



Health and Welfare Sector
Education and Training Authority
HWSETA



ANNUAL REPORT

2020/2021

A BETTER LIFE FOR ALL THROUGH PEOPLE DEVELOPMENT

Skills development is a national priority for South Africa and meeting the country's skills needs requires collaboration between numerous public and government entities, educational institutions, training providers, as well as private organisations, no matter how big or small.



HWSETA ANNUAL REPORT 2020/2021

Publisher
HWSETA

Trading Address
Private Bag X15
Gardenview
2047

Design and Layout
Cre8or Global Communications (Pty) Ltd

RP
126/2021

ISBN
978-0-621-49416-7



Dr. Bonginkosi Blade Nzimande
Minister of Higher Education,
Science and Technology



Mr. Buti Manamela
Deputy Minister of Higher
Education, Science and Technology





South Africa's economy is divided into functional sectors and each of these sectors is represented by one of 21 Sector Education Training Authorities (SETAs).

The Health and Welfare Sector Education and Training Authority (HWSETA) is responsible for the education, training and skills development requirements of the health, social development and veterinary sectors.



CONTENTS

PART A	GENERAL INFORMATION	
	Entity Details.....	7
	External Auditors' Information.....	7
	Bankers' Information.....	7
	List of Abbreviations/Acronyms.....	8
	Foreword by the Chairperson	10
	Chief Executive Officer's Report.....	12
	Statement of Responsibility and Confirmation of Accuracy for the Annual Report	15
	Strategic Overview.....	16
	Legislative and Other Mandates.....	16
	Organisational Structure	17
	2020-2021 Annual Dashboard: % Achievement against APP and SLA Annual Targets ..	18
	Overview of the HWSETA.....	22
PART B	PERFORMANCE INFORMATION	
	Performance Information by Programme/Objectives.....	25
	Strategies to Overcome Areas of Underachievement	59
	Overview of the HWSETA Performance	62
PART C	GOVERNANCE	
	The HWSETA Board	87
	HWSETA Board Members: Meeting Attendance	88
	Audit and Risk Committee Report	92
PART D	HUMAN RESOURCES MANAGEMENT	
	Human Resources.....	102
PART E	FINANCIAL MANAGEMENT	
	Report of the Auditor-General	107
	Annexure: Auditor-General's Responsibility to Parliament for the Audit	110
	Statement of Financial Performance	112
	Statement of Financial Position.....	113
	Statement of Changes in Net Assets.....	114
	Cash Flow Statement	115
	Statement of Comparison Between Budget and Actual Expenditure	116
	Notes to the Annual Financial Statements	119



GENERAL INFORMATION

PART A



ENTITY DETAILS

Registered Name of Entity:
Health and Welfare Sector Education and Training Authority

Registration Number:
11/HWSETA/01/04/05

Registered Office Address:
17 Bradford Road, Bedfordview, Johannesburg

Postal Address:
Private Bag X15, Gardenview, 2047

External Auditors' Information:
The Auditor-General SA, 4 Daventry Street Lynnwood Bridge Office Park, Lynnwood Manor, Pretoria, 0081

BANKERS' INFORMATION

Standard Bank of South Africa:
303 Eastgate Office Towers, 43 Bradford Road, Bedfordview, 2008

Nedbank:
6th Floor Corporate Place Nedbank Sandton, 135 Rivonia Road, Sandown, 2196

Stanlib:
17 Melrose Boulevard, Melrose Arch, 2196

Corporation for Public Deposits (CPD):
PO Box 427, Pretoria, 0001



LIST OF ABBREVIATIONS/ACRONYMS

AET	Adult Education and Training
AFS	Annual Financial Statements
APP	Annual Performance Plan
AQP	Assessment Quality Partner
ATRs	Annual Training Reports
AUCOM	Audit Committee
CCMA	Commission for Conciliation, Mediation and Arbitration
CPD	Continuing Professional Development
CS	Corporate Services
DoL	Department of Labour
DoH	Department of Health
DHET	Department of Higher Education and Training
DSD	Department of Social Development
EDP	Executive Development Programme
EISA	External Integrated Summative Assessment
ERP	Enterprise Resource Planning
ETQA	Education and Training Quality Assurance
ETD	Education, Training and Development (Practitioners)
EXCO	Executive Committee
FU	Finance Unit
GDS	Growth and Development Summit
HASA	Hospital Association of South Africa
HDSA	Historically Disadvantaged South Africans
HR	Human Resources
HSRC	Human Science Research Council
H&S	Health and Safety
ISO	International Standards Organisation
IT	Information Technology
MERP	Monitoring, Evaluation and Reporting Plan
MIS	Management Information Systems

MoU	Memorandum of Understanding
NQF	National Qualifications Framework
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSF	National Skills Fund
OFO	Organising Framework for Occupations
OHSA	Occupational Health and Safety Act
PAIA	Promotion of Access to Information Act
PAYE	Pay As You Earn
PFMA	Public Finance Management Act
QCTO	Quality Council for Trades and Occupations
RIME	Research, Information, Monitoring and Evaluation
RPL	Recognition of Prior Learning
SACSSP	South African Council for Social Service Professions
SAPS	South African Police Service
SARS	South African Revenue Service
SDA	Skills Development Act
SAQA	South African Qualifications Authority
SDFs	Skills Development Facilitators
SDL	Skills Development Levy
SDP	Skills Development Practitioners
SETA	Sector Education and Training Authority
SGB	Standards Generating Body
SLA	Service Level Agreement
SMMEs	Small, Medium and Micro Enterprises
SSACI	Swiss-South African Cooperation Initiative
SSP	Sector Skills Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
TVET	Technical and Vocational Education and Training
UIF	Unemployment Insurance Fund
WSPs	Workplace Skills Plans



FOREWORD by the Chairperson

Dr. Nomsa V. Mnisi
Chairperson of the Board



Our journey through the 2020/2021 Financial Year was a bumpy one, though we remained as calm as the eye of a storm all the way. Through the turbulences and up-hill climbs we endured and continue to endure in the midst of COVID-19, we trust that working together as a country, we will emerge victorious. Indeed, the concerted efforts and collaborations between the public and private sector organisations, as well as business, have truly been instrumental in the fight against this pandemic. Just as we worked together to weather the storm, I believe that it will be “all hands on deck” as we continue to work together in rebuilding our economy.

Presentation of the Annual Report

Despite the catastrophic consequences of the COVID-19 pandemic as well as other challenges we faced, it gives me great pleasure to present the 2020/2021 Annual Report in line with relevant laws, on behalf of the Accounting Authority of the HWSETA, and in my capacity as the Chairperson of the Board. This Annual Report is an accurate account of the performance of the HWSETA towards the achievements of the goals and targets set in the Annual Performance Plan for the year under review.

Mandate of the HWSETA

It was Lao Tzu, a Chinese philosopher who once said: “a journey of a thousand miles begins with a single step”. While we started the year under review with this single step – that is, an outline of projects and programmes that we endeavoured to embark on, we can proudly say that we made great progress. The HWSETA continued to deliver on its mandate effectively, as directed by the Skills Development Act, as well as other relevant laws and regulations. The HWSETA continued to implement the directives of the Honourable Minister of Higher Education, Science and Technology, in his capacity as the Executive Authority of the HWSETA. The HWSETA ensured that delivery is in accordance with the National Skills Development Plan, Medium Term Strategic Framework and the National Development Plan 2030.

Impact of COVID-19 pandemic

What is clear from the effects of COVID-19 is that life can be destructed in an instant, and it is important that we adapt to change if we are to survive



“ I am extremely proud of the HWSETA’s response to the pandemic, with over R100 million being focused on projects to alleviate the devastation.

and remain relevant. Indeed, the HWSETA adapted to the change brought about by COVID-19 and swiftly devised means necessary to respond to it. Over and above the personal toll of this pandemic, the 2020/2021 Financial Year faced a multitude of challenges stemming from its impact. COVID-19 threatened to destroy the progress made in growing our economy. The economic ruins presented by this pandemic and its lockdown restrictions are indeed significant. Targets were heavily affected due to project delivery being impacted as well as the financial repercussions of the Skills Development Levy holiday. However, the HWSETA joined in and played its role in the fight against COVID-19, and to also put measures in place to be able to clear the rubble and continue to soldier on in its aftermath. I am extremely proud of the HWSETA’s response to the pandemic, with over R100 million being focused on projects to alleviate the devastation. I applaud the Board and team for this strategic approach under such difficult and unusual circumstances. Despite the severe impact to our overall performance, as a team, we still managed to focus on what was needed by the sector and our country.

Taking forward excellence: building on the good performance of previous years

We made it through the vicious year filled with uncertainty and as a SETA, we are proud of our achievements. Though operating under a dark cloud of this uncertainty, the HWSETA received its 14th consecutive unqualified financial audit for 2020/2021. I am impressed with the strong controls that are in place and can assure our stakeholders that we will continue to maintain good governance, performance and internal control, and to improve where needed in the coming financial year.

Mandate and performance of the Board

John C. Maxwell once said: “a leader is one who knows the way, goes the way and shows the way. Indeed, the consistency and leadership of the Board proved efficient and effective in paving way for the HWSETA to execute its mandate. Throughout the 2020/2021 Financial Year, the Accounting Authority maintained focus to ensure that the HWSETA continues to deliver and attain goals and targets of the NSDP. The HWSETA Board ensured that it provides leadership to the

entire organisation in order to maintain a conducive environment which promotes productivity and excellence.

Standing Committees of the Board were functional and effective throughout the period. The HWSETA vacancy rate was maintained at optimal levels, always ensuring that the SETA has sufficient human resources. The Audit and Risk Committee served the HWSETA with distinction, and the SETA continues to receive excellent service from its Internal Auditors. The Board, with the involvement of executive management and management as a whole, has maintained good relations with most of its stakeholders.

As we dust ourselves up and prepare to soldier on, I am excited at the strides that the HWSETA is making to achieve all targets set and serve the sectors of health, social development and veterinary services.

My sincere gratitude goes to the Minister, Board members, standing committees members and co-opted members, management, staff, Internal Auditors and the Office of the Auditor-General. It is their sheer dedication and commitment that culminated into the HWSETA’s delivery of its programmes and projects.

I wish to take this opportunity to thank all our stakeholders and partners, who created an enabling environment for the HWSETA to be able to discharge its mandate.

I also direct tremendous gratitude to all critical role players, such as organised labour in the sector, provincial and national Departments of Health and Social Development, employers in the private sector, Non-Governmental Organisation (NGOs), institutions of higher learning and the college sector, and our partners. Your selfless contributions give meaning to the phrase: “if you want to go fast, go alone, but if you want to go far, go together”.

The health and welfare sector, public and private, and stakeholders in the education and training sector should take comfort in the knowledge that the HWSETA is delivering on its mandate and continuously strives for improvement and relevance.

Thank you.



CHIEF EXECUTIVE Officer's Report

Ms Elaine Brass CA(SA)
Chief Executive Officer



The tragedy of COVID-19 to the world, countries, communities, people, families and individuals is devastating. But in the midst of such a tragedy, we have also seen compassion, sympathy, gratitude and a willingness to support each other.

We started our financial year 2020-2021 with a new tenure of the Board, taking up its position and responsibilities at a time when the world was very different. How quickly we had to embrace the new way of operating at the HWSETA and supporting our sectors' needs.

The HWSETA Board continued throughout 2020-2021 to support COVID-19 initiatives and the needs of our sectors of health and social development, mainly through our programmes of skills development and partnerships. The target for skills programmes offered to employed persons as well as completions were 134% and 410% over-achieved. Skills programmes offered to unemployed persons were also well taken-up and the target for entries was met. These skills programmes related mainly to COVID-19 awareness and skills development within the sector.

The HWSETA targeted rural areas in poverty nodal zones and moved fast in providing these with training initiatives, resulting in the HWSETA over-achieving its target by 167%.

SMMEs, NGOs, NPOs, Trade Unions and levy exempt organisations were well supported with all targets met and some exceeded (levy exempt target was exceeded by 656%). However, the target on co-operatives was under-achieved due to backlogs in the registration of co-ops by the DTI and CPIC.

The number of partnerships supported, as well as public sector projects supported from Discretionary Grants had excellent results.

The Annual Performance Plan (APP) of 2020-2021 was revised in the second quarter of 2020-2021 due to the COVID-19 impact, as it affected our delivery on programmes as well as the administration of the HWSETA. The four-month Skills Levy contribution holiday saw a significant impact on our cash flow and funds available to service our original APP. The HWSETA is still experiencing

the effects of the four-month contribution holiday. As a result, the HWSETA went into an over-committed state, as supporting our sectors in this time was priority.

COVID-19 had an impact on our performance - affecting completions and entries into certain programmes. The HWSETA ended the year achieving 71% of its performance targets set for the year.

