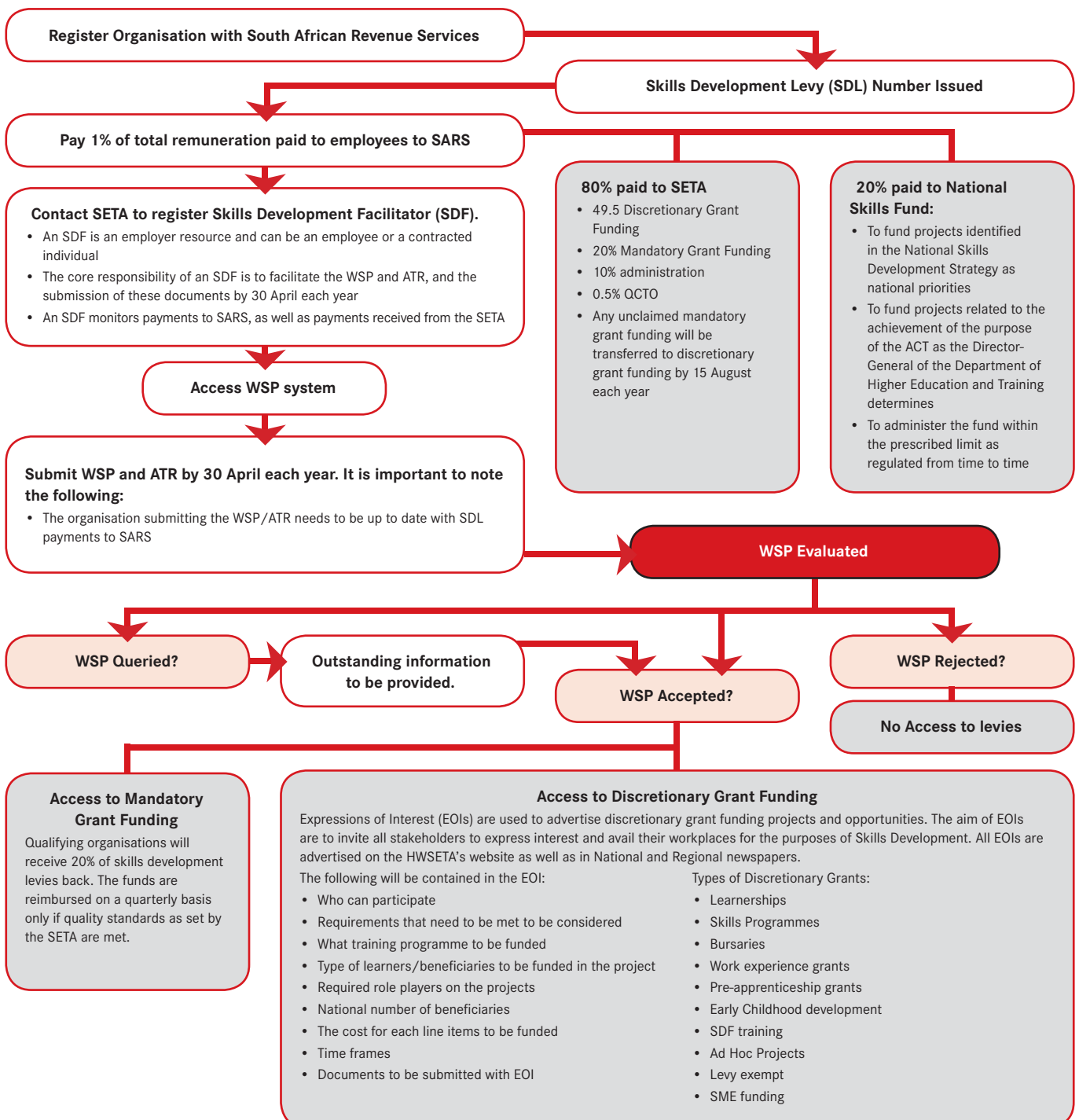


## Access to funding for levy paying organisations

Employers who are not required to pay the SDL are:

- Public Service Employers in the national or provincial government sphere
- Employers where remuneration will not exceed R500 000
- Where the employer is not required to apply for registration as an employer in terms of the Income Tax Act
- Religious or Charitable institutions, public benefit organisations exempt from income tax
- Any national or provincial public entity if 80% or more of its expenditure is defrayed directly or indirectly from funds voted by Parliament.



