

# WHOLESALE & RETAIL SETA

## SKILLS DEVELOPMENT GRANTS POLICY

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APPROVED

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## 1. BACKGROUND

In 2012 the Department of Higher Education and Training, through the National Skills Authority, issued new Grant Regulations which were aimed at addressing Skills shortages, Economic growth, and Job creation.

It was observed that with the previous dispensation of Skills Development the nation was not obtaining value for the money allocated to the SETAs. The workforce still faced skills gaps, and this was impacting on industry expansion and therefore the ability to employ more people. Scarce and critical skills were being inadequately addressed through poor research and lack of detailed planning. Opportunities were not being created for workplace experience and there was very little interaction between industry and the public education sector. The Department of Higher Education has therefore issued the new Grant Regulations which amongst other things require SETAs to develop policies that will ensure that the problems that are referred to above can be effectively addressed.

This policy is therefore aligned with the provisions of the SETA Grant Regulations published under the Skills Development Act which give the legislative framework for the management and disbursement of all funds received by a SETA. The policy sets an institutional framework for ensuring that the SETA disburses and manages skills development grants in a fair and transparent manner which will enable the SETA to make a marked contribution towards the achievement of the NSDP outcomes.

The SETA may need to revisit processes and avail additional funding to support stakeholders as result of any pandemics, natural disasters or acts outside of its control that has a severe impact on the sector.

## 2. PURPOSE

- 2.1 The purpose of this policy is to ensure that the SETA disburses and manages skills development grants in a fair and transparent manner, in line with the principles promoted by Section 2 of the Skills Development Act and the criteria set in the SETA Grant Regulations of 2012.
- 2.2 To that effect, the W&RSETA Skills Development Grants policy inter alia:
  - 2.2.1 provides a basis for the management and disbursement of grants within the W&RSETA;
  - 2.2.2 Articulates how skills levies received from the sector will be apportioned to enable the W&RSETA to effectively address sector needs in line with national skills development objectives set out in the NSDP and other national strategies.
  - 2.2.3 Sets out the manner in which the disbursement of mandatory and discretionary grants will be implemented within the SETA so as to ensure effective implementation of the W&RSETA Sector Skills Plan (SSP) and Annual Performance Plan (APP).
  - 2.2.4 Provides a costing model that will ensure alignment of costs associated with the W&RSETA APP targets to the relevant skills development grant.
  - 2.2.5 Provides information on how grants and W&RSETA funded projects can be accessed by stakeholders to ensure that W&RSETA programmes reach intended beneficiaries.
  - 2.2.6 Provides information for stakeholders to access Reasonable Accommodation funding.

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- 2.2.7 Provides guidance in terms of strategic partnerships to be concluded with W&RSETA stakeholders.

### 3. SCOPE

- 3.1 This policy is applicable to the W&RSETA stakeholders inclusive of:

- 3.1.1 Levy Paying companies;
- 3.1.2 Non-levy paying companies (Entrepreneurs, Informal Traders, Cooperatives, NGO's, NPO's & Trade Unions);
- 3.1.3 Education and Training Institutions (HET, TVET and CET Institutions);
- 3.1.4 W&RSETA Accredited Training Providers;
- 3.1.5 W&RSETA employees and management; and
- 3.1.6 All other stakeholders in the Wholesale and Retail sector who are participants in the W&RSETA mandatory and discretionary grants process, including legally registered Business Associations, Holding Companies, DHET and QCTO Delegated Functions and / or recognized in the Wholesale and Retail sector.

- 3.2 The following are individuals and entities that are affected by this policy:

- 3.2.1 Employers that employ 50 or more employees that are required by law to pay Skills Development levies and submit ANNEXURE II (WSS/WSP/ATRs) Large and Medium Organisations.
- 3.2.2 Employers that employ 49 or less employees that are required by law to pay Skills Development Levies and submit ANNEXURE II (WSS/WSP/ATR) Small Organisations
- 3.2.3 All other Wholesale and Retail employers, training providers and any other stakeholders that have an interest in Skills Development within the Wholesale and Retail sector including:
  - i. Legally registered and recognised business associations; holding companies and labour organisations recognised in the sector;
  - ii. Formally recognised skills development partnerships consisting of the CET's; TVET's, HETI's, Employers, Government departments and the SETA. (as outlined in the white paper and the NSDP).
  - iii. Non-Governmental Organisations and Community-based Organisations

- 3.3 Who should know this policy?

