5%)	Target 2021/22	Budget 2021/22	Project Admin (7.5%)	Target 2022/23	Budget 2022/23	Project Admin (7.5%)
3: LP & PROJ	Work-Integrated-Learning (18 months) 5.7 TVET Student Placement Ent (une)	R 54,000,00	400	<b>R 21,600,00,00</b>	R 1,751,436,00	425	<b>R 22,950,000,00</b>	R 1,860,900,75	440	<b>R 23,760,000,00</b>	R 1,926,579,60	450	<b>R 24,300,000,00</b>	R 1,970,365,50	475	<b>R 25,650,000,00</b>	R 2,079,830,25
	Work-Integrated-Learning (12 months) 5.9 University Student Placement Ent (une)	R 36,000,00	250	<b>R 9,000,000,00</b>	R 729,765,00	255	<b>R 9,180,000,00</b>	R 744,360,30	270	<b>R 9,720,000,00</b>	R 788,146,20	270	<b>R 9,720,000,00</b>	R 788,146,20	280	<b>R 10,080,000,00</b>	R 817,336,80
SETA NON-PIVOTAL BUDGET																	
2: SKILLS PLAN	2.1, 2.5 and 2.6 Research partnerships, Updated-OFO-Aligned PIVOTAL List, Impact Study & Other Skills & Strategic Planning Activities			R 2,000,000,00	R 162,170,00		R 1,000,000,00	R 81,085,00		R 1,000,000,00	R 81,085,00		R 1,500,000,00	R 121,627,50		R 1,500,000,00	R 121,627,50
	Mandatory/ Discretionary Grant Workshops /SSA payments2.2 - 2.4 Number of WSPs & ATRs Approved		Large Firms - 350, Medium Firms - 410, Small Levy Paying Firms - 590	R 1,000,000,00	R 81,085,00	Large Firms - 365, Medium Firms - 430, Small Levy Paying Firms - 620	R 1,000,000,00	R 81,085,00	Large Firms - 380, Medium Firms - 450, Small Levy Paying Firms - 650	R 1,000,000,00	R 81,085,00	Large Firms - 395, Medium Firms - 470, Small Levy Paying Firms - 680	R 1,500,000,00	R 121,627,50	Large Firms - 410, Medium Firms - 490, Small Levy Paying Firms - 710	R 1,250,000,00	R 101,356,25

Prog. No.	Performance Indicator	Unit Costs	Target 2018/19	Budget 2018/19	Project Admin (7.5%)	Target 2019/20	Budget 2019/20	Project Admin (7.5%)	Target 2020/21	Budget 2020/21	Project Admin (7.5%)	Target 2021/22	Budget 2021/22	Project Admin (7.5%)	Target 2022/23	Budget 2022/23	Project Admin (7.5%)
4:QA	8.1 Accreditation of TVET Colleges 8.3 Signed agreements with TVET Colleges during the year		10			10			10			10			10		
	8.2 Establish Centres of Excellence at TVET Colleges /CSTO Offices		3	R 1,500,000,00	R 121,627,50	3	R 1,500,000,00	R 121,627,50	3	R 1,500,000,00	R 121,627,50	3	R 1,500,000,00	R 121,627,50	3	R 1,500,000,00	R 121,627,50
	8.4 Lecturer Development Programmes		2	R 1,000,000,00	R 81,085,00	2	R 1,000,000,00	R 81,085,00	2	R 1,000,000,00	R 81,085,00	2	R 1,000,000,00	R 81,085,00	2	R 500,000,00	R 40,542,50
1:ADMIN	7.1 Career Awareness Initiatives 7.2 Number of Schools Comms and Mkt		25 career exhibitions and 80 schools	R 3,000,000,00	R 243,255,00	30 career exhibitions and 90 schools	R 3,000,000,00	R 243,255,00	40 career exhibitions and 100 schools	R 3,000,000,00	R 243,255,00	50 career exhibitions and 120 schools	R 3,000,000,00	R 243,255,00	55 career exhibitions and 125 schools	R 3,000,000,00	R 243,255,00
				<b>R 8,500,000,00</b>			<b>R 7,500,000,00</b>			<b>R 7,500,000,00</b>			<b>R 8,500,000,00</b>			<b>R 7,750,000,00</b>	
<b>SPECIAL PRO-JECTS</b>																	
3: LP & PROJ	6.1 Special Projects: Trade Unions/ Bargaining Councils/ Employer Organisations		2 Trade Unions/ Employer Organisations	R 3,028,392,00	R 245,356,50	2 Trade Unions/ Employer Organisations	R 2,244,214,00	R 181,765,70	2 Trade Unions/ Employer Organisations	R 1,933,960,00	R 156,602,45	2 Trade Unions/ Employer Organisations	<b>R 1,728,924,00</b>	R 139,971,30	2 Trade Unions/ Employer Organisations	R 2,400,439,00	R 194,414,70