The percentage of filled positions within the HWSETA was a steady 96%. This assisted the HWSETA to still have a good performance outcome in the midst of the pandemic, as well as to continue operations at an optimal level.

Career guidance was one area that was severely affected by lockdown restrictions. This resulted in the HWSETA finding a new way to reach learners about career guidance in our sectors. We developed a career guidance portal that has had an extreme interest from both learners and the public at large. The portal information is more than what we could have delivered by attending career guidance events, and has an interactive element to clearly guide learners into making better career choices. The development took some time and the portal was launched on 9 March 2021. The HWSETA then ended the year having reached 8363 learners, a 70% achievement on our target. On a positive note, the development has changed career guidance for the HWSETA going forward, as it is now more efficient and effective, with the ability to reach far more learners than we could ever have imagined. We have used our maturing social media footprint to spark interest in the portal.

Our research continues to be a strong arm for the HWSETA, with five research reports completed and disseminated, as well as four research articles published and four monitoring and evaluation reports on projects of the HWSETA developed. We met our targets in this regard. A track and trace study was conducted, with a 51% response rate, which is lower than planned. The study revealed once again the high employability of our learnership and artisan programmes at an employment rate of 72% and 67% respectively. We had a very low response on bursaries and internships.

Our indicators on entries into employed learnerships, artisanships and AET training and completions were below target due to the challenges faced to release staff for these programmes. The national lockdown regulations also affected AET for unemployed persons, and our targets were not met.

The late start of the academic year for universities and TVET colleges affected entries and completions in these indicators for employed and unemployed learners obtaining qualifications, and most of these targets set were not achieved. Completions target on unemployed bursaries was met due to the submission of required information from the faculties of health

sciences. This also affected lecturer development. The target for unemployed artisans was over-achieved.

The lockdown regulations affected our achievement on work-based learning for university and TVET college learners, as well as completions on these programmes. Lockdown restrictions also affected unemployed learnerships entered and completed in the year and our targets were not met.

The postgraduate bursary programme continued to be popular and this target was well exceeded, excluding completions where challenges were experienced. Bursaries for unemployed entering for the first time and continued support to learners funded in previous years was affected by the late start of the academic year and the late proclamation of matric results.

However, the targets achieved for unemployed persons into artisanship programmes were good, although the HWSETA still faced challenges in collecting timely evidence on completions.

Due to lockdown restrictions, difficulty was experienced with unemployed persons entering and completing internships. These targets were severely affected.

We used the year to complete most of our R100 million COVID-19 projects we approved prior to the start of 2020-2021 and just before the national lockdown in March 2020. We ensured that these projects could operate quickly, addressing the needs on the ground to fight COVID-19.

These projects expanded over the sectors of health and social development and include skills development and upskilling, education, awareness, data collection, screening, health promotion, internships - all related to COVID-19. These projects have had a great impact in our sectors, and in some instances, still continued impact. The HWSETA, using partners, employers in our sector, NGOs, Post-School Education and Training agencies, and government, entered into the projects



Target Summary



Skills programmes - **410% over-achieved**

Rural areas in poverty - **over-achieving target by 167%**

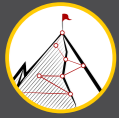
SMME's, NGO's, NPO's, Trade Unions and levy exempt organisations - **Exceeded by 656%**

Ended the year achieving - **71% performance**

Ended the year having reached 8363 learners - **70% target achievement for career guidance**

RPL programme - **305 learners**

completing an RPL qualification - **achievement of 134%**



” Performance of 71% was achieved through commitment from all staff and the Board.

showcased in this publication and supported our sectors in fighting COVID-19.

We used many unemployed youth to also assist in these initiatives, as well as skilling current occupationally developed persons such as nurses, social workers, home-based carers, HealthCare workers, to mention a few. We also mobilised 3000 protective safety kits, over 1000 sanitisers, and 4000 masks for social workers in communities. We further supported social workers and nurses through training – disaster management, psychosocial and trauma counselling. Over 1000 sanitisers and 2000 masks were sent to the Department of Health in the Eastern Cape.

The HWSETA quality assurance programme had successes in the 2020-2021 Financial Year, with targets met for accreditations issued as well as certificates issued. The target for the development of full or part qualifications was also met with the following qualification registered in the year: 1 full qualification for First Responder; 2 part-qualifications for First Responder; and 1 full qualification for Social Auxiliary Worker.

The RPL programme has once again over-achieved on both entries and completions, with 305 learners completing an RPL qualification, an achievement of 134%.

Despite the challenges in meeting many of our targets, the HWSETA continued operations and managed its strategic risks well. Most staff are well-equipped to work from home. Performance of 71% was achieved through commitment from all staff and the Board.

The HWSETA has attained and maintained its unqualified audit opinion since 2008. On the back of a good internal control environment, risk management, compliance management and performance management, the HWSETA's financial performance is sound. The deficit in its financial performance statement is due to another excellent year of moving commitments, where R789 million was disbursed on Discretionary Grant projects. The four-month contribution holiday on our Skills Development Levy revenue resulted in a significant decrease in revenue by 26% and Mandatory Grant payments by 43%. These all contributed to an increase in the deficit for the year.

Administration expenditure was greatly reduced to accommodate the expected pressure on revenue. Actual expenditure was 3% higher than the previous year, and 5% higher than the adjusted budget. The HWSETA still maintained its expenditure within the allowable % as per the Grant Regulations.

The above performance could not be achieved without the support and guidance of the HWSETA Board, the commitment and hard work of every staff member and the performance under extreme circumstances by the management of the HWSETA.

The continued dedication and participation by our employers and government departments, DHET and our valued stakeholders, allowed the HWSETA to remain relevant and contribute to its sectors during this very difficult year.

May God bless our Country.



Statement of Responsibility and Confirmation of Accuracy for the Annual Report

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General of South Africa;
- The Annual Report is complete, accurate and is free from any omissions;
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by the National Treasury;
- The Annual Financial Statements (Part E) have been prepared in accordance with the required accounting standards (GRAP) applicable to the public entity;
- The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information;
- The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements;
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements; and
- In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2021.

Yours sincerely,

Ms. Elaine Brass CA(SA)
Chief Executive Officer
 Date: 30 July 2021

Dr. Nomisa V. Mnisi
Chairperson of the HWSETA
 Date: 30 July 2021



Strategic Overview



Our Vision

The creation of a skilled workforce for the health and social development needs of all South Africans.



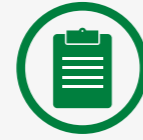
Our Mission

The Health and Welfare Sector Education and Training Authority (HWSETA) endeavours to create and implement an integrated approach to the development and provision of appropriately skilled health and social development workers, to render quality services comparable to world-class standards.



Our Values

- Service Excellence
- Transformation
- Transparency
- Integrity
- Respect
- Fairness
- Accountability



Legislative and other Mandates

The HWSETA is a statutory body, a juristic person, and a schedule 3A entity – as per the Public Finance Management Act (PFMA).

Constitutional Mandates

As an entity of the Department of Higher Education and Training, the HWSETA derives its mandate from the Constitution of the Republic of South Africa, specifically Section 29, read with schedule 4, which lists education at all levels, including tertiary education, as a functional area of concurrent national and provincial legislative competence.

Legislative Mandates

The HWSETA derives its mandate from:

- The Skills Development Act, as amended;
- The Skills Development Levies Act, as amended;
- The South African Qualifications Authority Act, as amended;
- The Quality Council for Trades and Occupations Act;
- The Public Finance Management Act, as amended;
- Treasury Regulations;
- All other (relevant/applicable) Human Resources and Industrial Relations Acts;
- All other Health and Welfare Acts and Regulations;
- Grant Regulations; and
- White Paper on Post-school Education.

Policy Mandates

Policy mandates are dictated by the Service Delivery Agreements entered into by Ministers of:

- Department of Higher Education, Science and Technology;
- Department of Health; and
- Department of Social Development.



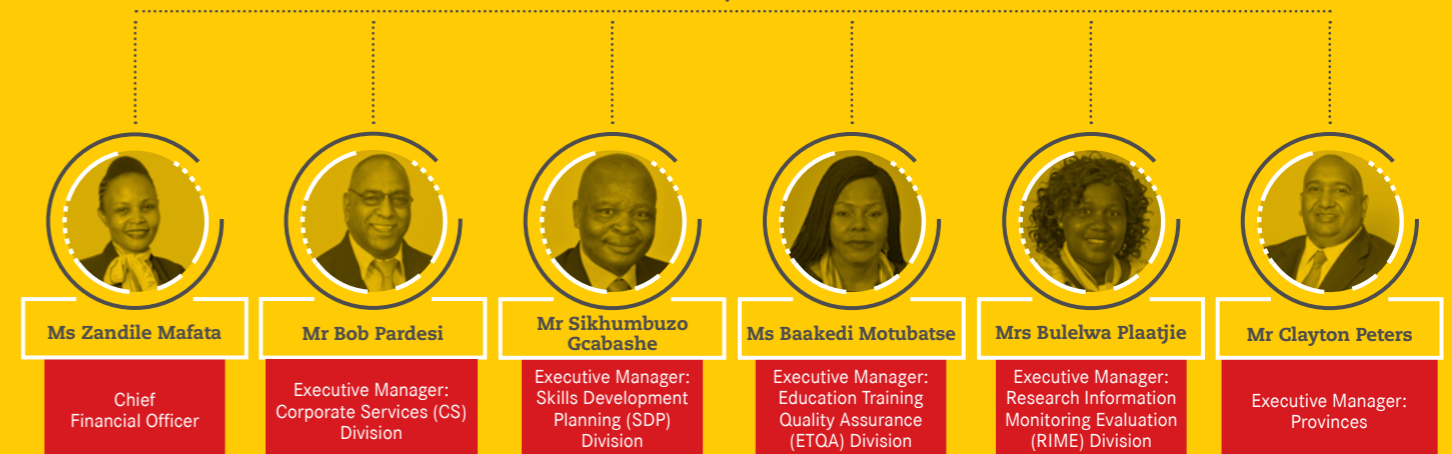
Organisational Structure

HWSETA Board, Comprising 15 Members
(Refer Part C: Governance for more detailed information)



Ms Elaine Brass CA(SA)

Chief Executive Officer





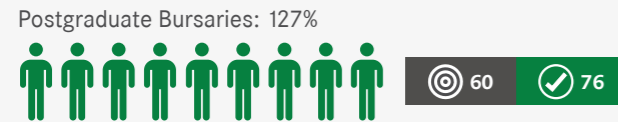
2020-2021 Annual Dashboard

% achievement against APP annual targets

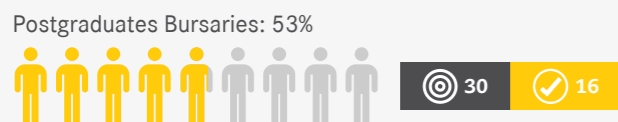
Overall Achievement of the App = 71%

WORKERS SUPPORTED

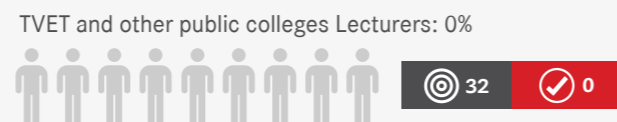
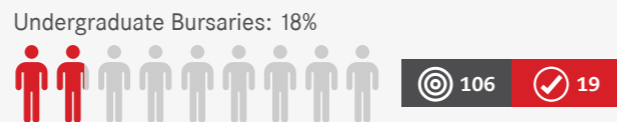
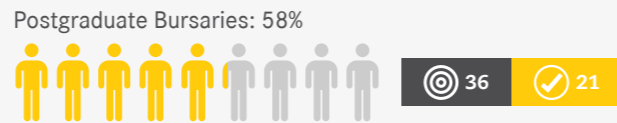
Workers Entries



Workers Re-entered



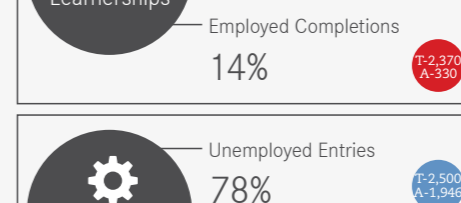
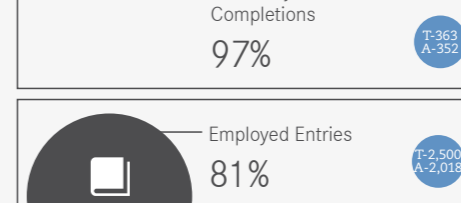
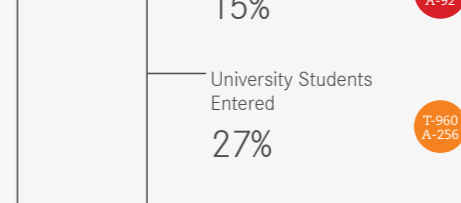
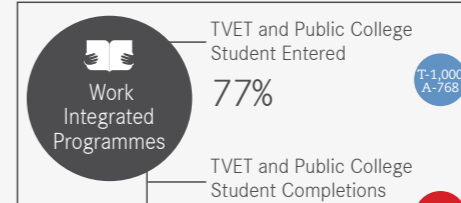
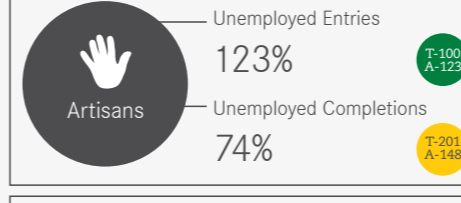
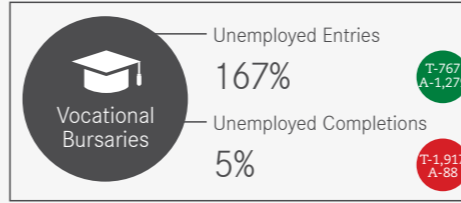
Workers Completions