- Employers and all other stakeholders (as per 3.1 above) that have an interest or intention to apply for a Mandatory or Discretionary Grants from the W&RSETA need to familiarise themselves with the contents of this policy document.

- 3.4 This policy will be posted on the W&RSETA website <http://www.wrseta.org.za> to ensure that it is accessible to stakeholders.

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#### 4. RELATED INFORMATION AND LEGAL REFERENCE

This policy must be read in conjunction with the following supporting documents

##### 4.1 Internal Documents

- Finance Policy

##### 4.2 External Documents

- Guidelines on the implementation of SETA Grant Regulations
- National Skills Development Plan
- Workplace Based Learning Programme Agreement regulations
- QCTO circular on E-Learning
- Covid-19 Regulations and Guidelines
- Other relevant Skills Development prescripts

##### 4.3 Legal Reference

- Skills Development Act, No 97 of 1998
- Skills Development Levies Act, No. 9 of 1999
- SETA Grant Regulations Regarding Monies Received by a SETA, No. R. 990
- Disaster Management Act: Covid-19 OHS measures in the workplaces (C19 OHS 2020)

#### 5. ACRONYMS & DEFINITION OF TERMS USED

Term/Acronym	Definition
Accounting Authority	Person or Body delegated the accounting authority function within the W&RSETA
AET	AET - Adult Education and Training
Annexure II	WSS / WSP / ATR
AQP	Assessment Quality Partner
APP	Annual Performance Plan
Assessment	A structured process for gathering evidence and making judgments about an individual's performance in relation to registered, national standards
ATR	Annual Training Report
CET	Community Education & Training Colleges
CEO	Chief Executive Officer

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CFO	Chief Financial Officer
COO	Chief Operations Officer
Covid-19	Corona Virus Disease 2019
DHET	Department of Higher Education and Training
Employer	Employer as defined in the Fourth Schedule to the Income Tax Act
Funding Priorities	Skills Development priorities that are informed by the SSP
Further Education and Training (FET)	Education and training at Levels 2 to 4 of the National Qualifications Framework (NQF)
General Education and Training (GET)	Education and training towards Level 1 of the NQF (Level 1 being equivalent to Grade 9/ Std 7)
Higher Education and Training (HET)	Education and training at levels 5 to 10 of the National Qualifications Framework (NQF)
HETI	Higher Education and Training Institute
HRDS	Human Resources Development Strategy
IPAP	Industrial Policy Action Plan
ISDF	Independent Skills Development Facilitator
W&RSETA	Wholesale and Retail Sector Education and Training Authority
NDP	National Development Plan
NGO	Non-Governmental Organisation
NPO	Non-Profit Making Organisation
NQF	National Qualifications Framework
NSDP	National Skills Development Plan
PFMA	Public Finance Management Act, 1999
PIVOTAL	Professional Vocational Technical and Academic Learning Programmes that result in qualifications or part qualifications on the NQF
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System

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RPL	Recognition of Prior Learning by assessing competence against the outcomes of a set of unit standards
SAQA	South African Qualifications Authority established in terms of the South African Qualifications Authority Act, No. 58 of 1995
SARS	South African Revenue Service
SCM	Supply Chain Management
SD Regulations	Skills Development Regulations No 35940 of 3 December 2012 contained in Regulation Gazette No. 9867
SDF	Skills Development Facilitator
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
Skills Programme	Occupationally based unit standard training programme, delivered by accredited education and training providers
SLA	Service Level Agreement
SLO	Skills Liaison Officer (which were previously known as Independent Skills Development Facilitators)
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training
WSP	Workplace Skills Plan
WSS	Work Skills Survey
WBLP	Workplace Based Learning Programme

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## 6. POLICY

### 6.1 POLICY STATEMENT

- 6.1.1** This policy is aligned to the SETA Grant Regulations that provide the legislative framework for the utilization of funds received in terms of the Skills Development Levies Act.
- 6.1.2** The W&RSETA shall ensure that the criteria set for allocation of grants enables the W&RSETA to make marked and effective contributions towards the attainment of objectives as set out in national initiatives such as HRDS, IPAP II, NDP, the National Growth Path, the National Skills Accord and the National Skills Development Plan.