Prog. No.	Performance Indicator	Unit Costs	Target 2018/19	Budget 2018/19	Project Admin (7.5%)	Target 2019/20	Budget 2019/20	Project Admin (7.5%)	Target 2020/21	Budget 2020/21	Project Admin (7.5%)	Target 2021/22	Budget 2021/22	Project Admin (7.5%)	Target 2022/23	Budget 2022/23	Project Admin (7.5%)
	6.1 Number of SMMEs, NGOs, Co-operative, and community training initiatives supported through capacity building or funding		30 Small Enterprises/ co-operatives, 10 (NGO's, CBO's, NLPE's)	<b>R 4,000,000,00</b>	R 324,340,00	40 Small Enterprises/ co-operatives, 15 (NGO's, CBO's, NLPE's)	<b>R 4,500,000,00</b>	R 364,882,50	50 Small Enterprises/ co-operatives, 20 (NGO's, CBO's, NLPE's)	<b>R 4,750,000,00</b>	R 385,153,75	60 Small Enterprises/ co-operatives, 20 (NGO's, CBO's, NLPE's)	<b>R 5,000,000,00</b>	R 405,425,00	65 Small Enterprises/ co-operatives, 30 (NGO's, CBO's, NLPE's)	<b>R 5,000,000,00</b>	R 405,425,00
	skills programmes (une)	R 10,000,00	100			150			175			200			200		
	learnerships (une)	R 30,000,00	100			100			100			100			100		
3: LP & PROJ	6.2 Number of rural dev. Projs implemented		25	<b>R 5,000,000,00</b>	R 405,425,00	25	<b>R 6,250,000,00</b>	R 506,781,25	30	<b>R 6,500,000,00</b>	R 527,052,50	30	<b>R 6,500,000,00</b>	R 527,052,50	35	<b>R 6,500,000,00</b>	R 527,052,50
	6.2 Number of rural dev. Projs implemented		25	R 5,000,000,00	R 405,425,00	25	R 6,250,000,00	R 506,781,25	30	R 6,500,000,00	R 527,052,50	30	R 6,500,000,00	R 527,052,50	35	R 6,500,000,00	R 527,052,50
	skills programmes (une)	R 10,000,00	200			175			200			200			200		
	learnerships (une)	R 30,000,00	100			150			150			150			150		
				R 51,128,392,00			R 52,624,214,00			R 54,163,960,00			R 55,748,924,00			R 57,380,439,00	
				R 0,00			R 0,00			R 0,00			R 0,00			R 0,00	
				R 51,128,392,00			R 52,624,214,00			R 54,163,960,00			R 55,748,924,00			R 57,380,439,00	
				R 4,145,545,00			R 4,266,828,00			R 4,391,672,00			R 4,520,183,00			R 4,652,468,00	
					R 4,145,545,00			R 4,266,828,00			R 4,391,672,00			R 4,520,183,00			R 4,652,468,00



Prog. No.	Performance Indicator	Unit Costs	Target 2018/19	Budget 2018/19	Project Admin (7.5%)	Target 2019/20	Budget 2019/20	Project Admin (7.5%)	Target 2020/21	Budget 2020/21	Project Admin (7.5%)	Target 2021/22	Budget 2021/22	Project Admin (7.5%)	Target 2022/23	Budget 2022/23	Project Admin (7.5%)
				R 55,273,937,00			R 56,891,042,00			R 58,555,632,00			R 60,269,107,00			R 62,032,907,00	
				R 276,369,687,00			R 284,455,212,00			R 292,778,164,00			R 301,345,537,00			R 310,164,533,00	

**NOTES:**

- i. Included in DG Budget is budget for strategic and innovative projects.
- ii. Unit costs for skills programmes unemployed is R10,000 - to make provision for learner stipends and travel costs.
- iii. Recognition of Prior Learning (RPL) to be included under skills programmes and artisans.

**PROJECT ADMINISTRATION PER PROGRAMME**

Project Administration	2018/19	2019/20	2020/21	2021/22	2022/23
<b>2. Skills Planning</b>	R 162,170,00	R 81,085,00	R 81,085,00	R 121,627,50	R 121,627,50
	R 81,085,00	R 81,085,00	R 81,085,00	R 121,627,50	R 101,356,25
	<b>R 243,255,00</b>	<b>R 162,170,00</b>	<b>R 162,170,00</b>	<b>R 243,255,00</b>	<b>R 222,983,75</b>
<b>3. Learning Programmes and Projects</b>	R 16,582,181,00	R 17,067,313,00	R 17,566,690,00	R 18,080,732,01	R 18,609,872,01
	R 1,751,436,00	R 1,860,900,75	R 1,926,579,60	R 1,970,365,50	R 2,079,830,25
	R 729,765,00	R 744,360,30	R 788,146,20	R 788,146,20	R 817,336,80
	R 245,356,50	R 181,765,70	R 156,602,45	R 139,971,30	R 194,414,70
	R 324,340,00	R 364,882,50	R 385,153,75	R 405,425,00	R 405,425,00
	R 405,425,00	R 506,781,25	R 527,052,50	R 527,052,50	R 527,052,50
	<b>R 243,255,00</b>	<b>R 243,255,00</b>	<b>R 243,255,00</b>	<b>R 243,255,00</b>	<b>R 243,255,00</b>
	<b>R 20,281,758,49</b>	<b>R 20,969,258,50</b>	<b>R 21,593,479,50</b>	<b>R 22,154,947,51</b>	<b>R 22,877,186,25</b>
<b>4. Quality Assurance</b>	R 121,627,50	R 121,627,50	R 121,627,50	R 121,627,50	R 121,627,50
	R 81,085,00	R 81,085,00	R 81,085,00	R 81,085,00	R 40,542,50
	<b>R 202,712,50</b>	<b>R 202,712,50</b>	<b>R 202,712,50</b>	<b>R 202,712,50</b>	<b>R 162,170,00</b>

## 6.2 Types of Programmes – Occupations in Demand to be Supported

The FP&M SETA's Annual Performance Plan aims to broadly respond to the identified scarce and critical skills by implementing various programmes both in addressing skills gaps, with specific focus on the follow priority programmes as per PIVOTAL Skills needs – Refer to FP&M SETA Scarce and Critical Skills Annexure for details on Types of Programmes to be Supported.