## FAQs Regarding Funding

### How to determine which SETA your company belongs to

South Africa's economy is divided into functional sectors that are all represented by one of the 21 Sector Education Training Authorities (SETAs). An employer is able to determine which SETA they belong to by consulting the Sector Industry Classification (SIC) Codes. Sector Industry Classification is a process undertaken by the Department of Higher Education and Training (DHET) from time to time.

Refer the 'document downloads' tab on the home page of [www.hwseta.org.za](http://www.hwseta.org.za) for details on the HWSETA's SIC Codes.

### Inter-SETA Transfers

In the event that an employer has been incorrectly allocated to the HWSETA, there is a process in place to rectify the situation. The organisation is required to complete an Inter-Seta Transfer Form which must be signed by all permanent, senior staff members of the organisation. This document should detail the core business or main business activities of the organisation in order to facilitate the transfer.

Once the documentation has been completed, the information will be sent through to the Department of Higher Education (DHET) who in turn will request that the South African Revenue Services (SARS) changes the Seta to which the SDL is being paid.

### What are OFO Codes?

The purpose of the Organising Framework for Occupations (OFO) is to establish a common language for talking

about occupations. In terms of skills development, it facilitates labour market dialogue around skills demand and supply. The OFO is a coded occupational classification system that is used by the Department of Higher Education and Training (DHET) for the purposes of identifying, reporting and monitoring skills demand and supply in the South African labour market.

The OFO is constructed from the bottom-up by:

- Analysing jobs and identifying similarities in terms of a tasks and skills;
- Categorising similar jobs into occupations; and
- Classifying these occupations into occupational groups at increasing levels of generality.

The OFO adds value to skills development planning and implementation purposes in that it:

- Provides a common language when talking about occupations;
- Captures jobs in the form of occupations; and
- Groups occupations into successively broader categories and hierarchical levels based on similarity of tasks, skills and knowledge

SETAs have been required to use the OFO in the submission of the 5 Year Sector Skills Plans and Annual Updates since it was formally adopted in August 2005. The Scarce and Critical Skills reporting format has enabled the identification and annual publication by the DHET of a national scarce and critical skills list.

Employers can benefit from using OFO information to broaden the indicators and drivers of scarce skills that they take into account when developing the annual WSPs and SSP.

The purpose for using the OFO across the SETAs and the Department is to ensure consistency in reporting and monitoring, as well as to identify and aggregate trends across economic sectors. The information collected will enable the DHET to develop the National Guide on occupational or employment trends.

The OFO Codes identify the following major groups:

1. Managers
2. Professionals
3. Technicians and Associate Professionals
4. Clerical Support Workers
5. Service and Sales Workers
6. Skills agricultural, forestry, fishery, craft and related trade workers
7. Plant and machine operators and assemblers
8. Elementary Occupations

Within each of these major groups, various sub-groups are identified to further drive information management.

The latest version of the OFO codes is available on the HWSETA website. Click on the 'document downloads' tab on the home page of [www.hwseta.org.za](http://www.hwseta.org.za)

## Scarce and critical skills

Skills shortages or scarce/critical skills are monitored by SETAs in the WSPs submitted to them on an annual basis. Information submitted by organisations within the health, social development and veterinary sectors in WSPs is used by the HWSETA to determine where shortages are experienced in these sectors. This information is then used by a SETA to:

- Inform content in the Sector Skills Plan (SSP)
- Assist in making decisions regarding the awarding of discretionary grant funding that aims to address the sector's need for scarce or critical skills

A scarce skill is used to describe a shortage of a specific skill within a sector i.e. nurses, whereas a critical skill describes the shortage of a particular skill within an occupational group i.e. midwifery in nursing.