### 6.2 GRANT DISTRIBUTION

The W&RSETA shall use monies received in terms of the Skills Development Levies Act to administer the activities of the W&RSETA and implement its annual strategic plan set to address the wholesale and retail sector needs and national skills development objectives set out in the NSDP and other national strategies. Disaggregation of levies received in terms of the Skills Development Levies Act shall be as outlined in sections 6.2.1 to 6.2.3 (which is in line with the requirements of the SETA Grant Regulations).

#### 6.2.1 Administration Costs

- a) 10.5% of the total levies received, in any year, as per the Skills Development Levies Act, shall be allocated by the SETA to pay for its administration costs for that particular year as per Section 2 (1) of the Grant Regulations.
- b) Where a need arises to utilise an amount for the W&SETA's administration costs that is not contemplated by section 2 (1) of the SETA Grant Regulations but is necessary to enable the SETA to continue performing its functions as per the Skills Development Act, the SETA shall seek for written approval from the Minister to authorise for that particular amount.
- c) 7.5% Admin fee will be allocated for all approved Project budgets. These funds will be centralized for SETA administrative costs with ring-fenced project administrative expenditure.
- d) Non-levy paying organisations may be further supported where applicable for administrative functions related to projects up to a maximum of 5% of the project administration budget. Such organisations will also include but not limited to Employer Organisations, Labour Organisations, CETs, TVET & HETs.

#### 6.2.2 National Skills Fund

The W&RSETA shall allocate 20% of the total levies received in any year to the National Skills Fund.

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### 6.2.3 QCTO

0.5% of the 10.5% Administrative costs received from the total levies in any year, shall be paid to the QCTO for quality assurance functions as per the requirements of Section 2(4) of the SETA Grant Regulations.

### 6.2.4 Mandatory Grant

6.2.4.1 A mandatory grant is defined in the SETAs Grant Regulations, as a grant payable to levy paying companies, upon submission by 30 April each year of Annexure II (WSS/WSP/ATR)

6.2.4.2 The Regulations stipulate that:

- The SETA shall pay back 20% of the total levies paid by the employer upon approval of the Annexure II (WSP/ATR);
- Any Mandatory grants not claimed in one year will be transferred to the discretionary fund reserve.

### 6.2.5 Discretionary Grant

6.2.5.1 In terms of the Skills Development Regulations No 35940 of 3 December 2012, a discretionary grant is a grant paid to applicants, at the discretion of the W&RSETA Accounting Authority or delegated authority, for skills development initiatives linked to scarce and critical skills in the Wholesale and Retail Sector.

6.2.5.2 Discretionary grants may be disbursed as grants or through partnerships and/or projects on discretion of the W&RSETA Accounting Authority or relevant delegated Authority.

6.2.5.3 The W&RSETA shall allocate 49.5% of levies received by the SETA from employers to the Discretionary Grant.

- 80% of the Discretionary Grant shall be allocated to PIVOTAL Programmes.
- 20% of the Discretionary Grant shall be allocated to sector specific projects as identified in the W&RSETA Sector Skills Plan (SSP).
- 7.5% of the discretionary grant can be utilized for projects administration costs

### 6.2.6 Surplus Funds

6.2.6.1 The W&RSETA shall transfer surplus funds for each financial year resulting from unclaimed mandatory grants or interest accrued on levies in line with section 3 (11 - 12) of the SETA grant regulations that specify that a SETA may carry over a maximum 5% of its uncommitted funds to the next financial year; and pay the remaining surplus of its discretionary funds to the National Skills Fund by the 1st of October of each year.

6.2.6.2 Where the SETA identifies a need for the utilisation of the surplus funds in other ways, an application will be submitted to the Director

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General to request National Treasury to approve such use of funds for the identified need.

## 7 APPLICATION FOR AND DISBURSEMENT OF MANDATORY GRANTS

### 7.1 Purpose and Importance of Mandatory Grants

The Mandatory Grant is designed to encourage employers to provide accurate data to the SETA on their workforce and skills needs whether SETA funded, or Industry funded so as to enable the SETA to establish skills needs in the Wholesale and Retail Sector.