Occupation Code	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure
2015-226302	Safety, Health, Environment and Quality (SHE&Q) Practitioner	Health and Safety Officer/co-ordinator/ Professional	<b>Learnership</b> - Facilitate the development, implementation and maintenance of a Safety, Health and Environment management system	Level 04	350
2015-821501	Forestry Worker	Bush Clearing Contractor, Forest Laborer/ Hand/Pruner, Forestry Contractor	<b>Learnership</b> - General Education and Training Certificate: General Forestry	Level 02	225
2015-662201	Printing Machinist	Instant Printer Operator	<b>Bursary</b> - National Certificate: Printing and Manufacture of Packaging	Level 07	180
2015-251302	Website Developer	Web Publishing Advisor	<b>Skills Programme</b> - Advanced Certificate in Web Development	Level 04	30
2015-732203	Emergency Vehicle Drivers	Fire Truck Driver	<b>Skills Programme</b> - Operate a vehicle combination	Level 03	150
2015-652204	Pattern Maker	Clothing Pattern Maker Footwear Pattern Maker General Goods Pattern Maker	<b>Skills Programme</b> - General Education and Training Certificate: Clothing Manufacturing Processes	Level 04	150
2015-715602	Footwear Closing Production Machine Operator	Shoe Folding Operator	<b>Learnership</b> - Occupational Certificate: Footwear Clothing Production Machine Operator	Level 03	100
2015-621101	Tree Feller	Chainsaw Operator	<b>Skills Programme</b> - Conduct controlled tree felling in various locations	Level 03	100
2015-715501	Leather Processing Machine Operator	Leather Finishing Operator	<b>Learnership</b> - Occupational Certificate: Footwear Cutting Machine Operator	Level 02	100
2015-682303	Wood Machinist	Carving Machine Operator (Wood)	<b>Bursary</b> - National Certificate: Furniture Making: Wood	Level 06	100
2015-132102	Production/ Operations Manager (Manufacturing)	Industrial Production Manager, Works/ Workshop Manager (Manufacturing), Planning Manager (Manufacturing), Processing Unit Manager, Plant Superintendent, Processing Manager, Operations Manager (Production), Plant Manager (Manufacturing)	Learnership, Bursary, Internship	Level 06	320

Occupation Code	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure	Personnel Expenditure
2015-821501	Forestry Worker	Bush Clearing Contractor, Forest Laborer/ Hand/Pruner, Forestry Contractor	Learnership	Level 02	80
2015-662202	Printing Machinist	Instant Printer Operator	Skills Programme	Level 03	75
2015-216603	Multimedia Designer	Instructional Designer, Interactive Media Designer, Digital Media Designer, Multimedia Artist	Skills Programme	Level 05/06	90
2015-214101	Industrial Engineer	Manufacturing Technology Engineer, Process Design Engineer, Operations Research Engineer, Produce Process Engineer, Industrial Efficiency Engineer, Process Engineer, Plant Engineer, Value Engineering, Enterprise Resource Management Engineer, Automation and Control Engineer, Quality Management Engineer	Bursary, Internship	Level 07	20
2015-683202	Patternmaker	Clothing Pattern Maker, Footwear Pattern Maker, General Goods Pattern Maker	Skills Programme	Level 03	20
2015-312201	Production/Operations Supervisor (Manufacturing)	Manufacturing Foreman, Production Plant Supervisor, Shift Manager (Production), Beneficiation Plant Foreman, Assembly Supervisor	Learnership, Skills Programme	Level 04	600
2015-313201	Industrial Machinery Mechanic	Water Treatment Plant Operator, Incinerator Operator, Water Treatment Plant Technician, Liquid Waste Process Operator, Waterworks Plant Operator, Waste Water Plant Operator	Skills Programme, Apprenticeship	Level 05	40
2015-832909	Textile, Clothing and Footwear Factory Worker	Counting and Packaging Textile Process Worker, Canvas Upholstery Cutter, Textile Machine Attendant, Counting and Packaging Clothing Process Worker, Textiles General Worker, Textiles Table Hand, Clothing or Textile Production Charge hand, Cloth Burler, Textile Production Charge hand, Tying Machine Operator, Wool-len Mill Crochet Worker, Bundler, Clothing and Textile Factory Worker, Thread and Yarn Piercer	Learnership	Level 02	350
2015-682303	Wood Machinist	Carving Machine Operator (Wood)	Skills Programme, Learnership	Level 04	50

## PART C: LINKS TO OTHER PLANS

### 7. FP&M SETA ALIGNMENT TO STRATEGIC INFRASTRUCTURE PROJECTS (SIPS)

The Special Projects Unit in DHET that coordinates the Strategic Integrated Projects (SIPs) has engaged FP&M SETA regarding grants allocated for workplace learning for the identified SIPS scarce skills.

FP&M SETA approved the number of structured workplace learning grants that they are in a position to allocate in the next financial year, to each of the following SIP scarce skills. The FP&M SETA has provisionally committed the following number of structured workplace learning grants for the identified SIPS scarce skills and strategic projects:

Project Name	Goal	Municipality	Project Description/ Type of Infrastructure	Outputs	Outcome			Revised estimate	Medium-term estimates		
					2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
<b>DHET - Special Projects Unit</b>	4.2	Stellenbosch Local Municipality	Stellenbosch University Forestry Bursaries (SIPs)	Equipment and Software	-	-	-	-	550,000	550,000	-
<b>DHET - Special Projects Unit</b>	4.2	Vhembe District Municipality	Venda University Forestry Bursaries (SIPs)	Equipment and Infrastructure	-	-	-	-	212,500	212,500	-
<b>Methodist Church of Southern Africa</b>	4.3	Richmond Municipality	Building of Richmond-Indaleni Community Skills Development Centre	Equipment and Infrastructure	-	-	-	-	5,000,000	5,000,000	-

## ANNEXURE A: TECHNICAL INDICATOR DESCRIPTIONS

**STRATEGIC OBJECTIVE 1:** To Improve the effectiveness and efficiency of the governance, human resources, corporate services and financial administration to enhance skills delivery.

Indicator title/objective	1.1 Percentage of Key Positions filled.
Short definition	Strategic and executive positions of the staffing structure are filled (permanently or acting capacity) to ensure service delivery and fulfil the SETA mandate, it is critical that all key positions are filled – these positions are the CEO, CFO and General Managers.
Purpose/importance	To ensure that the FP&M SETA's performance is not compromised or hampered in any way, it is critical that the SETA is adequately resourced to deliver on its strategic mandate as contained in the Strategic Plan and APP.
Source/collection of data	Employment Contracts of all key positions – All senior management positions filled either by permanent or acting personnel.
Method of calculation	No of key vacant positions not filled – 0/6.
Data limitations	Vacant positions occupied by acting personnel.
Type of indicator	Output.
Calculation type	Reported performance is cumulative for the year.
Reporting cycle	Reported annually.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Human Resources Manager.