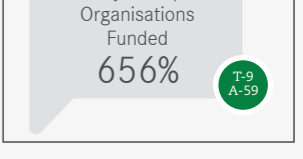
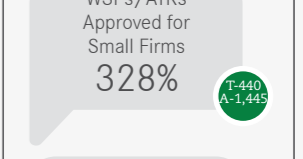
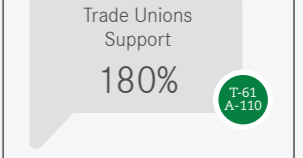
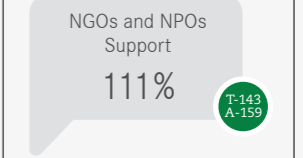
Workers Re-entered



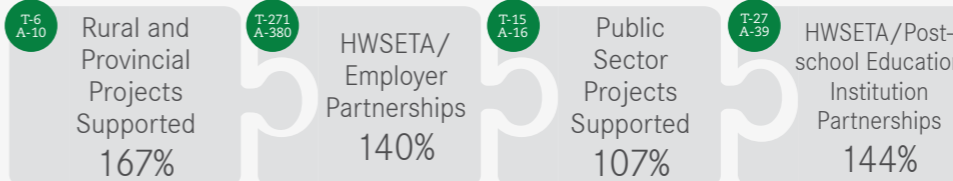
UNEMPLOYED PERSONS SUPPORTED



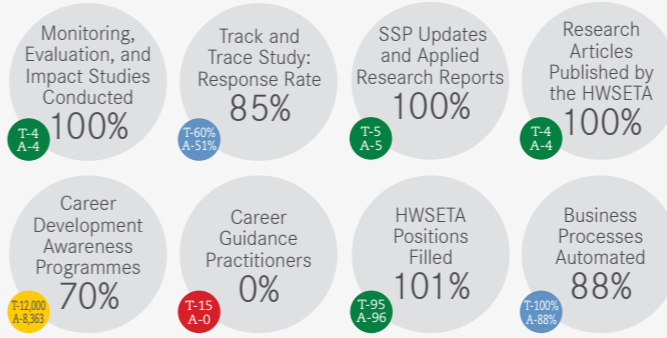
BUSINESS SUPPORT, NGO, NPO, AND TRADE UNION SUPPORT



PROJECTS AND PARTNERSHIPS



CAPACITY OF HWSETA, RESEARCH, M&E



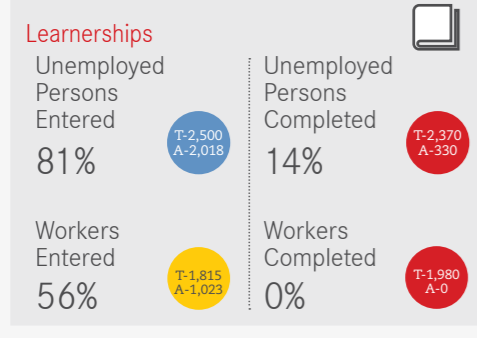
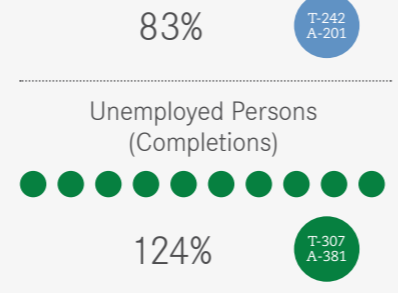
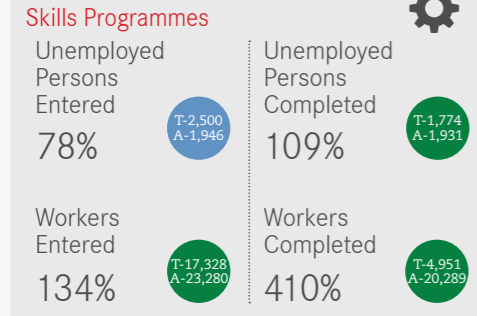
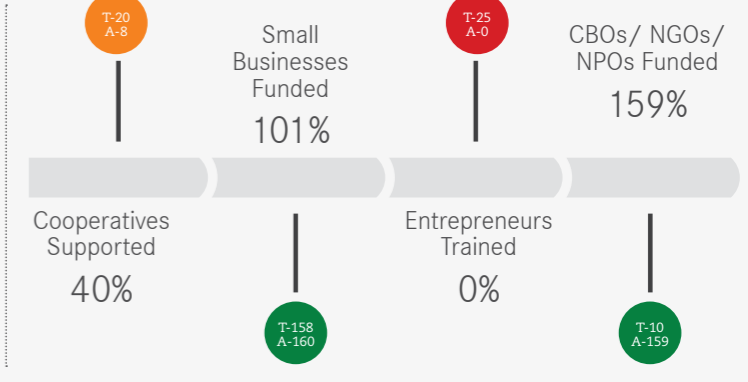
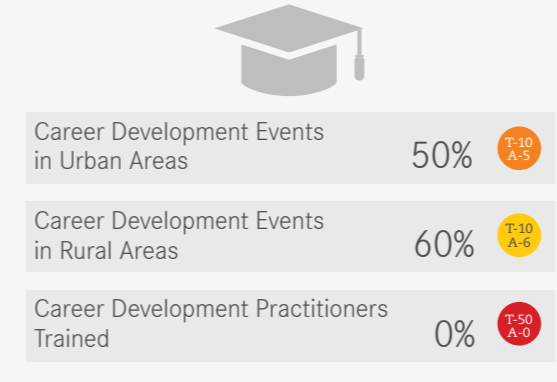
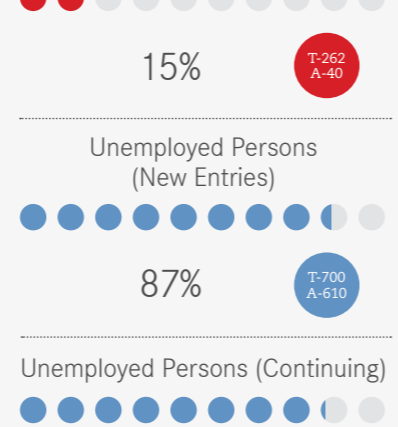
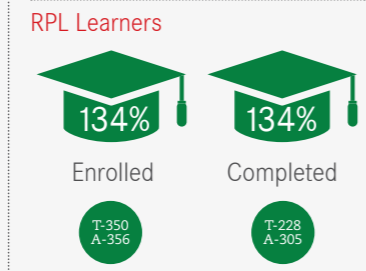
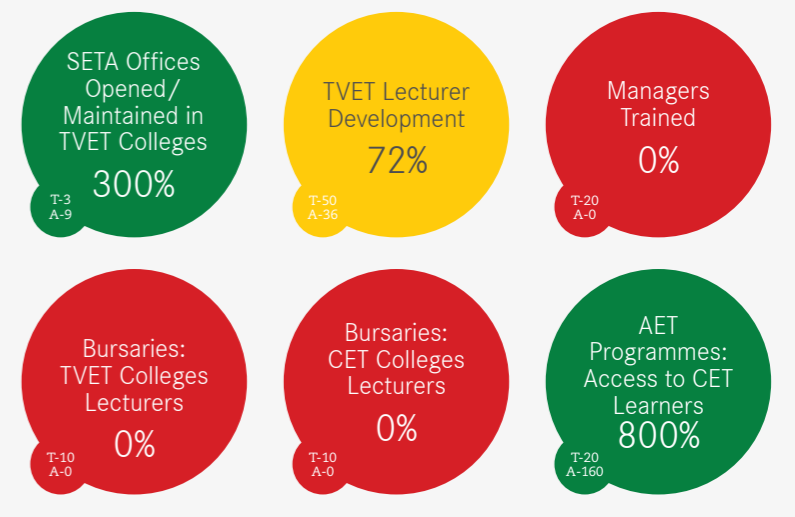
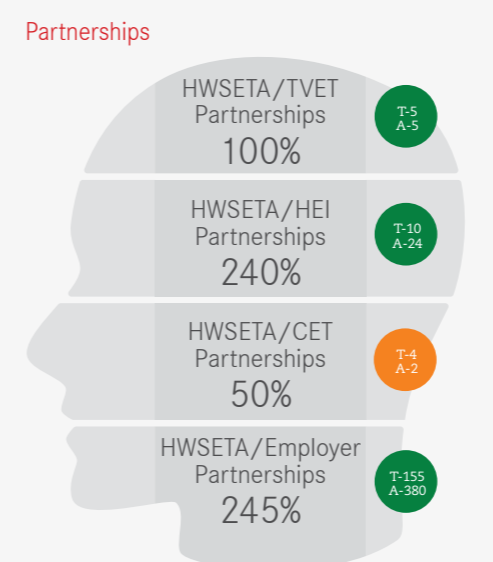
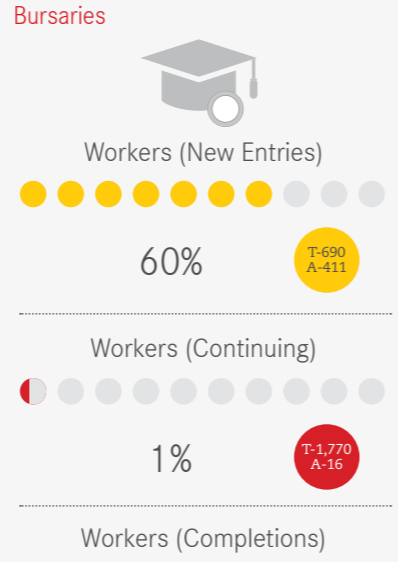
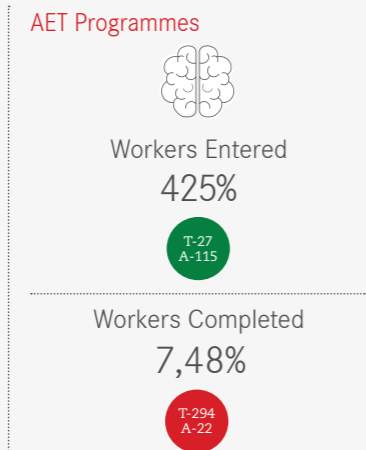
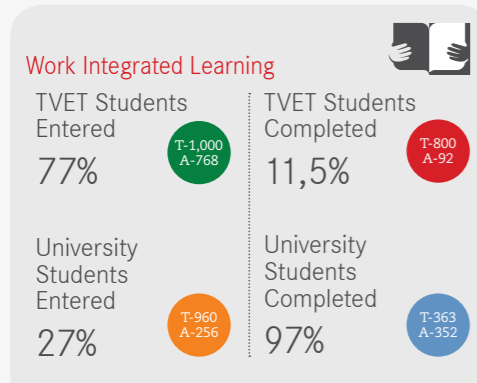
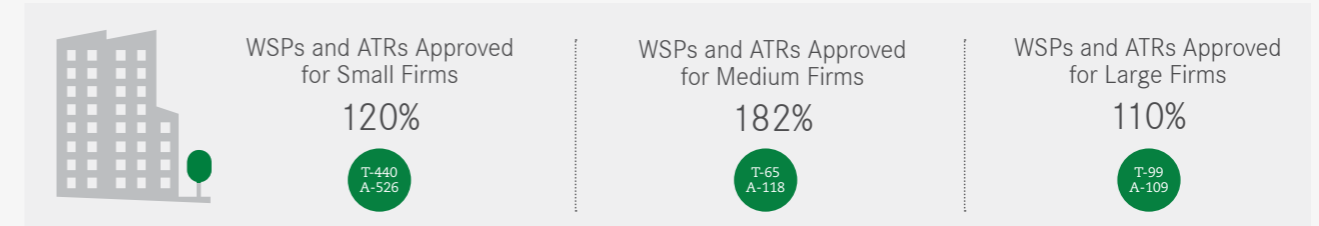
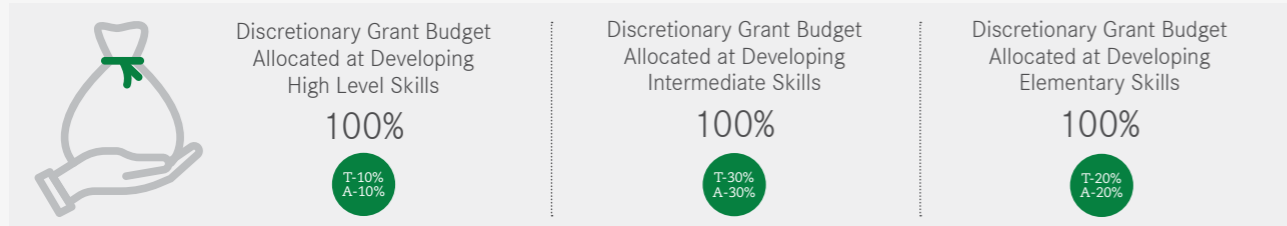
QUALITY ASSURANCE





2020-2021 Annual Dashboard

% achievement against SLA annual targets





Overview of the HWSETA

The Health and Welfare Sector Education and Training Authority's (HWSETA) mandate is to facilitate, co-ordinate and monitor the implementation of the National Skills Development Plan (NSDP) in the Health and Social Development Sectors. The main core principle is to:

- identify skills shortage in the sectors;
- support the development of the skills of employees in the sector; and
- improve the quality of life prospects and labour mobility of employees in the sector.