### 7.2 Criteria for the Approval of Mandatory Grants

The Mandatory Grant is paid to a company once the Annexure II (WSS, WSP, ATR) has been approved by the W&RSETA based on the criteria stated below:

- 7.2.1 The employer must be a registered levy payer under W&RSETA (SETA 27) with SARS.
- 7.2.2 The employer should not be in arrears with their SDL contributions, except for any force majeure events impacting the country.
- 7.2.3 The skills development levy (SDL) number and employer name contained in the Annexure II document agrees with information received from the Department of Higher Education and Training (DHET) and / or SARS.
- 7.2.4 It remains the responsibility of the employer to ensure that the payment of the mandatory grant is done against the correct levy number and the correct banking details.
- 7.2.5 Where mergers, acquisitions or rationalizations take place, employers must inform the W&RSETA of the changes and indicate in writing which levy numbers are affected and replaced. Failure to inform the W&RSETA before the submission deadline will render the submission invalid and therefore not be approved.
- 7.2.6 The employer (medium and large) must provide evidence of consultation on training matters. (Record of Attendance or signed Minutes of Meetings).
- 7.2.7 Employers with recognised trade unions must provide evidence that the Annexure II has been subjected to a process of consultation;
- 7.2.8 The Annexure II must be signed by all designated stakeholders after the process of consultation.
- 7.2.9 The Annual Training Report must be completed as proof that training was implemented.
- 7.2.10 The Annexure II application was submitted on or before the legislated date of 30 April. No late applications will be accepted.
- 7.2.11 Minimum criteria for the Annexure II to be approved:
  - Authorisation page fully signed and correctly dated

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- Signed minutes if more than 49 employees
- ATR completed with interventions and programme names
- WSP completed with interventions and programme names

### 7.3 Mandatory Grant Application Process

#### 7.3.1 Advertisements for Mandatory Grant Applications

The W&RSETA shall publish an invitation to qualifying levy paying companies to submit applications for Mandatory Grants.

- a) The invitation shall be published annually before the end of March on the W&RSETA website and/or any other form of publication the SETA may deem appropriate. The Advert shall indicate the following:
  - Application Criteria;
  - Method of Submission; and
  - Closing date for submissions.

#### 7.3.2 Application for Mandatory Grants

##### 7.3.2.1 Due Date for Submission of Mandatory Grant Applications.

- a) Applications for W&RSETA Mandatory Grants must be submitted on or before 30 April of each year or as promulgated by DHET.

##### 7.3.2.2 Extension of Submission Date for Mandatory Grant Applications

Extension of the due date for the submission of Mandatory Grant Applications by up to a maximum of one month may be granted by the W&RSETA under the following circumstances:

- a) On application by the employer and under the following conditions:
  - i) Application must be submitted at least 30 days before the closing date for submission of Mandatory Grant Applications.
  - ii) A valid reason for the request for extension of the submission date is provided by the employer.
- b) The Chief Executive Officer reserves the right, based on the Delegation of Authority, to grant approval for late submission at his/her own discretion if he/she is satisfied with the reasons advanced; and provided that the application for such late submission is lodged at least 30 days before the submission deadline in accordance with Grant Regulations.
- c) The outcome of the applications for extension shall be communicated to applicants within 30 days of receipt of applications.

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### 7.3.2.3 Method of Application

- a) Applications for Mandatory Grants shall be done online on the SETA MIS.
- b) A Company may apply to submit grant applications manually should they be unable to conduct online submissions.
  - i) Requests for manual submissions of Annexure II must be made to the Provincial Manager or delegated Official for the SRM consideration.
  - ii) Such requests should be made in writing on a company letterhead clearly stating the reason for the inability for the on-line submission to be made.
  - iii) Such requests shall be assessed and approved on their merit.
  - iv) W&RSETA reserves the right to authorize manual submissions on behalf of the levy-paying organizations, should there be valid reasons to do so.
- c) The following supporting documentation for Annexure II submissions must also be uploaded on to the W&RSETA system during the submission:
  - i) Letter from the Bank confirming the company's banking details (if bank details have changed from previous year);
  - ii) Latest signed Minutes of Training Committee or any other structure designated for training meeting (Medium and Large companies only);
  - iii) Authorisation Page (with all signatures).
- d) Sector Liaison Officers appointed by the W&RSETA will be assigned to assist in the completion of the Annexure II (WSS/WSPs/ATRs) Reports for small companies (49 or less employees) as well as medium companies (with 50-149 employees).
- e) It is however still the Small or Medium Company Employer's responsibility to ensure that the information in these documents is a true reflection of the status of the company. Failure by such employers to confirm the authenticity of the documents will render the submission invalid and therefore not approved.