**STRATEGIC OBJECTIVE 2:** To conduct labour market research and implement skills planning activities, ensuring the development of a quality sector skills plan annually and ensuring accurate labour market analysis within the sector to address the scarce and critical skills gaps.

Indicator title/objective	2.1 Number agreements entered into for research partnerships.
Short definition	Agreement signed with a higher education institutions or research organisations to support sector skills plan development.
Purpose/importance	To build research capacity for universities/TVETs/research organisations so that they become empowered to participate in the skills agenda of South Africa and in so doing contribute to skills development aligned to the research agenda of the FP&M SETA.
Source/collection of data	Agreements for research partnerships.
Method of calculation	Simple count of signed agreements for research partnerships.
Data limitations	None.
Type of indicator	Indicator measuring inputs.

Calculation type	Cumulative.
Reporting cycle	Annual.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Research Specialist.
Indicator title/objective	2.2 Number of WSPs and ATRs approved for large firms. 2.3 Number of WSPs and ATRs approved for medium firms. 2.4 Number of WSPs and ATRs approved for small levy-paying firms.
Short definition	<p>“Regulated timeframes” – as per SETA grant regulations.</p> <p>“WSPs and ATRs” – refers to the mandatory grant application that consists of a non-pivotal and pivotal workplace skills plan (WSP) and non-pivotal and pivotal annual training report (ATR). In order to qualify for the mandatory grant, companies must complete at least the non-pivotal or pivotal WSP and the non-pivotal or pivotal ATR. In the case of first time submissions, only the non-pivotal or pivotal WSP must be completed.</p> <p>“Large firms” – 150+ employees  “Medium firms” – 50 – 149 employees  “Small firms” – 1 – 49 employees  “Approved” – WSPs and ATRs are evaluated against evaluation criteria and are APPROVED for payment.</p> <p>Companies to be categorized as per employment summary on WSP and ATR.</p>
Purpose/importance	Skills Planning should be complemented with better data and improved labour market analysis, in order to make accurate labour market projections to inform the FP&M SETA Sector Skills Plan through the identification of the scarce and critical skills gaps within the sector. The rationale is that any human resource/skills planning should be complemented with better data and improved labour market analysis as provided by the WSPs and ATRs.
Source/collection of data	Number of WSPs and ATRs submitted to FP&M SETA as recorded on the FP&M SETA Indicium system and evaluated for approval as per evaluation criteria.
Method of calculation	Simple Count of approved WSPs and ATRs submissions against which payment was made.
Data limitations	Manual submissions may not be entered in FP&M SETA Indicium system. WSP and ATR information may not pull through from the MIS module to FP&M SETA Indicium System.
Type of indicator	Indicator measuring inputs.
Calculation type	Count.
Reporting cycle	Reported in second or third quarter.
New indicator	No.
Desired performance	Target is set at desirable level.
Indicator responsibility	Communications, Planning and Reporting Manager.

Indicator title/objective	2.5 An updated OFO-aligned pivotal list submitted to DHET by 31 <sup>st</sup> August 2018.
Short definition	A PIVOTAL skills list is a list of scarce occupations in demand/occupations in demand in a sector. "Regulated timeframes" – by 31 <sup>st</sup> August for submission of strategic documentation.
Purpose/importance	The accuracy of labour market needs within FP&M sectors depends on the reliability and validity of information obtained from interviews and workshops with stakeholders and skills audit survey data.
Source/collection of data	Submitted PIVOTAL skills list.
Method of calculation	Count.
Data limitations	None.
Type of indicator	Indicator measuring outputs.
Calculation type	Reported performance is non-cumulative.
Reporting cycle	Reported annually by September each year.
New indicator	Yes.
Desired performance	Actual performance lower than targeted performance is undesirable.
Indicator responsibility	Research Specialist.

Indicator title/objective	2.6 An impact assessment study on a minimum of TWO training interventions conducted by 31 <sup>st</sup> March 2019.
Short definition	To evaluate impact and return on investment with regard to training interventions implemented in the sector, relating to bursaries, learnerships, work experience/internships, WIL and apprenticeships.
Purpose/importance	Impact studies monitor and evaluate how effectively and efficiently skills development projects and their management have promoted the desired change and supported learners and employers in promoting productivity and sustainability of the industry.
Source/collection of data	Impact Research Report.
Method of calculation	Simple count – Impact Research Report on minimum TWO training interventions.
Data limitations	Unavailability of data due to non-participation of learners and employers.
Type of indicator	Output.
Calculation type	Reported performance is cumulative for the year.
Reporting cycle	Reported annually.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Research Specialist.

**STRATEGIC OBJECTIVE 3:** To increase access to occupationally-directed programmes to address scarce and critical skills.

Indicator title/objective	3.1 Number of learners entered into artisan programmes.
Short definition	Number of learners who have enrolled and signed agreements into artisan programmes.
Purpose/importance	To promote artisan development within the FP&M sector and track the extent the sector is responding to middle level technical skills needs in the economy.
Source/collection of data	DG MoAs and Apprenticeship Agreements.
Method of calculation	Simple count of number of Apprenticeship agreements.
Data limitations	Possible delay in receipt of signed agreement by FP&M SETA from service providers.
Type of indicator	Input.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Learning Programmes Coordinator and Regional Managers.

Indicator title/objective	3.2 Number of learners completed artisan programmes.
Short definition	Number of learners completed and been certificated in artisan programmes.
Purpose/importance	To promote artisan development within the FP&M sector and track the extent the sector is responding to middle level technical skills needs in the economy.
Source/collection of data	Certificates/Statements of Results issued.
Method of calculation	Simple count of number of certificates/statements of results that have been issued.
Data limitations	Possible delay in receipt of certificates by FP&M SETA from service providers or NAMB.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Learning Programmes Coordinator and Regional Managers.



Indicator title/objective	3.3 Number of unemployed learners entered into learnership programmes.
Short definition	Number of unemployed learners enrolled into learnership programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a minimum qualification at level 4 of the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level skills needs within the FP&M sector in the next five years.
Source/collection of data	Learnership agreements.
Method of calculation	Simple Count of learnership agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring input.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Qualifications Development Manager and Regional Managers.