Skills development is a national priority in South Africa and a critical factor to the future success of the country. Meeting South Africa's skills needs requires input from numerous public and government institutions, as well as private organisations, no matter how big or small.

South Africa's economy is divided into functional sectors that are all represented by one of the 21 Sector Education Training Authorities (SETAs). In short, the HWSETA exists to drive skills development and act as an advisory body on the education and training requirements for the education, training and skills development requirements of the health and social development sectors, as well as the veterinary sector. Skills development is about changing people's lives, about enhancing their employability and about aligning skills to our economy. The health and social development sectors can be described as 'personal services industries', where services are both resource

and time intensive. Effective delivery of these services depends on the availability of human resources with the appropriate skills.

The growing demand for health and social development services and the introduction of changes in the way these services are delivered to the public drive demand for the right type of skills and currently demand continues to outstrip supply.

The HWSETA exists to achieve the following within the health, social development and veterinary sectors:

- Develop and implement the Sector Skills Plan;
- Skills development planning, programmes and initiatives;
- Monitoring of education and training;
- Identification of workplaces for practical work experience;
- Support and facilitate the development of the National Skills Development Plan;
- Disbursement of levies collected through approved Mandatory and Discretionary Grants;
- Forge links with all stakeholders and relevant bodies in the sectors;
- Account for the effective and efficient use of public monies in line with the provisions of the Public Finance Management Act and other relevant legislation; and
- Promotion of the employment of disabled persons, youth and women.



ACHIEVEMENT

Fast-tracking the Journey to your Career in Prestigious Health, Social Development and Veterinary Sectors



Playing "Eeeny, meeny, miny, moe" when trying to make a career choice is a thing of the past – thanks to the newly developed HW Career Guidance Portal!

The portal is a comprehensive and digital platform, with all the information that people who want to pursue a career in the Health, Social Development and Veterinary sectors need. It is envisaged to become a resource that will provide South Africans with the knowledge, information and tools necessary to identify career options and narrow them down to make a career decision that is right for them.

The idea to develop this portal stems from the fact that as people, we encounter many situations where we could have benefitted from objective advice that would serve us in good stead, as we navigate our course towards carving out a long-lasting career path. Whether an individual is in the process of choosing a career path, thinking about changing careers/jobs or re-entering the workplace, having the resources that will give them the tools to make informed decisions is critical.

Because making a career decision can result in one's social, financial and emotional well-being affected, as South Africans, we need to focus on career guidance to address the high levels of unemployment and poverty, especially among the youth.

However, this can be daunting to think about. This is why it was important for us as the HWSETA to ensure that we are able to assist learners from an early age, to gain access to comprehensive information on the abundance of career opportunities available to them, as they think about their future endeavours.

COVID-19 also forced us to adapt to the "new normal" of operating. We no longer have the luxury of interacting with the stakeholders we serve face-to-

face, which is why we need to continue to innovate in the way we do business. The HW Career Guidance Portal enables us to offer our job-seeking stakeholders a virtual digital platform that will empower them with knowledge and give them access to a variety of resources to guide them on their career paths.

The Health, Social Development and Veterinary sectors are a vast, challenging, dynamic and rewarding space that carries with them a prestigious honour, and there are an abundance of careers to explore within these sectors. We want to play our part in shinning the spotlight on these prestigious sectors as the HWSETA, and to encourage young people to explore the many opportunities in the related industries.

We also wanted to ensure that the newly developed portal can help people understand that there are multiple avenues for funding available to them through the HWSETA. Too often, people are deterred from following a particular career path because of their financial constraints. As a Skills Development and Training Authority, we want to make sure that career seekers understand that their financial difficulties should not stand in the way of their career aspirations.

As the HWSETA, we understand that all the career avenues in these sectors are different, which means there is no one-size-fits-all route to a career in these fields. We hope to encourage career seekers to leverage on this portal as a platform to gaining insight into the criteria necessary for each career path, so that they understand what will be required from them to reach their dream jobs from the onset.

Whether people are looking to make a big career change, to go study more, or to explore opportunities they didn't know existed, we are determined to ensure that people understand that there are options available for everyone through the HW Career Guidance Portal.



PERFORMANCE INFORMATION

PART B



Annual Performance Information Report

Classification of Performance

Colour Code					
Progress in %	0% - 25%	26% - 50%	51% - 75%	76% - 99%	100% ->
Description of Classification	Annual target has not been achieved and strides made have yielded low success by 31 March 2021.	Annual target has not been achieved and strides made have yielded moderate success by 31 March 2021.	Annual target was almost achieved based on good progress made by 31 March 2021.	Annual target was almost achieved based on substantial progress made by 31 March 2021.	Annual target has been achieved or exceeded before or by 31 March 2021.

Programme 1: Administration

Programme 1: Output No. 18

Impact Statement No. 1: The HWSETA has an established planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome Statement No. 1(2): The HWSETA delivers its mandate efficiently and effectively through its well-capacitated organisational structure and business processes that are automated and integrated in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA is capacitated to deliver on its mandate and achieve its targets in the reporting period.	18	Percentage of filled positions in the organisational structure of the HWSETA to facilitate the delivery of its mandate and achievement of its targets in the reporting period.	86% (117/136) 	96% (146/152) 	95%	96% (146/152) 	1%	The HR department has proactively looked at ways to decreasing the time frame from 90 days to 45 days in filling positions. Internal staff who met the inherent job requirements of the vacant posts applied and where successful, were transferred into the vacant positions. HR reverted to face-to-face interviews, while adhering to COVID-19 protocols and safeguards, which assisted in the achievement of targets. Hence the over achievement of the APP targets.

Programme 1: Output No. 20

Impact Statement No. 1: The HWSETA has an established planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome Statement No. 1(2): The HWSETA delivers its mandate efficiently and effectively through its well-capacitated organisational structure and business processes that are automated and integrated in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA business processes are automated and integrated for effective delivery of services to the sector in the reporting period.	20	Percentage of HWSETA business processes automated and integrated for efficient delivery of services to the sector in the reporting period.	84% 84%	87% 87%	100%	88% 88%	-12%	Although the COVID-19 lockdown did not have a significant effect on the operations of the IT/ERP division, delays caused by audit commitments whereby the project was effectively frozen for at least 6 months pending the completion of the audit resulted in the target not being achieved. Also, the audit placed a significant strain on the resources in the division.

Programme 1: Output No. 15

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(4): The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted youths in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA makes career development services accessible to school and post-school youths ¹ , mainly from rural areas, in the reporting period.	15(1)	The number of school and post-school youths, mainly from rural areas, reached through career development awareness programmes in the reporting period.	16263 (56 events) 136%	11666 (58 events) 162%	12000 (20 events)	8363 (11 events) 70%	-3637	The COVID-19 pandemic necessitated restrictions on gatherings as well as school/tertiary institution closures. This drastically affected the ability to run in person career guidance events and exhibitions which in turn affected the target being met in its entirety. With the lifting of COVID-19 restrictions, the HWSETA partnered with EWSETA and conducted career guidance in 11 schools in Gauteng. However, only 2 103 learners were reached. Therefore, an innovative intervention to reach school pupils was developed by the HWSETA. This was a career guidance portal which offered online information to learners, which was launched on 9 March 2021. A total of 6 260 learners were reached through the career guidance portal.

¹ Post-school youth refers to those unemployed youth as defined in the Green paper on post-school education. Post-school youth includes those from rural and urban areas, and targeted groups, such as learners with disabilities, female, and black South African youths.

Programme 2: Skills planning and impact assessment

Programme 2: Output No. 12

Impact Statement No. 1: The HWSETA has an established planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome Statement No. 1(1): Research, monitoring, evaluation, and impact system of the HWSETA provide a credible skills planning and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The SSP updates and research reports produced by the HWSETA are confirmed ² and made accessible to internal and external stakeholders, as well as the general public, through various dissemination platforms in the reporting period.	12(1)	Number of SSP updates and applied research reports ³ completed and disseminated to key stakeholders ⁴ as providing information about occupations in demand, skills needs, and the education and training landscape for the sector in the reporting period.	11 138%	5 100%	5	5 100%	0	Five research reports were completed and disseminated to key stakeholders in 2020/21. The target is met therefore no deviation to explain.
	12(2)	Number of research articles published by the HWSETA in peer reviewed dissemination platforms ⁵ to make them accessible to internal and external stakeholders, as well as the public in the reporting period.	0 ⁶	0 ⁷	4	4 100%	0	Four articles were presented to key relevant stakeholders of interest and or those directly affected by the study concerned in terms of implementation of the recommendations. The target is met therefore no deviation to explain.

² SSP update and research reports produced by the HWSETA are confirmed by key stakeholders that they provide information about occupations in demand, skills needs and the education and training landscape for the sector.

³ SSP updates and research reports produced by the HWSETA identify occupations in demand and skills needs in the sector, and aims to inform planning for skills development in the sector.

⁴ Confirmation of SSP updates and research reports by stakeholders refers to the presentation of findings to categories of people who participated in the study and are key to the implementation of the recommendations.

⁵ Peer reviewed dissemination platforms include the HWSETA research publication, DHET research publications, and other Journals.

⁶ This is a new indicator introduced by the NSDP (2030).

⁷ This is a new indicator introduced by the NSDP (2030).

Programme 2: Output No. 5

Impact Statement No. 1: The HWSETA has an established planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome Statement No. 1(1): Research, monitoring, evaluation, and impact system of the HWSETA provide a credible skills planning and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The monitoring, evaluation, and impact studies, including tracer studies, produced by the HWSETA, are confirmed by key stakeholders as measuring the performance of learning programmes and projects implemented by the HWSETA in the reporting period.	5(1)	Number of monitoring, evaluation, and impact studies, including tracer studies, completed and confirmed by key stakeholders as measuring the performance of learning programmes and projects implemented by the HWSETA in the reporting period.	0 ⁸	0 ⁹	4	4 100%	0	Four monitoring and evaluation reports were conducted, completed and confirmed in 2020/21. The target is met therefore no deviation to explain.

⁸ This is a new indicator introduced by the NSDP (2030).

⁹ This is a new indicator introduced by the NSDP (2030).

Programme 2: Output No. 5 contd.

Impact Statement No. 1: The HWSETA has an established planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome Statement No. 1(1): Research, monitoring, evaluation, and impact system of the HWSETA provide a credible skills planning and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The monitoring, evaluation, and impact studies, including tracer studies, produced by the HWSETA, are confirmed by key stakeholders as measuring the performance of learning programmes and projects implemented by the HWSETA in the reporting period.	5(2)	Percentage of unemployed persons reached through the track and trace study after completing learning programmes funded by the HWSETA ¹⁰ in the reporting period.	0 ¹¹	0 ¹²	60%	51% (1430/2782) 85%	-9%	The annual target has not been achieved due to the nature of the study being dependent on the person's willingness to participate in the study. The study achieved a 51% response rate, which will still provide credible findings. The 2020/21 track and trace study included a 2019/20 learner cohort comprised of 906 learners and 1876 follow up learners from previous years. Among the new learners, participants from the learnership programme showed the highest response rate (72%), followed by the artisan (67%), then bursary (30%), and internship (29%). Due to the least response rate among internship and bursary learners, a mini questionnaire will be administered to the learners via Google Forms to seek their employment status.

¹⁰ Such learning programmes include undergraduate bursaries, learnerships, apprenticeships, and internships.

¹¹ This is a new indicator introduced by the NSDP (2030).