### 7.3.3 Evaluation and Approval of Mandatory Grant Applications

7.3.3.1 The W&RSETA shall evaluate Mandatory Grant Applications using the on-line checklists.

7.3.3.2 Assessment and approval of the Annexure II shall be finalised within 90 days after the submission deadline date, unless in cases where there are outstanding queries, which will be resolved by no later than 15 February of the year of submission.

7.3.3.3 Approval of Mandatory Grant Application shall be subject to the following conditions being met:

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- a) That the employer meets the criteria for the allocation of Mandatory Grants as outlined in Section 7.2 of this policy.
- b) That the submission was made before the closing date for submissions;
- c) That the submission is complete, and the Annexure II meets all the prescribed requirements for an organisation to qualify for a Mandatory grant.
- d) Authorisation page signed by SDF/SLO, employee representative (where applicable) and the Company's Delegated Authority;
- e) That the information provided in the submission is accurate (the SETA will conduct verifications to check the accuracy of information provided).

7.3.3.4 The mandatory grant will be paid quarterly in accordance with the W&RSETA grant approval procedure.

7.3.3.5 Payments will be released once the minimum annual SDL payment threshold has been reached.

7.3.3.6 Any mandatory funds that have not been claimed by the 31 March of the same financial year will be transferred over to the discretionary fund by no later than 15 August of the next financial year.

#### 7.3.4 Verification of the Accuracy of Information Provided During Applications

7.3.4.1 The W&RSETA shall verify the accuracy of the Annexure II information submitted by companies in the following manner:

- a) The W&RSETA will conduct a sample of 50% telephonic verifications of Annexure II documents submitted by the contracted Sector Liaison Officers.
- b) An additional 10% telephonic verification will be randomly selected from independent submissions.

7.3.4.2 The W&RSETA will also select 10% of companies each year to verify Annexure II content submitted. Companies that are selected for auditing shall be required to make all the requested information available to a W&RSETA official/representative within 14 working days of receiving notification for verification.

7.3.4.3 These verifications may be done on-site or by digital platforms.

7.3.4.4 Failure by a company to submit the complete and accurate information will result in the submission being declared invalid and therefore not approved.

#### 7.3.5 Appeal Process for Rejected Annexure II Documents

The stakeholder has an option to appeal a decision to reject the Annexure II. The criteria to be followed for lodging an appeal are as follows:

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- 7.3.5.1 The appeal must be lodged by a stakeholder in writing to the COO.
- 7.3.5.2 The COO will appoint an Appeal committee consisting of not more than 5 Senior Management members.
- 7.3.5.3 The appeal must be lodged within 21 working days from the date of rejection and a decision on the outcome will be communicated to the relevant stakeholders within 14 working days of receipt of the appeal.
- 7.3.5.4 The decision of the Appeals Committee is final.

## **8 APPLICATION FOR AND DISBURSEMENT OF DISCRETIONARY GRANTS**

### **8.1 Purpose of the Discretionary Grant**

- 8.1.1 The purpose of the W&RSETA Discretionary Grant is to implement the W&RSETA annual strategic plan set to address the wholesale and retail sector needs (as directed by the W&RSETA SSP) and national skills development objectives set out in the NSDP and other national strategies including the White Paper on Post-School System, Human Resources Development Strategy (HRDS), NDP, IPAP, the New Growth Path (NGP) and the National Rural Development Strategy.
- 8.1.2 Discretionary grant funding remains the prerogative of the W&RSETA Accounting Authority which has been mandated by law to exercise their discretion in this regard.

### **8.2 Allocation of the Discretionary Grant**

#### **8.2.1 Strategic Focus Areas**

Focus Areas for Discretionary Grant funding are as outlined below. These focus areas include PIVOTAL programmes and other skills development interventions. PIVOTAL programmes will be allocated 80% of the Discretionary Grant Fund while other priority programmes as outlined in the SSP, will be allocated 20% of the Discretionary Grant Fund.