Indicator title/objective	3.4 Number of unemployed learners completed learnership programmes.
Short definition	Number of unemployed learners completed and certificated in learnership programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a minimum qualification at level 4 of the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level skills needs within the FP&M sector in the next five years.
Source/collection of data	Certificates/Statement of Results/Verification Report issued.
Method of calculation	Simple count of number of certificates/Statement of results that have been issued.
Data limitations	Possible delay in receipt of results/certificates by FP&M SETA from service providers. A verification report may be used for calculation purposes.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance and Regional Managers.

Indicator title/objective	3.5 Number of unemployed learners who entered into Bursary Programmes.
Short definition	Number of unemployed learners who have enrolled in bursary programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a higher level qualification on the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level and high level skills needs within the FP&M sector in the next five years at higher education institutions or TVET colleges.
Source/collection of data	Learner agreements.
Method of calculation	Simple Count of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers. Registration of the learner at a higher education institution can occur in the previous financial year.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.6 Number of unemployed learners who completed Bursary Programmes.
Short definition	Number of learners who have completed bursary programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a higher level qualification on the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level and high level skills needs within the FP&M sector in the next five years.
Source/collection of data	Statement of Results.
Method of calculation	Simple count of statement of results where learner has obtained the qualification.
Data limitations	Possible delay in receipt of statement of results by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.7 Number of partnership agreements established with universities during the year to address scarce and critical skills.
Short definition	This indicator refers to the number of capacity building and partnerships with Universities. Partnerships to focus on HEI lecturer development programmes, bursary programmes, Work-Integrated-Learning projects (Employer partnerships to facilitate HEI graduate placement), re-tooling and re-skilling of unemployed HEI graduates – Work Experience and Internship projects rolled out.
Purpose/importance	NSDS III emphasises partnerships between DHET, SETAs, employers, private providers and public TVET colleges to create increased capacity to meet industry needs throughout the country. SETAs identify TVET colleges with relevant programmes and put in place partnerships to offer vocational courses and work experience for college learners.
Source/collection of data	Signed MoAs and MoUs with HEIs.
Method of calculation	Simple Count - Number of signed MoAs/MoUs HEIs.
Data limitations	None.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported annually.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.8 Number of unemployed learners entered Workplace Experience/Internships.
Short definition	The number of learners who enter into structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Learner agreements for work experience and internships.
Method of calculation	Simple count of learner agreements signed for 6/12 or 18 month duration.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.9 Number of unemployed learners completed Workplace Experience/Internships.
Short definition	The number of learners who complete structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Letter of competence for work experience/internship.
Method of calculation	Simple count of letters of competence.
Data limitations	None.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.10 Number of unemployed learners entered skills programmes.
Short definition	Number of learners that register for technical and management skills programmes or entrepreneurship skills programmes that would provide learners with financial and business skills to register their own ventures.
Purpose/importance	The FP&M SSP identified a number of key areas of critical skills demand in the FP&M sector, all of which affect the efficacy and developmental competitiveness of the sector. These include technical occupational, entrepreneurship, leadership and management skills. There is a clearly expressed need for enhancing leadership (not only in terms of supply, but also in terms of continuity of leadership). The purpose of the indicator is to develop those skills.
Source/collection of data	Learner agreements.
Method of calculation	Simple count of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	3.11 Number of unemployed learners completed skills programmes.
Short definition	Number of learners that completed technical and management skills programmes or entrepreneurship skills programmes that would provide learners with financial and business skills to register their own ventures.
Purpose/importance	The FP&M SSP identified a number of key areas of critical skills demand in the FP&M sector, all of which affect the efficacy and developmental competitiveness of the sector. These include leadership and management skills. There is a clearly expressed need for enhancing leadership (not only in terms of supply, but also in terms of continuity of leadership). The purpose of the indicator is to develop those skills.
Source/collection of data	Statement of Results.
Method of calculation	Learner statement of results.
Data limitations	Possible delay in receipt of statement of results by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance.

**STRATEGIC OBJECTIVE 4:** To address the low level of youth and adult foundational skills in the sector by providing youth and adults with basic and intermediate skills in order to access further technical and occupational training through partnership agreements with workplaces and youth development organisations.

Indicator title/objective	4.1 Number of learners who entered AET programmes.
Short definition	Number of learners who entered AET programmes.
Purpose/importance	To assist young people leaving school and adults to complete AET programmes that will give them access to middle level skills occupational programmes. Many South African learners are poorly prepared to undertake further learning when they leave school and cannot access post-school education and training opportunities. A large number of youth and adults are “not in employment, education or training” (NEET). To provide young unemployed youth with basic and intermediate skills in order to access further technical and occupational training through partnership agreements with youth development organisations and agencies.
Source/collection of data	Learner agreements.
Method of calculation	Simple count of number of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.

New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	4.2 Number of learners who completed AET programmes.
Short definition	Number of learners who completed AET programmes.
Purpose/importance	To assist young people leaving school and adults to complete AET programmes that will give them access to middle level skills occupational programmes. Many South African learners are poorly prepared to undertake further learning when they leave school and cannot access post-school education and training opportunities. A large number of youth and adults are “not in employment, education or training” (NEET). To provide young unemployed youth with basic and intermediate skills in order to access further technical and occupational training through partnership agreements with youth development organisations and agencies.
Source/collection of data	Statement of Results.
Method of calculation	Statement of Results.
Data limitations	Possible delay in receipt of statement of results by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	4.3 Number of collaborative partnership agreements signed with youth development organisations.
Short definition	Number of collaborative partnership agreements signed with youth development organisations or organizations that facilitate specific youth development programmes.
Purpose/importance	To address unemployment amongst youth by providing them with either technical occupationally-directed skills or by giving them entrepreneurship skills that would enable them to start their own ventures.
Source/collection of data	DG Agreements with Youth development organisations, including government departments, municipalities and TVET Colleges.
Method of calculation	Count of number of DG agreements.
Data limitations	None.
Type of indicator	Indicators measuring activities.
Calculation type	Cumulative.