¹² This is a new indicator introduced by the NSDP (2030).

Programme 3: Skills Development Programmes and Projects

Sub-programme 3.1: Learning Programmes

Programme 3: Output No. 3

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers from the health and welfare sector with learnership agreements registered with the HWSETA as industry-funded or HWSETA-funded complete the learnership programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	3(1)	Number of workers whose learnership agreements are registered with the HWSETA as industry-funded or HWSETA-funded in the reporting period.	908 30%	3406 103%	1815	1023 56%	-792	Employers that contracted to train their staff could not release staff as they were critical in the response to COVID-19 and were treating patients with COVID-19. These frontline workers earmarked for training include nurses and community health workers.
	3(2)	Number of workers reported to the HWSETA as having completed learnership programmes registered with the HWSETA as industry or HWSETA-funded in the reporting period.	298 12%	133 6%	1980	0 0%	-1980	Since training could not start due to the pandemic and the national state of disaster, completions were affected. Furthermore, some statutory bodies regulating education and training in the sector postponed examinations, which meant learners were not able to complete.

Programme 3: Output No. 4

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Employed apprentices and trainee technicians entered into the HWSETA apprenticeship programme complete the programme and are reported to the HWSETA within 12 months of completion in the reporting period.	4(1)	Number of employed apprentices and trainee technicians entered into the HWSETA-funded apprenticeship programme in the reporting period	128 256%	34 113%	50	16 32%	-34	There was low uptake from employers as they could not release workers during lockdown, and closure of colleges due to hard lockdown resulted in the low achievement.
	4(2)	Number of employed apprentices and trainee technicians reported to the HWSETA as having completed apprenticeships funded by the HWSETA in the reporting period.	0 0%	0 0%	18	0 0%	-18	Delays in trade tests caused by apprentices not having enough hours to be trade tested due to hard lockdown and higher adjusted risks levels resulted in the low achievement.

Programme 3: Output No. 6

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers in the health and welfare sector given bursaries by the HWSETA complete undergraduate and postgraduate qualifications funded by the HWSETA and are reported to the HWSETA within 12 months of completion in the reporting period,	6(1)	Number of workers entered into the HWSETA undergraduate and postgraduate bursaries in the reporting period.	104 173%	68 113%	60	76 127%	16	The annual target has been over-achieved due to a combination of students that were funded from the MoAs that were signed in March 2020 based on 2019-2020 excess funds, and MoAs signed in March 2021 from 2020-2021 APP budget. These students were funded for the 2020 and 2021 academic years.
			692 198%	712 123%		232 37%	-398	The extended academic year and late proclamation of matric results caused by closures of academic institutions due to COVID-19 and lockdown regulations resulted in the under-achievement of this target.

POSTGRAD

UNDERGRAD

Programme 3: Output No. 6 contd.

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers in the health and welfare sector given bursaries by the HWSETA complete undergraduate and postgraduate qualifications funded by the HWSETA and are reported to the HWSETA within 12 months of completion in the reporting period.	6(2)	Number of workers re-entered into the HWSETA undergraduate and postgraduate bursaries in the reporting period.	0 ¹³	0 ¹⁴	30	16 53%	-14	The annual target has not been achieved and strides made yielded moderate success (53%). The non-achievement is attributable to the fact that this is a new indicator with a new target that came into place in 2020/21 thus had no baseline. While estimates for planning used were based on the multi-year qualifications, there was more demand for funding of postgraduate studies by the unemployed as continuing students. This phenomenon necessitated a de-commitment of funds from this indicator to re-commit it towards Indicator 27(2) to accommodate the demand of the unemployed.
			0 ¹⁵	0 ¹⁶		125	0 0%	-125

POSTGRAD

UNDERGRAD

¹³ This is a new indicator introduced by the NSDP (2030).

¹⁴ This is a new indicator introduced by the NSDP (2030).

¹⁵ This is a new indicator introduced by the NSDP (2030).

¹⁶ This is a new indicator introduced by the NSDP (2030).

Programme 3: Output No. 6 contd.

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers in the health and welfare sector given bursaries by the HWSETA complete undergraduate and postgraduate qualifications funded by the HWSETA and are reported to the HWSETA within 12 months of completion in the reporting period.	6(3)	Number of workers reported to the HWSETA for having completed undergraduate and postgraduate qualifications funded by the HWSETA in the reporting period.	13	10	36	21	-15	The annual target was not achieved based on the fact that the COVID-19 pandemic saw the extension of the academic calendar year of universities. Thus, the release of examination results was delayed beyond March 2021 which is beyond the last quarter of reporting for the HWSETA. The delays were further compounded by protests in some of the universities thus making it impossible for students to submit documentation required for reporting.
			174	228	106	19	-87	Late results from Higher Education Institutions due to extended academic year resulting from COVID-19 regulations and risk adjusted measures resulted in the under-achievement of this target.

POSTGRAD

UNDERGRAD

Programme 3: Output No. 7

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed graduates funded by the HWSETA for internships are reported to the HWSETA within 12 months of completion in the reporting period.	7(1)	Number of unemployed graduates entered into the internship programme funded by the HWSETA in the reporting period.	765 77%	1163 106%	2420	1220 50%	-1200	Delays in finding workplaces for interns and the limitation of staff at workplaces in compliance with risk adjusted measures and COVID-19 regulations resulted in the under-achievement of this target.
	7(2)	Number of unemployed graduates reported to the HWSETA as having completed the internship programme funded by the HWSETA in the reporting period.	73 9%	218 27%	660	152 23%	-508	Learners could not complete internships as there were limited workers required in workplaces due to COVID-19 regulations and this resulted in the under-achievement of this target.

POSTGRAD

UNDERGRAD

Programme 3: Output No. 8

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers from the health and welfare sector entered into credit and non-credit bearing skills programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	8(1)	Number of workers entered into credit and non-credit bearing skills programmes funded by the HWSETA in the reporting period.	1713 23%	8264 100%	17328	23280 134%	5952	When hard lockdown regulations were announced, the HWSETA took a decision to skill health and safety practitioners in the country on COVID-19 in the workplace to prevent the spread of the disease. This resulted in a higher number than anticipated receiving training.
	8(2)	Number of workers reported to the HWSETA as having completed credit and non-credit bearing skills programmes funded by the HWSETA in the reporting period.	269 4%	4618 77%	4951	20289 410%	15338	Due to the interest in understanding COVID-19 in the workplace and how to prevent its spread, a number of learners taking part in the skills programmes completed the training.

Programme 3: Output No. 16

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(3): The HWSETA supports the growth of the public college system so that public colleges may qualify as centres of specialisation in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA supports public college lecturers to improve onsite practical and vocational capacity in the reporting period.	16(1)	Number of lecturers from TVET and other public colleges ¹⁷ funded by the HWSETA for skills development in the reporting period.	50 125%	233 117%	50	36 72%	-14	Uptake in the programme was affected by hard lockdown and training was halted due to restrictions in gatherings.
	16(2)	Number of lecturers from TVET and other public colleges reported to the HWSETA as having completed training funded by the HWSETA in the reporting period.	0 ¹⁸	9 28%	32	0 0%	-32	Training for TVET college lecturers could not start and therefore not completed due to the national state of disaster and its regulations.

¹⁷ Other Public Colleges comprise of Nursing Colleges, Emergency Services Colleges (EMS), and Agricultural Colleges (for Veterinary training) etc. These colleges are a priority to the HWSETA as they are colleges in the health and welfare sector.

¹⁸ The indicator was introduced in 2019-2020.

Programme 3: Output No. 17

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(3): The HWSETA supports the growth of the public college system so that public colleges may qualify as centres of specialisation in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA supports public college students in vocational and occupational training in the reporting period.	17(1)	Number of students from TVET and other public colleges funded by the HWSETA for vocational and occupational training in the reporting period.	382 105%	2317 56%	767	1279 167%	512	The HWSETA targeted few relevant programmes where the uptake was high despite COVID-19 limitations. These were within the broader college system in the sector supporting the PSET system as well.
	17(2)	Number of students from TVET and other public colleges reported to the HWSETA as having completed vocational and occupational training funded by the HWSETA in the reporting period.	0 ¹⁹	364 130%	1917	88 5%	-1829	The delivery of programmes was halted and some delayed due to the national state of disaster regulations and limitations on practical sites.

¹⁹ The indicator was introduced in 2019-2020.

Programme 3: Output No. 21

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Workers from the health and welfare sector entered into Adult Education and Training (AET) programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	21(1)	Number of workers entered into AET programmes funded by the HWSETA in the reporting period.	0 ²⁰	0 ²¹	27	0 0%	-27	Employers that contracted to train their staff could not release staff as they were critical in treating patients with COVID-19.
	21(2)	Number of workers reported to the HWSETA as having completed AET programmes funded by the HWSETA in the reporting period.	0 ²²	0 ²³	294	0 0%	-294	Due to training not started owing to the national state of disaster, completions were affected.

²⁰ This is a new indicator introduced by the NSDP (2030).

²¹ This is a new indicator introduced by the NSDP (2030).

²² This is a new indicator introduced by the NSDP (2030).

²³ This is a new indicator introduced by the NSDP (2030).

Programme 3: Output No. 26

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed apprentices and trainee technicians entered into the HWSETA apprenticeship programme complete the programme and are reported to the HWSETA within 12 months of completion in the reporting period.	26(1)	Number of unemployed apprentices and trainee technicians entered into the HWSETA funded apprenticeship programme in the reporting period.	238 238%	357 106%	100	123 123%	23	The HWSETA has a targeted approach towards artisan development and uses this to achieve rural development initiatives. The over-achievement is due to the fact that recruitment started before lockdown and actual registration and training began during lockdown.
	26(2)	Number of unemployed apprentices and trainee technicians reported to the HWSETA as having completed apprenticeships funded by the HWSETA in the reporting period.	61 76%	122 102%	201	148 74%	-53	Most learners could not make the required hours to undertake trade tests due to lockdown and the national state of disaster regulations. Furthermore, trade test centres were closed during hard lockdown and when they were opened, they could only take a limited number of learners.

Programme 3: Output No. 27

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons awarded bursaries by the HWSETA for post-school education complete the undergraduate and postgraduate qualifications and are reported to the HWSETA within 12 months of completion in the reporting period.	27(1)	Number of unemployed persons entered into the HWSETA undergraduate and postgraduate bursaries in the reporting period.	107 268%	65 163%	40	70 175%	30	The annual target has been over-achieved due to a combination of students that were funded from the MoAs that were signed in March 2020 based on 2019-2020 excess funds, and MoAs signed in March 2021 from 2020-2021 APP budget. These students were funded for the 2020 and 2021 academic years.
			547 91%	512 100%	700	540 77%	-160	The extended academic year and late proclamation of matric results caused by closures of academic institutions due to COVID-19 and lockdown regulations resulted in the under-achievement of this target.

Programme 3: Output No. 27 contd.

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons awarded bursaries by the HWSETA for post-school education complete the undergraduate and postgraduate qualifications and are reported to the HWSETA within 12 months of completion in the reporting period.	27(2)	Number of unemployed persons re-entered into the HWSETA undergraduate and postgraduate bursaries in the reporting period.	0 ²⁴	0 ²⁵	10	19	9	The annual target has been over-achieved due to the fact that there was more demand for funding of postgraduate studies by the unemployed as continuing students. Importantly, the HWSETA provided necessary resources for this phenomena as it approved de-commitment of funds from indicator 6(2) to re-commit it towards this indicator to accommodate the demand of the unemployed.
			0 ²⁶	0 ²⁷	242	182	-60	Late start of the new academic year at various Higher Education Institution resulting from COVID-19 risk adjusted measures resulted in the under-achievement of this target.

²⁴ This is a new indicator introduced by the NSDP (2030).
²⁵ This is a new indicator introduced by the NSDP (2030).
²⁶ This is a new indicator introduced by the NSDP (2030).
²⁷ This is a new indicator introduced by the NSDP (2030).

Programme 3: Output No. 27 contd.

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons awarded bursaries by the HWSETA for post-school education complete the undergraduate and postgraduate qualifications and are reported to the HWSETA within 12 months of completion in the reporting period.	27(3)	Number of unemployed persons reported to the HWSETA as having completed undergraduate and postgraduate qualifications funded by the HWSETA in the reporting period.	2	6	24	11	-13	The annual target has not been achieved and strides made yielded moderate success (46%). However, the non-achievement is attributable to the fact that the COVID-19 pandemic saw the extension of the academic calendar year of universities. Thus, the release of examination results was delayed beyond March 2021 which is beyond the last quarter of reporting for the HWSETA. The delays were further compounded by protests in some of the universities thus making it impossible for students to submit documentation required for reporting.
			212	328	307	374	67	Results from health sciences at universities came out early as some disciplines continued training during lockdown as per Minister of Higher Education, Science and Technology's pronouncements. This affected those in clinical areas.
			4.3%	68%		122%		

Programme 3: Output No. 28

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
TVET, other colleges, and university students funded by the HWSETA for Work Integrated Learning (WIL) are reported to the HWSETA as having completed the programme within 12 months of completion in the reporting period.	28(1)	Number of TVET and other college students entered into Work Integrated Learning (WIL) programmes funded by the HWSETA in the reporting period.	652 65%	1053 105%	1000	768 77%	-232	The delivery of programmes was halted, and some were delayed due to the national state of disaster regulations and limitations on practical sites.
	28(2)	Number of TVET and other college students reported to the HWSETA as having completed the Work Integrated Learning (WIL) programmes funded by the HWSETA in the reporting period.	0 ²⁸	137 17%	600	92 15%	-508	Due to training not started or halted owing to the national state of disaster, completions were affected.