#### **8.2.2 Skills Development Interventions to be funded through the Discretionary Grant**

The W&RSETA has identified from the SSP, the following skills development interventions to be funded through discretionary development grants and projects. These funds will be targeted at the following interventions:

- a) Academic Programmes
- b) Workplace-Based Learning Programmes
- c) Recognition of Prior Learning/ Artisan Recognition of Prior Learning
- d) Career Guidance
- e) Skills Programmes
- f) Occupational Qualifications

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- g) Non-credit bearing programmes
- h) Infrastructure Support
- i) Lecturer Capacitation
- j) Candidacy programmes
- k) Worker initiated training programmes
- l) Workplace Experience
- m) Internships
- n) Adult Education & Training

**8.2.3** Other forms of support that the W&RSETA discretionary grants should be able to cover include:

- a) High school mathematics, science, language programmes and entrepreneurial skills
- b) Research
- c) Rural development programmes
- d) Stakeholder support and capacity building
- e) Training for retrenched to re-skill and re-build sustainable communities
- f) Training for employees who are laid off or working short time with the intention of providing temporary relief or reskill to employers distress
- g) Youth development programmes
- h) Woman development programmes
- i) Development of people with disabilities
- j) Workplace readiness programmes
- k) Bridging programmes
- l) Development of Workplace mentors and coaches
- m) Cooperatives, NGOs, NPOs and CBOs programmes
- n) QCTO Delegated functions
- o) Qualification and Curriculum development (e.g. new qualification by qualification types, qualification upgrade, curriculum development, building or strengthening AQP for QCTO)
- p) Awareness programmes

All stakeholder proposals will be internally evaluated based on both their merits and availability of funding. Recommendations will be made to relevant approving Authority.

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## 8.2.4 Reasonable Accommodation and Accessibility Support

8.2.4.1 The Employment Equity Act describes Reasonable Accommodation as “adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate in or advance in employment”. As such the W&RSETA allocates additional funding for reasonable accommodation and accessibility support aimed at ensuring that intended beneficiaries are able to access service points or skills development initiatives they would not ordinarily be able to access.

8.2.4.2 Reasonable Accommodation and Accessibility Support include support to overcome barriers that include inaccessibility of services due to distance, travelling time, affordability, connectivity, Personal Protective Equipment, language, or disability.

8.2.4.3 Applications for reasonable accommodation and assistive devices will be evaluated and approved on merit through the W&RSETA project approval structures up to a maximum of R20 000.00 per learner. The application process to be followed by the participating stakeholders is indicated in the relevant funding window or **W&RSETA Disability Policy**.

## 8.2.5 Disability Projects and programmes

The W&RSETA SSP identifies skills development programmes for persons with disabilities as one of its priority areas. To ensure optimum delivery in this area, the W&RSETA will allocate a portion of the approved budget for unemployed learnership interventions to this target group. Disability Projects may also be considered where a Business Case has been approved for implementation. **(Refer to the W&RSETA Policy for People with Disabilities).**

## 8.2.6 Rural Development Projects

8.2.6.1 Projects and proposals related to additional funding for rural learners i.e. accessibility support, learner transportation, catering, etc. will be internally evaluated based on both their merits and availability of funding.

8.2.6.2 Recommendations will be made to relevant W&RSETA Projects and Funding Committees for approval of received proposals.

8.2.6.3 As per the Covid-19 regulations, W&RSETA may consider additional support for reasonable accommodation, PPE and or data costs.

8.2.6.4 Partnerships with Traditional Councils and agencies that advance the plight of rural communities may be entered into to promote skills development initiatives in rural communities.

**(Refer to the W&RSETA Rural Development Policy).**

## 8.2.7 SMME Projects

8.2.7.1 Registered SMME's, Holding Companies, Associations and Training Providers may apply for Discretionary Grants for funding of credit bearing and non-credit bearing programmes to address scarce and

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critical skills in accordance with the application process for Discretionary Grants. The W&RSETA will advertise the application process and criteria to be followed.

8.2.7.2 The W&RSETA will implement programmes and/or establish skills development projects targeted at the development of SMMEs in which both Levy Paying and Non-Levy Paying SMMEs may participate. These projects will be approved through W&RSETA approval processes subject to the availability of funds.

8.2.7.3 As per the Covid-19 regulations, W&RSETA may consider additional support for reasonable accommodation, PPE and or data costs.

***(Refer to the W&RSETA SME Policy).***

## 8.2.8 Bursaries and Graduate Placement

8.2.8.1 The SETA will publish the criteria that stakeholders, institutions, and students will need to follow to apply for Discretionary Grant for Bursaries and Workplace Experience including Internships.