Reporting cycle	Quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	4.4 Number of bridging programmes with learners implemented.
Short definition	Number of bridging programmes with learners registered.
Purpose/importance	To assist and contribute to the eradication of poor educational foundation amongst the youth who are currently ill prepared for further learning. To facilitate access to occupationally-directed qualifications eg. apprenticeships.
Source/collection of data	Number of bridging programmes with learner registrations as evidenced by learner agreements.
Method of calculation	Simple count of number of programmes with learner registrations evidenced by learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring input.
Calculation type	Reported performance is cumulative.
Reporting cycle	Annually.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

**STRATEGIC OBJECTIVE 5:** To encourage better use of workplace-based skills development to upskill workers to ensure sustainability and industrial growth.

Indicator title/objective	5.1 Number of employed learners who entered skills programmes.
Short definition	Number of learners that register for technical and management skills programmes or entrepreneurship skills programmes that would provide learners with financial and business skills to register their own ventures.
Purpose/importance	The FP&M SSP identified a number of key areas of critical skills demand in the FP&M sector, all of which affect the efficacy and developmental competitiveness of the sector. These include technical occupational, leadership and management skills. There is a clearly expressed need for enhancing leadership (not only in terms of supply, but also in terms of continuity of leadership). The purpose of the indicator is to develop those skills.
Source/collection of data	Learner agreements.
Method of calculation	Simple count of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.

Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.2 Number of employed learners completed skills programmes.
Short definition	Number of learners that completed technical and management skills programmes or entrepreneurship skills programmes that would provide learners with financial and business skills to register their own ventures.
Purpose/importance	The FP&M SSP identified a number of key areas of critical skills demand in the FP&M sector, all of which affect the efficacy and developmental competitiveness of the sector. These include leadership and management skills. There is a clearly expressed need for enhancing leadership (not only in terms of supply, but also in terms of continuity of leadership). The purpose of the indicator is to develop those skills.
Source/collection of data	Statement of Results.
Method of calculation	Learner statement of results.
Data limitations	Possible delay in receipt of statement of results by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.3 Number of employed learners entered into learnership programmes.
Short definition	Number of employed learners entered into learnership programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a minimum qualification at level 4 of the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level skills needs within the FP&M sector in the next five years.
Source/collection of data	Learnership agreements.
Method of calculation	Simple count of learnership agreements.



Data limitations	Possible delay in receipt of agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly on SQMR.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance and Regional Managers.

Indicator title/objective	5.4 Number of employed learners completed learnership programmes.
Short definition	Number of employed learners completed learnership programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a minimum qualification at level 4 of the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level skills needs within the FP&M sector in the next five years.
Source/collection of data	Learnership certificates.
Method of calculation	Simple count of learner certificates.
Data limitations	Possible delay in receipt of certificates by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance and Regional Managers.

Indicator title/objective	5.5 Number of employed learners who entered Bursary Programmes.
Short definition	Number of employed learners who entered Bursary Programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a higher level qualification on the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level and high level skills needs within the FP&M sector in the next five years.
Source/collection of data	Learner agreements - Registration of the learner at a higher education institution can occur in the previous financial year

Method of calculation	Simple count of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring output.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.6 Number of employed learners who completed Bursary Programmes.
Short definition	Number of learners who have completed bursary programmes.
Purpose/importance	The objective of this programme is to provide access (and funding) to adults and youth to education and training opportunities that will enable them to acquire a higher level qualification on the National Qualifications Framework (NQF) in order to access occupationally-directed programmes to address technical middle level and high level skills needs within the FP&M sector in the next five years.
Source/collection of data	Statement of results.
Method of calculation	Simple count of statement of results where learner has obtained the qualification.
Data limitations	Possible delay in receipt of statement of results by FP&M SETA from service providers.
Type of indicator	Indicators measuring outputs.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.7 Number of unemployed learners entered Work-Integrated Learning Programmes from TVETs.
Short definition	The number of learners who enter into structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Learner agreements - 6/12/18 month duration.

Method of calculation	Simple count of learner agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.8 Number of unemployed learners completed Work-Integrated-Learning Programmes from TVETs.
Short definition	The number of learners who complete structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Letter of competence for work experience.
Method of calculation	Simple count of letters of competence.
Data limitations	None.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.9 Number of unemployed learners entered Work-Integrated-Learning Programmes from HETs.
Short definition	The number of learners who enter into structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Learner agreements for WIL.

Method of calculation	Simple count of learner agreements – 6/12/18 month agreements.
Data limitations	Possible delay in receipt of signed agreements by FP&M SETA from service providers.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	5.10 Number of unemployed learners who completed Work-Integrated-Learning Programmes from HETs.
Short definition	The number of learners who completed structured experiential learning programmes in workplaces aligned to their qualifications and an occupation.
Purpose/importance	To provide learners and graduates with an opportunity to obtain practical work experience that will either enable them to complete their qualification or to increase their opportunities to find a job placement.
Source/collection of data	Letter of competence for WIL.
Method of calculation	Simple count of letters of competence.
Data limitations	None.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

**STRATEGIC OBJECTIVE 6:** To encourage and support co-operatives, small enterprises, worker-initiated, NGO and community training initiatives to address poverty alleviation and unemployment.

Indicator title/objective	6.1 Number of SMME, NGO's, CBO's, NLPE's worker-initiated, co-operative, and community training initiatives supported through capacity building initiatives or funding.
Short definition	Up-skilling of co-operatives, small enterprises, worker initiated, NGOs and community training initiatives to promote entrepreneurship, financial management and rural development. SMME, NGO's, worker-initiated, co-operative, and community training initiatives: This shall be the list that have been supported by FP&M SETA through a skills development agreement (DG MoA), advocacy, implementation or monitoring according to processes and procedures for the period being considered.
Purpose/importance	The FP&M SSP identified a number of key areas of critical skills demand for co-operatives, small enterprises, worker-initiated, NGO and community training initiatives, all of which affect the efficacy and sustainability of these enterprises. This programme aims to provide support to co-operatives, NGOs, community based organisations (CBOs) and small enterprises (SMMEs) through the funding of skills development and training projects to expand the business and technical skills capacity of these organisations and to contribute to sector economic and employment growth by creating opportunities for the creation of new ventures.
Source/collection of data	Signed DG MoAs for Discretionary Grant Projects or workshop/meeting attendance register for capacity building.
Method of calculation	Simple count of the number of signed MoAs with co-operatives, NGOs, community based organisations (CBOs) or NLPE's and small enterprises (SMMEs) or number of organisations attended workshop/meeting for capacity building.
Data limitations	Documentation loss.
Type of indicator	Indicator is measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Projects and Regional Managers.