²⁸ The indicator was introduced in 2019-2020.

Programme 3: Output No. 28 contd.

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
TVET, other colleges, and university students funded by the HWSETA for Work Integrated Learning (WIL) programme are reported to the HWSETA as having completed the programme within 12 months of completion in the reporting period.	28(3)	Number of university students entered into Work Integrated Learning (WIL) programmes funded by the HWSETA in the reporting period.	547 109%	1096 181%	960	256 27%	-704	The delivery of programmes was halted, and some were delayed due to the national state of disaster regulations and limitations of practical sites.
	28(4)	Number university students reported to the HWSETA as having completed the Work Integrated Learning (WIL) programmes funded by the HWSETA in the reporting period.	0 ²⁹	422 106%	363	352 97%	-11	Due to training not started or halted owing to the national state of disaster, completions were affected.

²⁹ The indicator was introduced in 2019-2020.

Programme 3: Output No. 29

Impact Statement No. 4: The HWSETA contributes to the reduction of hard to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons registered with the HWSETA as industry or HWSETA-funded for learnership programmes are reported to the HWSETA within 12 months of completion in the reporting period.	29(1)	Number of unemployed persons whose learnership agreements are registered with the HWSETA as industry-funded or HWSETA-funded in the reporting period.	2988 93%	4048 102%	2500	2018 81%	-482	Uptake in the programme was affected by hard lockdown and employers found it difficult to recruit and start training. Limitations on the number of people in gatherings such as at training centres worsened the achievement of the target. Furthermore, quality assurance bodies (statutory bodies) postponed the new intake of learners due to lockdown regulations.
	29(2)	Number of unemployed persons reported to the HWSETA as having completed learnerships registered with the HWSETA as industry or HWSETA funded in the reporting period.	378 15%	654 26%	2370	330 14%	-2040	Due to training not started or halted owing to the national state of disaster, completions were affected. Furthermore, Quality Assurance bodies managing examinations postponed examinations due to lockdown regulations.

Programme 3: Output No. 30

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons entered into credit and non-credit bearing skills programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	30(1)	Number of unemployed persons entered into skills programmes funded by the HWSETA in the reporting period.	2988 93%	4048 102%	2500	1946 78%	-554	The delivery of programmes was halted, and some were delayed due to the national state of disaster regulations and limitations of practical sites.
	30(2)	Number of unemployed persons reported to the HWSETA as having completed credit and non-credit bearing skills programmes funded by the HWSETA in the reporting period.	16 4%	1308 65%	1774	1932 109%	157	Due to the interest in understanding COVID-19 and how to prevent its spread, a number of learners taking part in the skills programmes completed the training.

Programme 3: Output No. 31

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to fill-vacancies in the health and welfare sector by 2030.

Outcome Statement No 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Unemployed persons from the health and welfare sector entered into Adult Education and Training (AET) programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	31(1)	Number of unemployed persons entered into AET programmes funded by the HWSETA in the reporting period.	1529 102%	1925 196%	540	325 60%	-215	The delivery of programmes was halted, and some were delayed due to the national state of disaster regulations and limitations on gatherings.
	31(2)	Number of unemployed persons reported to the HWSETA for having completed ³⁰ AET programmes funded by the HWSETA in the reporting period.	269 4%	715 56%	294	32 11%	-262	Due to the national state of disaster affecting the start of training, completions were negatively affected.

³⁰ Completions are reported to the HWSETA within 12 months of having completed the funded programme.

Programme 3: Skills Development Programmes and Projects

Sub-programme 3.2: Partnerships, Projects, and WSP

Programme 3: Output No. 1

Impact Statement No. 5: The HWSETA contributes to the increased capacity of NGOs, NPOs, and Trade Unions to meet social and rural development needs South African Citizens by 2030.

Outcome Statement No 5(1): The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development, as well as provisions for persons with disabilities in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA funds rural and provincial development projects in the health and welfare sector during the reporting period.	1	Number of rural and provincial development projects funded by the HWSETA through grants to develop and address mid-level skills in the reporting period.	9 150%	15 375%	6	10 167%	4	The HWSETA targeted rural areas in poverty nodal zones and moved fast in providing these with training initiatives. Due to this strategy and tactic, uptake and commitment was high with communities.

Programme 3: Output No. 2

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No 2(1): The HWSETA promotes linkages between education and the workplace to increase work-based learning opportunities in the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Employers in the sector open-up their workplaces for learning through partnerships with the HWSETA in the reporting period.	2	Number of employers in the sector who open-up their workplaces for learning through partnerships with the HWSETA in the reporting period.	625 403%	325 210%	271	380 140%	143	While the national state of disaster affected the implementation of programmes, employers were willing to open their workplaces as training spaces. Actual training was however affected by limitations on the number of workers in workplaces.

Programme 3: Output No. 9

Impact Statement No. 6: The HWSETA contributes to increased capacity of large, medium, and small firms, as well as small and emerging businesses and cooperatives of the health and welfare sector to become more sustainable and expand in size by 2030.

Outcome Statement No 6(1): The HWSETA supports skills development for entrepreneurial and cooperative activities, as well as the establishment of new enterprises and cooperatives in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA funds skills development of cooperatives of the health and welfare sector during the reporting period.	9	Number of cooperatives in the health and welfare sector whose skills needs are funded by the HWSETA per year.	22 110%	23 192%	30	8 27%	-22	More organisations were funded and reached during the year under review, however, they could not be registered as cooperatives in time because registration institutions (DTI and CPIC) were closed or had backlogs in registrations. This, however, did not stop the HWSETA assisting communities during the lockdown period when all assistance was required.

Programme 3: Output No. 10

Impact Statement No. 6: The HWSETA contributes to increased capacity of large, medium, and small firms, as well as small and emerging businesses and cooperatives of the health and welfare sector to become more sustainable and expand in size by 2030.

Outcome Statement No 6(1): The HWSETA supports skills development for entrepreneurial and cooperative activities, as well as the establishment of new enterprises and cooperatives in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA funds skills development of small and emerging businesses of the health and welfare sector during the reporting period.	10	Number of small and emerging businesses from the health and welfare sector whose skills needs are funded by the HWSETA per year.	106 106%	158 100%	158	160 101%	2	Annual Target has been over-achieved because of the increased number of SME stakeholders who participated in the HWSETA funding, due to increased support of SME's by HWSETA.

Programme 3: Output No. 11

Impact Statement No. 5: The HWSETA contributes to the increased capacity of NGOs, NPOs, and Trade Unions to meet social and rural development needs of South African Citizens by 2030.

Outcome Statement No 5(1): The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development, as well as provisions for persons with disabilities in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA funds the skills development of officials from NGOs, NPOs and Trade Unions during the reporting period.	11(1)	Number of officials from NGOs and NPOs funded by the HWSETA for skills development per year.	0 ³¹	0 ³²	143	159 111%	16	The annual target has been over-achieved due to increased interest and number of learners who were targeted for computer training and social entrepreneurship programme.
	11(2)	Number of officials from Trade Unions funded by the HWSETA for skills development per year.	0 ³³	0 ³⁴	61	110 180%	49	The HWSETA implemented a targeted approach in funding worker-initiated programmes. Interest and innovation in these programmes enabled the target to be achieved.

³¹ This is a new indicator introduced by the NSDP (2030).

³² This is a new indicator introduced by the NSDP (2030).

³³ This is a new indicator introduced by the NSDP (2030).

³⁴ This is a new indicator introduced by the NSDP (2030).

Programme 3: Output No. 13

Impact Statement No. 6: The HWSETA contributes to increased capacity of large, medium, and small firms, as well as small and emerging businesses and cooperatives of the health and welfare sector to become more sustainable and expand in size by 2030.

Outcome Statement No. 6(1): The HWSETA supports skills development for entrepreneurial and cooperative activities, as well as the establishment of new enterprises and cooperatives in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
Support of interventions required to increase the level of skills of the health and welfare sector workforce by the HWSETA in the reporting period.	13(1)	Number of WSPs and ATRs approved for small firms per year.	0 ³⁵	207 40%	440	1445 328%	1005	The annual target was over-achieved due to the effectiveness of provincial offices and head office staff interactions with stakeholders.
	13(2)	Number of WSPs and ATRs approved for medium firms per year.	0 ³⁶	41 46%	65	178 274%	113	The annual target was over-achieved due to the effectiveness of provincial offices and head office staff interactions with stakeholders.
	13(3)	Number of WSPs and ATRs approved for large firms per year.	0 ³⁷	35 42%	99	142 143%	43	The annual target was over-achieved due to the effectiveness of provincial offices and head office staff interactions with stakeholders.

³⁵ The indicator was introduced in 2019-2020.

³⁶ The indicator was introduced in 2019-2020.

³⁷ The indicator was introduced in 2019-2020.

Programme 3: Output No. 14

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA supports skills development priorities of the Departments of Social Development and Health in the reporting period.	14	Number of projects funded through Discretionary Grants aimed at public sector education and training in the reporting period.	21 350%	10 250%	15	16 107%	1	Programmes aimed at systems strengthening of the public sector targeting lower levels that are at the coal face of service delivery enabled the target to be achieved.

Programme 3: Output No. 22

Impact Statement No. 5: The HWSETA contributes to the increased capacity of NGOs, NPOs, and Trade Unions to meet social and rural development needs South African Citizens by 2030.

Outcome Statement No. 5(1): The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development, as well as provisions for persons with disabilities in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA funds the skills development initiatives of levy exempt organisations in the reporting period.	22	Number of levy exempt organisations whose skills development initiatives are supported by the HWSETA in the reporting period.	141 101%	178 115%	9	59 656%	50	Annual Target has been over-achieved due to increased number of stakeholders who participated on the funding, as a result of an increase in the number of NPOs who are registering as stakeholders of the HWSETA.

Programme 3: Output No. 23

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(1): The HWSETA promotes linkages between education and the workplace to increase work-based learning opportunities in the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA supports partnerships ³⁸ with post-school education institutions, professional councils, employer bodies, and communities of practice; in order to facilitate work-based learning opportunities in the sector in the reporting period.	23	The HWSETA supports partnerships ³⁹ with post-school education institutions, professional councils, employer bodies, and communities of practice; in order to facilitate work-based learning opportunities in the sector in the reporting period.	47 196%	42 467%	27	39 144%	12	Whilst employers were affected by COVID-19 and lockdown regulations, they turned to the HWSETA to train their frontline staff to prevent the spread of the disease. Implementation of partnerships saw staff in quarantine centres being trained and provided with more staff and resources.

³⁸ Partnerships are entered into through Memorandums of Agreement and/or Memorandums of Understanding.
³⁹ Partnerships are entered into through Memorandums of Agreement and/or Memorandums of Understanding.

Programme 4: Quality Assurance and Qualification Development

Programme 4: Output No. 15

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(4): The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted unemployed youths in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA makes career development services accessible to school and post-school youths ⁴⁰ , mainly from rural areas, in the reporting period.	15(2)	Number of career guidance practitioners funded for training by the HWSETA in the strategic period.	0 ⁴¹	0 ⁴²	15	0 0%	-15	Due to the COVID-19 pandemic, the Department of Education postponed training due to a lack of accessibility by teachers to access training online.

Programme 4: Output No. 19

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(2): The HWSETA provides quality assurance services for the health and welfare sector to ensure quality in occupational education and training in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA accredits skills development providers, registers assessors and moderators and issues certificates for learners found competent in the reporting period.	19(1)	Number of skills development providers accredited and re-accredited ⁴³ by the HWSETA in the reporting period.	66 165%	58 242%	70	70 100%	0	The annual target is achieved. The division reached the target despite difficulties experienced with COVID-19 restrictions that hampered delivery of services to stakeholders.

⁴⁰ Post-school youth refers to those unemployed youth as defined in the Green paper on post-school education. Post-school youth includes those from rural and urban areas, and targeted groups, such as learners with disabilities, female, and black South African youths.
⁴¹ This is a new indicator introduced by the NSDP (2030).
⁴² This is a new indicator introduced by the NSDP (2030).
⁴³ The accreditation and re-accreditation includes both primary and secondary accreditation by the HWSETA.