8.2.8.2 The SETA will endeavor to align allocation of bursaries to academic year of study.

8.2.8.3 Bursaries and stipends for Graduates and Interns will be allocated and paid directly to the participating TVET Colleges, HET Institutions, and contracted parties.

8.2.8.4 As per the Covid-19 regulations, W&RSETA may consider additional support for reasonable accommodation, PPE and or data costs.

***(Refer to the W&RSETA Bursaries and Graduate Placement Policy).***

## 8.3 Criteria for Allocation of Discretionary Grants

8.3.1 The criteria for discretionary grant allocations will be reviewed on an annual basis and linked to the W&RSETA's SSP, the W&RSETA's Strategic Plan, the W&RSETA SLA with the DHET and the objectives of the NSDP.

8.3.2 The recommendations in the SSP as well as National, Sectoral and Industry needs will be used as the basis to ensure that resources are aligned to best achieve the skills development targets and objectives for the Wholesale and Retail Sector.

8.3.3 80% of the W&RSETA Discretionary Grant shall be allocated to PIVOTAL programmes that address scarce and critical skills in the wholesale and retail sector.

## 8.4 Discretionary Grant Application and Allocation Process

8.4.1 The W&RSETA shall publish on its website and any other media deemed appropriate, the dates for the submission of the applications for discretionary grants.

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- 8.4.2 Allocations for discretionary grants will be made based on criteria as determined by the W&RSETA.

## 8.5 Evaluation and Approval of Discretionary Grant Applications

Only applications that are compliant and submitted by the deadline date will be considered.

- 8.5.1.1 The Provincial Office will evaluate the applications for discretionary grants using the approved allocation criteria and recommend to the SRM for final approval.
- 8.5.1.2 The W&RSETA may open additional funding windows to invite applications or target specific stakeholders to take up the shortfall allocations.
- 8.5.1.3 The funded programmes will be aligned to Hard to Fill Vacancies as identified in the SSP.
- 8.5.1.4 The Contract will only be valid if signed by both parties; namely, the Organisation and the W&RSETA.

## 8.6 Disbursement of Grants

- 8.6.1 The discretionary grant will be disbursed to the grant applicant only after the signing of a contract by both W&RSETA and the Organization and where all conditions have been met to the satisfaction of the W&RSETA.
- 8.6.2 Where employers make use of service providers to conduct training on their behalf, the W&RSETA recommends that a signed contract be in place between the two parties to regulate the scope of work and payment arrangements. The W&RSETA will not be party to the contract between employers and their appointed accredited training providers. The W&RSETA will only deal with contracted parties in terms of Discretionary Grant claims.
- 8.6.3 Before paying a discretionary grant, the W&RSETA will ascertain that all the contractual obligations have been met.
- 8.6.4 For programmes funded by W&RSETA, the W&RSETA will conduct verifications that may consist of physical verifications, telephonic or electronic verifications (thumb prints, Dept of Home Affairs ID verifications), media/on-line verifications via skype or video calling.
- 8.6.5 Quarterly monitoring of the performance of the programme will be performed through sample interviews with learners, providers, and the employers. Additional validation will be done via class attendance registers, credit uploads as per system reports, in line with the deliverables as per the signed contract between the SETA and the Organisation.
- 8.6.6 The SETA may enter into partnership agreements or approve discretionary grant applications from relevant stakeholders for programmes that will span over a three-year period, in line with the MTEF planning cycle. The financial commitment for such programmes shall be reviewed on an annual basis based on the previous year's performance.

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## 8.7 Discretionary Grants Exclusions

Items including, but not limited to those stated below shall not be considered for discretionary grant funding:

- Any programmes that are funded from other sources where no partnership arrangements exist with W&RSETA.