## Information Required to Complete a WSP

- Organisation Information
- Total Employee Profile
- Total Provincial Profile
- Total Educational Profile (AET and NQF Levels)
- Planned Training for Employees
- Planned Adult Based Education and Training
- Pivotal Training
- List of Scarce or Critical Skills
- Members of the Training Committee (if relevant)
- Actual Training Records from the previous year for:
  - Planned Training
  - Pivotal Training
  - AET Training
- Reasons for Variances
- Documents that need to accompany submission of a WSP:
  - Cancelled Cheque or proof of Banking Details

- Authorisation Page ( signed by SDF and CEO/ Manager)
- Proof of Training Invoices
- Proof of Consultation
- If Levy Exempt a certificate
- If a cooperative – a certificate of proof
- Proof of permanent employees

## Types of Discretionary Grants

### Learnerships

A learnership is a structured learning programme that consists of a theoretical and a practical component and that leads to a qualification that is registered on the National Qualifications Framework (NQF). A learnership provides a learner with an excellent opportunity to gain experience in the labour market while studying towards a qualification.

Learnerships are regulated by a formal contract (learnership agreement) between an employer, a learner and a training provider. This agreement must be registered with the employer's relevant SETA. An employer can enter into learnership agreements with existing employees or with learners who are not employees. If the employer enters into a learnership agreement with a learner who is not an employee, the employer is not obliged to employ the learner when the learnership ends.

Learnerships are a key element of the National Skills Development Strategy (NSDS) and their primary aim is to ensure the provision of skills to unemployed, or employed but unskilled individuals. Learnerships should accommodate, and be designed to support local labour market conditions, special sector requirements, work opportunities and demands.

### Skills Programmes

A skills programme is a short course that is based on a full qualification. Skills programmes are particularly beneficial to employed persons who wish to enhance their current set of skills. Furthermore, a skills programme can be of great benefit to

unemployed people who wish to obtain a full qualification on a gradual basis. Skills programmes are unit standard-based programmes that are occupationally based, and when completed, constitute a credit towards a qualification registered in terms of the NQF. A skills programme is any organisation-specific programme aligned to unit standards with a focus on meeting the immediate needs of the organisation in question.

### Other Discretionary Grants

Please note that these may vary from financial year to financial year based on the HWSETA priorities

### Bursaries

A bursary is a monetary award made by an institution to individuals or groups of people who cannot afford to pay full fees. A bursary is "usually for helping out the impoverished but deserving and those fallen on hard times

The following are the two types of bursaries that the HWSETA funds:

**Bursaries for Employed:** These are awarded to registered employers of the HWSETA towards the training and development of employed workers. All courses must be through public and private accredited training providers on a National basis (preference is given to public training institutions). Employers have to apply through the EOI upon advertisement by the HWSETA.

**Bursaries for Unemployed persons:** The HWSETA has entered into an agreement with the National Student Financial Aid Scheme (NSFAS) for the administration of all its bursaries offered to unemployed learners. All learners are required to apply for the bursary directly to NSFAS who will then perform a means test to select the most deserving learners.

The HWSETA only funds learners who are studying towards a Health or Social qualification at a University or University of Technology in that respective financial year.

### **Work Experience Grants**

Work Experience is a placement of unemployed learners with HWSETA registered employers for the purpose of gaining workplace experience. The HWSETA offers grants to employers in the Health and Social Sector who will provide learners with an exposure into the real world of work thus increasing their chances of gaining permanent employment. Each employer is required to allocate a Mentor who will be responsible for monitoring the learners

The following are the different categories of work experience projects funded by the HWSETA:

**Workplace Experience for persons with disabilities:** Employers must recruit learners that a disability regardless of their education level, and place them for a duration of 12 months within the organisation.