Programme 4: Output No. 19 contd.

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(2): The HWSETA provides quality assurance services for the health and welfare sector to ensure quality in occupational education and training in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA accredits skills development providers, registers assessors and moderators and issues certificates for learners found competent in the reporting period.	19(2)	Percentage of assessors evaluated and registered ⁴⁴ by the HWSETA in the reporting period.	55% (223/403) 69%	94% (595/637) 118%	80%	45% (237/523) 56%	-35%	The annual target is achieved. The division reached the target despite difficulties experienced with COVID-19 restrictions that hampered delivery of services to stakeholders.
The HWSETA accredits skills development providers, registers assessors and moderators and issues certificates for learners found competent in the reporting period.	19(3)	Percentage of moderators evaluated and registered ⁴⁵ by the HWSETA in the reporting period.	75% (41/55) 94%	81% (122/150) 101%	80%	62% (91/146) 78%	-18%	The annual target is under-achieved due to applications for moderator registration declined mainly because of insufficient or irrelevant occupational qualifications, and/or experience.
The HWSETA accredits skills development providers, registers assessors and moderators and issues certificates for learners found competent in the reporting period.	19(4)	Number of certificates issued by the HWSETA to learners found competent by skills development providers ⁴⁶ and then confirmed by the HWSETA in the reporting period.	4456 46%	8086 139%	3300	3746 114%	446	The annual target is over-achieved. The ETQA responded to the demand in the sector for the certification of students during the year under review.

⁴⁴ Numerator for calculating the percentage is number of assessors registered and the denominator is the total number of assessor applicants evaluated.

⁴⁵ Numerator for calculating the percentage is number of moderators registered and the denominator is the total number of moderator applicants evaluated.

⁴⁶ These skills development training providers are accredited by the HWSETA.

Programme 4: Output No. 24

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(2): The HWSETA provides quality assurance services for the health and welfare sector to ensure quality in occupational education and training in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The HWSETA develops full and part occupational qualifications relevant to occupations in the sector in the reporting period.	24	Number of full and part occupational qualifications developed by the HWSETA and accepted by the QCTO for registration.	5 125%	0 0%	4	4 100%	0	Target was achieved. The following are the qualifications and part-qualifications that were developed, submitted for registration and accepted by the QCTO: <ul style="list-style-type: none"> • 1 full qualification for First Responder; • 2 part-qualifications for First Responder; and • 1 full qualification for Social Auxiliary Worker.

Programme 4: Output No. 25

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement 2020/21	Deviation from Planned Target to Actual Achievement 2020/21	Reasons for Deviation
The health and welfare sector workers entered into the HWSETA Recognition of Prior Learning (RPL) complete the programme and are reported to the HWSETA within 12 months of completion.	25(1)	Number of workers enter into the HWSETA RPL programme per year.	369 105%	578 152%	350	357 102%	7	Target was due to enrolment of more candidates as a safety net to mitigate the risk of potential dropouts.
	25(2)	Number of workers who complete the HWSETA RPL programme and are reported to the HWSETA within 12 months of completion.	0 ⁴⁷	0 ⁴⁸	228	305 134%	77	This target was over-achieved because 65% of learners that participated in RPL assessments were expected to complete by the end of the financial year. However, 87% completed instead. This is attributed to the high number of learners who were deemed competent. Also, the project had few dropouts, as those that did drop out were replaced.

⁴⁷ This is a new indicator introduced by the NSDP (2030).

⁴⁸ This is a new indicator introduced by the NSDP (2030).



(a) Strategy to Overcome Areas of Underachievement

- Programme 1:** The HWSETA has declared 2021-2022 as the year of automation. All resources will be geared towards completing the ERP project so that all business processes are automated. For career guidance, the career portal was established in quarter 4 of 2020-2021 and was able to yield an achievement of 70% against the target. The career portal is in use in 2021-2022 and is expected to reach learners beyond the targeted number as it is an online platform that is able to reach any learner in the country.
- Programme 2:** Track and trace studies will use more than one method of data collection with the aim of reaching more learners than it could through telephone. Emails will also be used and also through the ERP, a learner portal will be created to reach learners and collect pertinent information on outcomes of funding programmes of the HWSETA.
- Programme 3:** Employers will be supported in ensuring that workplace based learning increases in 2021-2022 and also, all completions will be collected and reported timeously. The inoculation of healthcare workers is expected to improve numbers of workers that go for training. Pipeline approach will be used for bursary students to ensure that students are funded for the duration of the entire qualification as these span over multiple years.
- Programme 4:** Online training of career guidance practitioners will be pursued early on in the financial year. This will ensure that these practitioners get trained in 2021-2022 and thus the target is achieved. Indicators for assessors and moderators were excluded from the APP as they were deemed as activity indicators.



(b) Reporting on Institutional Response to the COVID-19 Pandemic 2020/2021

Budget Programme	Intervention	Local Municipality	District Municipality	Number of Beneficiaries	Total Budget Allocation	Budget Spent	Contribution to the App	Immediate Outcome (Planned)
Internship	Internship (Pharmacy Technician)	Nyandeni, Bizana, KSD	OR Tambo	11	R660 000	R660 000	7(1)	Employment
Learnership	Learnership (Nursing)	Nyandeni, KSD, Mhlontlo, Ingquza Hill, OR Tambo, Qaukeni, Port St Johns	OR Tambo	44	R2 332 000	R2 332 000	3(1) & 29(1)	Employment
Learnership	Learnership (NC: Pharmacist Assistant)	Ingquza Hill, KSD, Nyandeni, OR Tambo	OR Tambo	6	R318 000	R318 000	3(1) & 29(1)	Employment
Learnership	Learnership (FETC: Pharmacist Assistant)	KSD, Mhlontlo, Nyandeni, Qaukeni, Ingquza Hill, Bizana	OR Tambo	45	R2 385 000	R2 385 000	3(1) & 29(1)	Employment
Internship	Internship (Pharmacy Technician)	OR Tambo, KSD, Nyandeni, Ingquza Hill	OR Tambo	12	R720 000	R720 000	7(1)	Employment
Learnership	Learnership (Nursing)	KSD, Ingquza Hill, Nyandeni, OR Tambo, Mhlontlo, Ntabankulu	OR Tambo	27	R1 431 000	R1 431 000	3(1) & 29(1)	Employment
Learnership	Learnership (Child & Youth Care Work)	KSD	OR Tambo	20	R1 060 000	R530 000	3(1) & 29(1)	Employment
Learnership	Learnership (Social Auxiliary Work)	KSD	OR Tambo	30	R1 590 000	R795 000	3(1) & 29(1)	Employment
WIL	TVET WEG	KSD	OR Tambo	1	R72 000	R0,00	28(1)	Obtain Qualification
Learnership	Learnership (Health Promotion Officer)	Ingquza Hill	OR Tambo	17	R901 000	R0,00	3(1) & 29(1)	Employment
Internship	Internship	KSD	OR Tambo	2	R120 000	R0,00	7(1)	Employment
WIL	TVET WEG	KSD	OR Tambo	3	R216 000	R0,00	28(1)	Obtain Qualification
Graduate Programme	Internship	KSD	OR Tambo	5	R300 000	R0,00	7(1)	Employment

Budget Programme	Intervention	Local Municipality	District Municipality	Number of Beneficiaries	Total Budget Allocation	Budget Spent	Contribution to the App	Immediate Outcome (Planned)
WIL	TVET WEG	KSD	OR Tambo	10	R720 000	R0,00	28(1)	Obtain Qualification
Learnership	Learnership (Child & Youth Care)	Mhlontlo	OR Tambo	3	R159 000	R0,00	3(1) & 29(1)	Employment
Learnership	Learnership (Social Auxiliary Work)	Mhlontlo	OR Tambo	3	R159 000	R0,00	3(1) & 29(1)	Employment
WIL	Internship	KSD	OR Tambo	1	R72 000	R72 000	7(1)	Obtain Qualification
WIL	TVET WEG	KSD	OR Tambo	5	R362 813	R0,00	28(1)	Obtain Qualification
WIL	TVET WEG	Port St John's	OR Tambo	2	R145 125	R0,00	28(1)	Obtain Qualification
WIL	TVET WEG	Mhlontlo	OR Tambo	5	R362 813	R0,00	28(1)	Obtain Qualification
WIL	TVET WEG	KSD	OR Tambo	1	R72 563	R0,00	28(1)	Obtain Qualification
Internship	Internship	Mhlontlo	OR Tambo		R4 157 993	R0,00	7(1)	Not yet commenced
Bursary	Vocational Bursary	Mhlontlo	OR Tambo	120	R10 270 000	R0,00	17(1)	Obtain Qualification
Learnership	Learnership (Nursing)	KSD	OR Tambo	10	R530 000	R0,00	3(1) & 29(1)	Employment
Internship	Internship	Mhlontlo, KSD	OR Tambo	4	R288 000	R0,00	7(1)	Employment
WIL	TVET WEG	Qaukeni, KSD, Mhlontlo	OR Tambo	7	R504 000	R0,00	28(1)	Employment
WIL	TVET WEG	KSD, Qaukeni, Ingquza Hill	OR Tambo	39	R2 808 000	R2 808 000	28(1)	Employment
				433	R32 716 307	R12 051 000		





Overview of the HWSETA Performance

(a) Service Delivery Environment

The Strategic Plan and Annual Performance Plan (APP) for the year under review was implemented in a service delivery environment plagued by the COVID-19 pandemic and its national lockdown restrictions, which were first declared on 15 March 2020, in terms of the Disaster Management Act, and are still in existence to-date. The impact of the national lockdown which is expressed through the economic downturn affected service delivery by the government as whole, including SETAs.

The four-month Skills Development Levy contribution payment holiday pronounced by the President to relieve Skills Development Levy contributors from cashflow and the payroll tax burden necessitated for the re-prioritisation of our Annual Performance Plan, Service Level Agreement with DHET, and the re-adjustment of the budget for the 2020-2021 Financial Year. Also, the demand for support from the health and social development sectors, which are in the frontline of fighting the pandemic and its effects, necessitates the HWSETA to ensure that its 2020-2021 Annual Performance Plan and Service Level Agreement support the sector in the plight to fight this pandemic.

The review made on these plans resulted in an increase in the number of frontline workers to be trained through credit-bearing and non-credit bearing **skills programmes**. These cut across sectors as all sectors were required to practice occupational health and safety, and to also implement the new disaster management regulations. **Internships** to assist organs of government to combat the COVID-19 pandemic were increased as well. Also, to **support economic development** and strengthen the capacity of the state, programmes such as support for cooperatives and partnerships in line with government departments were reviewed.

The annual performance of the HWSETA for the past strategic period 2015-2019 was at an average of 95%. The effects of the COVID-19 pandemic and national lockdown restrictions which affect the economy as well as post-school education placed the HWSETA in a difficult position to implement its skills development programmes. The following are some of the difficulties posed by COVID-19 and its lockdown restrictions on the service delivery environment of the HWSETA during 2020-2021:

- Employers in the health and welfare sector could not

release staff to go for training as they were critical in the response to the COVID-19 pandemic and were treating patients with COVID-19. These were frontline workers earmarked for training. They included nurses and community health workers;

- Due to hard lockdown regulations, employers found it difficult to recruit learners and start training. Limitations on the number of people in gatherings such as at training centres made it even more difficult to implement workplace-based training. Furthermore, quality assurance bodies (statutory bodies) postponed new intake of learners due to lockdown regulations;
- Since training could not start due to the pandemic and the national state of disaster, completions were affected. Furthermore, some statutory bodies regulating education and training in the sector postponed examinations which meant that learners were not able to complete;
- There were delays in finding workplaces for interns due to limitations on the number of staff at workplaces in compliance with risk adjusted measures to combat COVID-19; and
- The extended academic year and late proclamation of matric results caused by closures of academic institutions due to COVID-19 and lockdown regulations resulted in the lower intake of students from post-school education institutions during the 2020-2021 Financial Year.

In spite of all these difficulties experienced by the HWSETA in implementing its skills development programmes, the HWSETA managed to achieve **71%** of its annual targets of the 2020-2021 APP.

The HWSETA targeted to fund a total of **32 606** students in its APP of 2020-2021 through the following programmes:

- Workplace-based learning programs, which include learnerships, apprenticeships, TVET college placements, university student placements, internships for graduates, and skills programmes;
- Bursary programmes, which include undergraduate, postgraduate, and vocational student bursary programmes; and
- Occupationally-based programmes, which include Adult Education and Training (AET), Lecturer Development, Recognition of Prior Learning, Trade Union Members, and NGO sector workforce and the workforce from small businesses.