Indicator title/objective	6.2 Number of rural development projects implemented.
Short definition	Funding and project implementation of skills development and training interventions in order to contribute to socio-economic development in rural areas. Implemented means: DG contract signed and project has commenced.
Purpose/importance	To ensure that FPMSETA impacts national priorities of Government through skills development.
Source/collection of data	Discretionary Grant Agreements
Method of calculation	Simple count of number of agreements addressing rural development initiatives implemented – initiatives located in rural areas
Data limitations	The delayed provision of evidence of the deliverables for training.
Type of indicator	Indicators measuring outputs.

Calculation type	Cumulative.
Reporting cycle	Quarterly.
New indicator	Yes.
Desired performance	Actual number of projects implemented higher than desired performance is desirable in order to contribute to the improvement of sustainable employment of youth and rural learners in support of the Government priorities.
Indicator responsibility	General Manager: Projects and Regional Managers.

**STRATEGIC OBJECTIVE 7:** To build career and vocational guidance in order to expose learners to FP&M sector occupations through career events and exhibitions.

Indicator title/objective	7.1 A number of career awareness initiatives conducted.
Short definition	Promoting Career and Vocational Guidance.
Purpose/importance	For FP&M sector learners to succeed they need to be guided prior to enrolment on both best match of their interest and their abilities to occupational requirements, as well as best prospects for employment and decent remuneration. Information gathered and support services generated need to be synchronised centrally and made available nationally. To this end, the FP&M SETA has participated in identified career exhibitions across the provinces and has made information available on career opportunities in the FP&M sector.
Source/collection of data	Attendance registers at career exhibitions.
Method of calculation	Simple count of number of career exhibitions attended.
Data limitations	Verification of attendance registers of schools attending career exhibitions.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Communications and Marketing Manager.

Indicator title/objective	7.2 Number of schools exposed to FP&M sector career opportunities.
Short definition	Promoting Career and Vocational Guidance.
Purpose/importance	For FP&M sector learners to succeed they need to be guided prior to enrolment on both best match of their interest and their abilities to occupational requirements, as well as best prospects for employment and decent remuneration. Information gathered and support services generated need to be synchronised centrally and made available nationally. To this end, the FP&M SETA has participated in identified career exhibitions across the provinces and has made information available on career opportunities in the FP&M sector.
Source/collection of data	Attendance registers at career exhibitions.

Method of calculation	Simple count of number of schools attended.
Data limitations	Verification of attendance registers of schools attending career exhibitions.
Type of indicator	Indicators measuring activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	Communications, Planning and Reporting Manager.

**STRATEGIC OBJECTIVE 8:** To promote the growth of a public TVET college system, RPL and occupationally-directed qualifications development that is responsive to FP&M sector skills needs and priorities.

Indicator title/objective	8.1 Number of TVET colleges accredited or re-accredited during the year.
Short definition	To ensure quality education and training TVETs must be accredited for FP&M SETA occupationally-directed programmes by the QA Division of FP&M SETA as per the accreditation policy and criteria of the FP&M SETA. Capacity building and partnerships with TVET Colleges.
Purpose/importance	NSDS III emphasises partnerships between DHET, SETAs, employers, private providers and public TVET colleges to create increased capacity to meet industry needs throughout the country. The National Certificate Vocational (NCV) and N-courses are recognised by employers as important base qualifications through which young people are obtaining additional vocational skills and work experience, entering the labour market with marketable skills, and obtaining employment. SETAs accredit TVET colleges with relevant programmes and put in place partnerships to offer vocational courses and work experience for college learners.
Source/collection of data	Proof of accreditation of TVET Colleges.
Method of calculation	Simple count of number of TVET Colleges accredited.
Data limitations	None.
Type of indicator	Indicators measuring outputs and impact activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
New indicator	No, continues from the previous year with additional targets.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance and Regional Managers.

Indicator title/objective	8.2 Number of TVET colleges where Centres of Excellence are established.
Short definition	Number of TVET colleges recognised as Centres of Excellence for occupational excellence (ISOEs) or functions as a Co-ordinating SETA-TVET Office.
Purpose/importance	Establish training hubs or skills development centres where a large number of learners can be absorbed for skills development training purposes or function as a TVET-SETA liaison office to promote project partnerships between SETAs and TVET Colleges.
Source/collection of data	Recognition certificates issued or a letter or agreement confirming CoE or CSTO status.
Method of calculation	Count of TVET colleges recognition certificates issued and/or or CSTO letters/agreements issued.
Data limitations	None.
Type of indicator	Output indicator.
Calculation type	Cumulative.
Reporting cycle	Quarterly.
New indicator	Yes.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance and Qualifications Development Manager.

Indicator title/objective	8.3 Number of partnership agreements signed with TVET colleges during the year.
Short definition	Capacity building and partnerships with TVET Collegess. Partnerships to focus on: TVET/HEI lecturer development programmes, Work-Integrated-Learning projects (Employer partnerships to facilitate TVET/HEI graduate placement), Re-tooling and re-skilling of unemployed TVET/HEI graduates – Work Experience and Internship projects rolled out.
Purpose/importance	NSDS III emphasises partnerships between DHET, SETAs, employers, private providers and public TVET colleges to create increased capacity to meet industry needs throughout the country. The National Certificate Vocational (NCV) and N-courses are recognised by employers as important base qualifications through which young people are obtaining additional vocational skills and work experience, entering the labour market with marketable skills, and obtaining employment. SETAs identify TVET colleges with relevant programmes and put in place partnerships to offer vocational courses and work experience for college learners.
Source/collection of data	Signed DG MoAs and MoUs with TVETs.
Method of calculation	Simple count of number of signed MoAs and MoUs with TVETs.
Data limitations	None.
Type of indicator	Indicators measuring outputs and impact activities.
Calculation type	Reported performance is cumulative.
Reporting cycle	Reported quarterly.
Indicator responsibility	General Manager: Quality Assurance and Qualifications Development Manager.