## 8.8 Reasons for Rejecting a Discretionary Grant Application

The W&RSETA will reject a discretionary grant application if:

- The discretionary grant criteria are not met.
- The submission deadline has not been met.
- The unavailability of funds

## 8.9 Liquidated Participating Employers

In an eventuality where a participating employer becomes liquidated the following process will be implemented by the SETA to ensure continued training or skills development for participating learners:

- 8.9.1 The SETA will assess the status of the contract with the liquidated employer to determine deliverables or milestones that had been achieved and outstanding deliverables/milestones
- 8.9.2 The SETA will also assess the status of the learning programme delivery that is related to the SETA's contract with the participating employer by liaising with the relevant training provider on the programme and learner-status.
- 8.9.3 Upon determination of (a) and (b) above, the Provincial Office will prepare a memo to the Senior Regional Manager detailing the matter and making relevant recommendations. The memo will have relevant documents attached to it, including:
  - 8.9.3.1 Invoices paid to-date;
  - 8.9.3.2 Learner status report;
  - 8.9.3.3 Agreement between Employer and the W&RSETA;
  - 8.9.3.4 SLA between the employer and training provider, if any;
  - 8.9.3.5 Relevant correspondence with regards to liquidation and any other information.
- 8.9.4 The Provincial Office will ensure that outstanding SETA related deliverables in terms of the contract are conducted. These include learner verification and monitoring.
- 8.9.5 The Provincial Office will assist with sourcing another employer to host the 18.1 and 18.2 learners in order to complete the programme, where possible.
- 8.9.6 The Contracts Management Unit will draft an MOA between W&RSETA and the relevant Training Provider and/or with the new host employer.

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- 8.9.7 Any management and delivery costs and/or stipends due will be paid directly to the training provider and/or new host employer, on submission of relevant documents and on recommendation by the Senior Regional Manager and approval by the COO.
- 8.9.8 The above process will also apply where existing learners are terminated prematurely due to change of ownership and company closures.

## 8.10 Conditions for Payment

- 8.10.1 Payments in respect of discretionary grants shall be made in line with the contract and will be outlined in the payment schedule.
- 8.10.2 The W&RSETA reserves the right to conduct site verification visits before authorising the contracted party to raise an invoice for payment.
- 8.10.3 Should the project terminate, for whatever reason, any funds that have not been used will be transferred into the discretionary grant fund.
- 8.10.4 In the event that funds have been used negligently or fraudulently, the W&RSETA will institute the necessary action to recover the funds.
- 8.10.5 Payment for services rendered will be paid within 30 days from receipt of an authorised and approved invoice from the contracted party.
- 8.10.6 In the event of breach of contract, constituting fruitless and wasteful expenditure due to non-completion of training, the W&RSETA may reclaim the monies paid out.

## 8.11 Write-Back of Unused Discretionary Grant Funds:

- a) The Project Implementer will consolidate their write-backs at contract level per project.

## 8.12 Learner Replacement

- 8.12.1 The SETA will allow learner-replacement within the first month of learner registrations on the SETA system, on condition that the first tranche has not been processed as yet.
- 8.12.2 There will be no learner replacement after payment of the first tranche and/of if the 30-day period exceeds financial year-end (31 March).
- 8.12.3 The replacement of learners will only apply to learners registered in W&RSETA Funded Programmes.

## 8 REVIEW OF POLICY

This policy shall be reviewed on an annual basis or as and when substantial changes to the legislative framework warrants amendment.

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## 9 EXCLUSIONS

There are no exclusions to this policy. Any issues of clarification of this policy must be directed in writing for the attention of the W&RSETA COO.

## 10 REQUEST TO DEVIATE

- 11.1 Requests to deviate from any provision of this policy may be made to the W&RSETA Accounting Authority in writing.
- 11.2 The Chief Executive Officer has powers to grant such request in whole or in part or refuse it.
- 11.3 Unauthorized deviations may result in disciplinary action.

APPROVED

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## Policy Approval & Sign-off

### 1. POLICY INFORMATION

Policy Name	Skills Development Grants Policy
Policy Reference Number	POL_DU_009

### 2. RECOMMENDATIONS/ ENDORSEMENTS

☒ Recommended

☐ Not Recommended

Comments.....The Committee considered the Policy proposals and recommended approval.

.....

Name of Committee.....Governance and Strategy

Committee Chairperson.....Lucas Ramatlhodi

  
Signature

05/03/2021  
Date

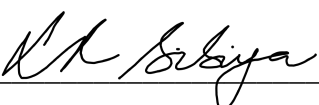
### 3. APPROVAL BY W&RSETA ACCOUNTING AUTHORITY

☐ Approved

☐ Not Approved

Comments.....

.....



Reggie Sibiya

W&RSETA Board Chairperson

07 March 2021  
Date

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