### **Workplace Experience for TVET**

**Graduates/Learners:** This Work experience is directed to learners who either have obtained an NCV qualification from or are completing the N qualification through a public TVET college. These learners must be placed for a maximum period of 12 months with HWSETA registered employers to acquire work experience in relation to the qualifications they have obtained or studying towards.

**Internships:** Internships provide real world experience to those looking to explore or gain the relevant knowledge and skills required to enter into a particular career field. The primary focus of an internship is on getting 'on the job training' and taking what's learned in the classroom and applying it to the real world. Learners

that enter into an internship have already acquired a qualification and are placed with employers in the Health and Social Sector for a period of 12 months within which they have been assigned a mentor who will evaluate their work in line with the qualification.

### **Work Integrated Learning (WIL) for University and University of Technology**

**Students:** WIL is the placement of learners into workplace experience with an employer as a component of the qualification that they are studying towards. During the Work Experience learners integrate theoretical learning with its application in the workplace.

In this project the HWSETA funds the placement of unemployed University and University of Technology students registered in Health and Social qualifications who require WIL in order to graduate. The minimum period funded for WIL is 6 months with 12 months being the maximum.

**Lecturer Work Experience (LWE):** LWE is the placement of public TVET College Lecturers into workplaces for a maximum period of 5 days. During this period each lecturer is allocated a mentor in the workplace who exposes them to areas related to the qualifications curriculum which they teach at the TVET College.

### **Pre-apprenticeship Grant**

The pre-apprenticeship Grant provides learners who do not meet one of the minimum requirements to enter into an apprenticeship (N2 trade related course) an opportunity to study at an FET college and gain a certificate on a trade related course.

Learners can study at any FET college on an N2 and N3 trade related course. This project is directed at public FET colleges that are then responsible for the recruitment and selection of learners for the programmes.

### **Early Childhood Development**

The aim of this type of project is to enhance support for the formal development needs of children wherever they are. It will support the development of the capacity of Early Childhood Development so that they can contribute to the formal development requirements of the child, and not just be "caregivers" of children.

This is an entry-level Qualification for those who want to enter the field of Education, Training and Development, specifically within the sub-field of Early Childhood Development (ECD). Many of those who will seek this Qualification are already practising within the field, but without formal recognition. This Qualification will enable recipients of this Qualification to facilitate the all-round development of young children in a manner that is sensitive to culture and individual needs (including special needs), and enable them to provide quality early childhood development services for children in a variety of contexts, including community-based services, ECD centers, at home and in institutions. In particular, recipients of this qualification will be able to:

- Plan and prepare for Early Childhood Development.
- Facilitate and monitor the development of babies, toddlers and young children.
- Provide care and support to babies, toddlers and young children.

This project is directed at public TVET colleges who have full accreditation from the ETDPSETA on the qualification. The TVET College is then responsible for the recruitment and placement of these learners with crèches/ schools for practical experience during the training.

The HWSETA funds for the training of practitioners on ECD level 4 (18 months qualification) and their progression to ECD level 5 (which is a two year qualification).

## Skills Development Facilitator (SDF) Training

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It is the duty of the SDF to analyse the needs of the organisation and develop and draw up a suitable skills development plan. It is also the SDF's responsibility to ensure that the skills development plan is followed and properly administered. The SDF therefore needs to meet a high standard of criteria.

The HWSETA's aim in this project is to ensure that each SDF that is appointed by its registered employer is equipped with the necessary knowledge and skill thus improving the quality of WSPs and ATRs submitted. Another aim of this project is to ensure that the employers do not rely on consultants but rather invest the knowledge inside the organisation hence only employed persons within an organisation are considered for the grant.

## Ad Hoc Projects

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Ad hoc projects are those that are not funded through any of the expressions of interest or discretionary grant funding windows. It would however still address a particular need within a sector that the stakeholder has identified and can substantiate through a written motivation. Application for ad hoc project funding can be made at any stage during the year, but is subject to surplus funds being available.