Indicator title/objective	8.4 Number of Lecturer Development Programmes implemented.
Short definition	This shall be a list of DG projects implemented (DG SLA/MoA for different programmes eg. Assessor or Moderator or Coaching and Mentoring Programmes) to support institutions and/or lecturers to complete an intervention or event that will contribute to their continued professional development in accordance to FP&M SETA processes and procedures for the period being considered.
Purpose/importance	Continued professional development of lecturers for vocational and industry-based programmes.
Source/collection of data	Copy of documents –DG MoA/SLA.
Method of calculation	Count of number of signed skills development agreements.
Data limitations	The accuracy of the data depends on the reliability of the timeframes in which the data is reported.
Type of indicator	Output.
Calculation type	Cumulative.
Reporting cycle	Annually.
New indicator	Yes.
Desired performance	Actual performance higher than targeted performance is desirable.
Indicator responsibility	General Manager: Quality Assurance.

## ANNEXURE B: ACRONYMS

ACRONYM	FULL DESCRIPTION
<b>ABET</b>	Adult Basic Education and Training
<b>AET</b>	Adult Education and Training
<b>AMSA</b>	Apparel Manufacturers of South Africa
<b>APP</b>	Annual Performance Plan
<b>ATASA</b>	Apparel & Textile Association of South Africa
<b>ATR</b>	Annual Training Report
<b>CBO</b>	Community Based Organisation
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>Clotex</b>	Western Cape Clothing and Textile Service Centre
<b>COMP</b>	Completed
<b>CPUT</b>	Cape Peninsula University of Technology
<b>CSIR</b>	Council for Scientific and Industrial Research
<b>CTFL</b>	Clothing, Textiles, Footwear, and Leather
<b>DAFF</b>	Department of Agriculture, Forestry, and Fisheries
<b>DG</b>	Discretionary Grant
<b>DHET</b>	Department of Higher Education and Training
<b>DTI</b>	Department of Trade and Industry
<b>DUT</b>	Durban University of Technology
<b>ECSA</b>	Engineering Council of South Africa
<b>EMP</b>	Employed
<b>ENT</b>	Entered
<b>ETQA</b>	Education and Training Quality Assurance
<b>EXCO</b>	Executive Committee
<b>FIETA</b>	Forestry Industries Education and Training Authority

ACRONYM	FULL DESCRIPTION
<b>FITPA</b>	Forest Industry Training Providers Association
<b>FLC</b>	Foundational Learning Certificate
<b>FP&amp;M</b>	Fibre Processing and Manufacturing
<b>HEI</b>	Higher Education Institution
<b>HET</b>	Higher Education and Training
<b>HR</b>	Human Resources
<b>INT</b>	Internship
<b>ISOE</b>	Institute of Sector or Occupational Excellence
<b>IT</b>	Information Technology
<b>KZN</b>	KwaZulu-Natal
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAPPP</b>	Media, Advertising, Publishing, Printing and Packaging
<b>MIS</b>	Management Information System
<b>MOA</b>	Memorandum of Agreement
<b>MOU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium Term Economic Framework
<b>NAMB</b>	National Artisan Moderating Body
<b>NCV</b>	National Certificate Vocational
<b>NEET</b>	Not in employment, education or training
<b>NGO</b>	Non-Governmental Organisation
<b>NLPE</b>	Non-levy Paying Entity
<b>NMMU</b>	Nelson Mandela Metropolitan University
<b>NOPF</b>	National Occupational Pathways Framework
<b>NPO</b>	Non-Profit Organisation
<b>NQF</b>	National Qualifications Framework

## ACRONYMS *(contd)*

ACRONYM	FULL DESCRIPTION
<b>NSDS</b>	National Skills Development Strategy
<b>NULAW</b>	National Union for Leather and Allied Workers
<b>OFO</b>	Organising Framework for Occupations
<b>PAMSA</b>	Paper Manufacturers Association of South Africa
<b>PIVOTAL</b>	Professional, Vocational, Technical and Academic Learning
<b>QCTO</b>	Quality Council for Trade and Occupations
<b>RPL</b>	Recognition of Prior Learning
<b>SAAA</b>	South African Apparel Association
<b>SABMEO</b>	South African Blanket Manufacturers Employers Organisation
<b>SACTWU</b>	Southern African Clothing and Textile Workers Union
<b>SAFCA</b>	Southern Africa Forestry Contractors Association
<b>SAIChE</b>	South African Institute of Chemical Engineering
<b>SAQA</b>	South African Qualifications Authority
<b>SARS</b>	South African Revenue Service
<b>SDL</b>	Skills Development Levy
<b>SETA</b>	Sector Education and Training Authority
<b>SIP</b>	Strategic Infrastructural Programme
<b>SLA</b>	Service Level Agreement
<b>SLO</b>	SETA Liaison Officer
<b>SMME</b>	Small, Medium and Micro Enterprises
<b>SPU</b>	Skills Planning Unit
<b>SSP</b>	Sector Skills Plan
<b>TIA</b>	Technology Innovation Agency
<b>TVET</b>	Technical and Vocational Education and Training
<b>UJ</b>	University of Johannesburg

ACRONYM	FULL DESCRIPTION
<b>UNEMP/UNE</b>	Unemployed
<b>UNIVEN</b>	University of Venda
<b>US</b>	University of Stellenbosch
<b>W&amp;R SETA</b>	Wholesale and Retail SETA
<b>WCFI</b>	Western Cape Furniture Initiative
<b>WIL</b>	Work Integrated Learning
<b>WSP</b>	Workplace Skills Plan