This targeted number of students was exceeded as a total of **34 365 (105%)** students was funded, of which:

25 584 (74%)
were workers



8 781 (26%)
were unemployed persons



20 405 (59%)
were females



10 215 (30%)
were males



131 (0,4%)
were persons with disabilities



11 039 (32%)
were youth



These students were funded and trained through a total of **484** partnerships with **370** employers; **16** government departments, **39** post-school education institutions; and **59** levy-exempt organisations.

- The HWSETA funded a total of **26** mid-level skills and departmental projects; **8** cooperatives; and **158** small businesses for skills development.
- Completions from prior year entries, which were reported by employers during the year under review were a total of **29 340**, of which:

21 919 (75%)
were workers



7 421 (25%)
were unemployed persons



15 526 (53%)
were females



8 299 (28%)
were males



752 (3%)
were persons with disabilities



9 572 (33%)
were youth



The employment rate derived from a track and trace study of learners that completed learning programmes in 2019 and 2020 is **60%**.

(b) Organisational Environment

The 2020-2021 Financial Year started with the country on level 5 lock-down. This meant that only organisations offering essential services were allowed to operate. The HWSETA was not one of such organisations and so it closed its physical offices, having its employees work remotely from 26 March to 7 June 2020. The HWSETA opened-up its offices on 8 June 2020, with only 33,3% of its staff working at its offices at a time, on rotational basis. This therefore means that the HWSETA operated remotely during quarter 1 of 2020-2021. The whole of post-school education in fact, operated remotely, with universities and TVET colleges having online lessons. The completion (particularly for skills programmes) and submission of learner agreements for funding new learners had to therefore occur online.

Some normality only returned in October 2020, when the post-school education sector was opened to welcome students back, while observing COVID-19 protocols. This was the time when 80% of the HWSETA staff could work from the offices at a time, on rotational basis. This ratio of operations remained until the end of the financial year. This new normal required deviations from normal business processes of the HWSETA. The performance information of the HWSETA was audited based on system descriptions that reflect the new normal.

(c) Key Policy Developments and Legislative Changes

The development of the 2020-2025 Strategic Plan and the 2020-2021 Annual Performance Plan were guided by and aligned to the Medium-Term Strategic Framework (MTSF) 2019-2024, the Revised Strategic Planning and Annual Performance Planning Framework (2019), and the National Skills Development Plan (2030). The outcomes in the MTSF (2019-2024) and NSDP (2030) were cascaded into the Strategic Plan 2020-2025 and the APP 2020-2021, and the Revised Framework for Strategic Plan and Annual Performance Plan guided the development of the 2020-2021 Annual Performance Plan and the 2020-2025 Strategic Plan. In brief, these policy documents offer the following:

- The Medium-Term Strategic Framework (MTSF) 2019-2024 is both a five-year implementation plan and an integrated monitoring framework. The MTSF 2019-2024 aims to address the challenges of unemployment, inequality and poverty through seven priorities that were derived from the electoral mandate and the President’s June 2019 State of the Nation Address. SETAs are mandated to respond to Priority 3 of the MTSF: Education, Skills and Health.

The impact that must be achieved by SETAs is “A skilled and capable workforce to support an inclusive growth path”. The outcomes which SETAs should pursue to achieve include the following: expanded access to PSET opportunities; improved success and efficiency of the PSET system; improved quality of PSET provisioning; and a responsive PSET system.

- The purpose of the Revised Framework for Strategic Plans and Annual Performance Plans is to provide the principles for short and medium-term planning for government institutions; and to describe how institutional plans are to align with high level government medium and long term plans, and the institutional processes for the different types of plans. The Revised Framework also aims to:
 - Institutionalise government’s national development planning agenda through institutional plans;
 - Institutionalise planning for women, youth and people with disabilities in line with the relevant frameworks;
 - Institutionalise the Results-Based Approach;
 - Provide planning tools which can be used for the different types of plans; and
 - Describe the alignment between the planning, budgeting, reporting, monitoring and evaluation processes.
- The National Skills Development Plan (NSDP) 2030 makes a case for the development of “a tighter, streamlined focus for SETAs as a key step in strengthening them”. Central to the functions of SETAs is the focus on building relationships with workplaces as well as education and training authorities. The NSDP outlines the scope of the SETAs and crucially highlights the institutional arrangements of the SETAs as follows:
 - SETAs will have no limited lifespan but a mechanism to address non-performance will be established;
 - Where required, the Minister will introduce institutional reviews, as the socio-economic policy environment is not static;
 - SETAs demarcation, amongst others, will be based on industrial classification, value chain and financial viability; and
 - Establishment of Shared Services, where practically possible.

Other policy developments that may affect the HWSETA in future financial years include the National Qualifications Framework Amendment Act 2019; and the Good Pharmacy Standards 2020. The significance of these policies is as follows:



Progress Towards the Achievement of Institutional Impacts and Outcomes

This was the first year of implementing the strategic plan for 2020-2025. This plan mapped out six impact statements which are broken down into ten outcome statements and these are measured through 33 outcome indicators. Progress towards the achievement of the 5-year targets is monitored through monitoring and evaluation studies. Since 2020-2021 was the first year of implementation, not all indicators could be measured through monitoring and evaluation studies as these required a lot of resources to conduct. The following is a narration of progress that has been measured towards the achievement of the 5-year outcome targets:

Impact Statement 1: The HWSETA is fully established and has a planning system, which guides skills planning and supports the production of persons qualifying to occupy such occupations in the health and welfare sector by 2030.

Outcome statement 1.1: The HWSETA delivers on its mandate efficiently and effectively through its well-capacitated organisational structure and automated business processes in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Percentage of stakeholders of the HWSETA confirming that the HWSETA delivers on its mandate efficiently and effectively in the strategic period.	80%	Undetermined	A Customer Satisfaction Survey will be conducted in 2021-2022 and results will be reported against this outcome indicator.

Since 2020-2021 was the first year of implementation, a structured customer satisfaction monitoring was not conducted. The HWSETA established standards for service delivery prior to 2019-2020 and these have been published on the HWSETA website. Further communication on the service delivery standards will be communicated through the HWSETA employee emails as an automatic reply to each stakeholder. These standards will form the basis for measuring customer satisfaction in October 2021.

Outcome statement 1.2: The HWSETA provides a credible skills planning, research and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
The extent of the relevance of the SSP and research reports produced by the HWSETA to the research outputs stipulated by the National Skills Development Plan (2030) and the framework for SSPs (2019) in the strategic period.	80%	85%	The DHET peer reviews the SSP to check its alignment to the research outputs stipulated in the NSDP (2030).



Outcome statement 1.2: The HWSETA provides a credible skills planning, research and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Percentage of monitoring and evaluation recommendations that are implemented by key stakeholders in the strategic period.	80%	90%	Recommendations made on M&E studies conducted in 2019-2020 were implemented in 2020-2021. Those that had not been implemented by financial year end will be implemented in 2021-2022.
Percentage of unemployed who find employment after completing learning programmes funded by the HWSETA in the strategic period.	60%	60%	A tracer study was conducted on unemployed learners that completed learning programs funded by the HWSETA through learnerships, bursaries, artisanship and internships. The overall employment rate of these learners was 60%.

The DHET measures the relevance of the SSP of each SETA through an evaluation process that is conducted annually on each SSP update. The SSP update conducted in 2020-2021 was measured to have 85% rate of relevance to the NSDP (2030). Research reports produced act as an input to the SSP and their relevance to the NSDP (2030) was not individually measured. Research reports produced in 2021-2022 will have their relevance to the NSDP (2030) measured so that progress can be reported against this outcome indicator comprehensively.

A recommendation register from monitoring and evaluation (M&E) studies conducted each year on programmes and projects of the HWSETA is maintained. The implementation of these recommendations is monitored every six months to ensure utilisation of monitoring and evaluation studies. By the end of 2020-2021, the implementation of M&E

recommendations was at 90%, which was an over-achievement of the 5-year target. It should be noted, however, that this target is a cumulative percentage counted over the 5-year strategic period. The remaining 10% is as a result of M&E studies that were concluded by financial year end of 2020-2021, which therefore could not be implemented within the period under review. This outstanding percentage is expected to be implemented by mid-year of 2021-2022.

The HWSETA conducts track and trace studies on unemployed learners that complete learnerships, apprenticeships, internships, and university undergraduate degrees annually. The response rate that is required for the track and trace study is 60%. The track and trace study conducted in 2020-2021 managed to get a response rate of 60%. The 5-year target is a cumulative percentage and will therefore measure the overall response rate over five years.



Impact Statement 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome statement 2.1: The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted youths in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Number of learners from rural schools exposed to career awareness services in the strategic period.	21270	1029	Only 5% of the 5-year target was achieved in 2020-2021 due to challenges posed by COVID-19 on the implementation of career guidance services in 2020-2021.
Percentage of learners exposed to career awareness services who enter into the HWSETA funded learning programmes in the strategic period.	20%	Undetermined	Data on these learners will be collected through baseline information collected by the HWSETA.
Number of career guidance practitioners funded by the HWSETA who offer their services to rural areas in the strategic period.	68	Undetermined	A survey will be conducted on career guidance practitioners funded by the HWSETA for training to determine whether they do offer training in schools that are in the rural areas.

Career awareness had to be approached in an unconventional manner in 2020-2021, as face-to-face engagement was not possible for most of the financial year under review. With the lifting of COVID-19 restrictions, the HWSETA partnered with EWSETA and conducted career guidance in 11 schools in Gauteng. However, only 2 103 learners were reached. Therefore, an innovative intervention to reach school pupils was developed by the

HWSETA. This was a career guidance portal which offered online information to learners, launched on 9 March 2021. A total of 6 260 learners were reached through the career guidance portal. However, only 1029 learners who accessed the career portal could be confirmed to be from rural areas. Going forward, the career portal will request for the province and town learners are from to determine whether they are from rural areas.

Outcome statement 2.2: The HWSETA provides quality assurance services for the health and welfare sector that ensures quality in occupational education and training in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Number of occupational qualifications developed by the HWSETA which are confirmed by the sector to be relevant to occupations on high demand in the strategic period.	8	Undetermined	Four qualifications were developed in 2020-2021. Track and trace study of learners trained through these qualifications will be used to confirm the relevance of these qualifications to occupations as a proxy indicator. Employers will also be interviewed about the relevance of these qualifications in 2021-2022.

In 2020-2021, four qualifications were developed. These qualifications will have first intakes in 2021-2022 and throughput may be yielded in 2022-2023.

Track and trace study will therefore be conducted in 2023-2024, coupled with a survey to confirm the relevance of these qualifications with employers.

Outcome statement 2.3: The HWSETA promotes linkages between education and the workplace to increase work-based learning opportunities in the health and welfare sector in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Percentage of employers who partner with the HWSETA to place learners in work-based training positions in the strategic period.	80%	Undetermined	A database analysis will be conducted in 2021-2022 to determine the percentage of employers that participate in the HWSETA skills development initiatives against those that submit the WSP.
Percentage of post-school education institutions, professional and employer bodies, and communities of practice who partner with the HWSETA for the education and training of learners funded by the HWSETA in the strategic period.	80%	Undetermined	A database analysis will be conducted in 2021-2022 to determine the percentage of universities, TVET colleges, and professional councils that participate in the HWSETA skills development initiatives against the total number of those that offer education and training in the sector.

Databases of employers exist at the HWSETA, although these have not been cross-tabulated to check the percentage of employers that participate in workplace-based training against those that submit the Workplace Skills Plans. Also, post-school education institutions with specific faculties that offer health and social development learning programmes, and even a list of post-school education learning programmes available in South

Africa have not been documented or mapped out to gauge the actual percentage of post-school education institutions that participate in skills development initiatives of the HWSETA. In 2021-2022, the HWSETA will endeavour to measure the percentage of employers that participate in workplace-based training and post-school institutions that participate in skills development initiatives of the HWSETA.

Outcome statement 2.4: The HWSETA supports the growth of the public college system so that public colleges may qualify as centres of specialisation in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Increased number of lecturers whose performance in teaching improves due to skills development initiatives funded by the HWSETA in the strategic period.	80	Undetermined	A survey measuring increased skills of lecturers that were funded in 2020-2022 will be conducted in 2021-2022.



Impact Statement 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employees, and/or career progression either through promotion within the same organisation or appointment in a higher position by another organisation.

Outcome statement 3.1: The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Number of workers who progress to higher positions of employment after successful completion of learnerships funded by the HWSETA in the strategic period.	1485	Undetermined	A track and trace study for workers will be conducted on all workers whose training was funded by the HWSETA in 2021-2022.
Number of workers who progress to higher positions of employment after successful completion of apprenticeships funded by the HWSETA in the strategic period.	75	Undetermined	A track and trace study for workers will be conducted on all workers whose training was funded by the HWSETA in 2021-2022.
Number of workers who progress to higher positions of employment after successful completion of undergraduate degrees funded by the HWSETA in strategic period.	159	Undetermined	A track and trace study for workers will be conducted on all workers whose training was funded by the HWSETA in 2021-2022.
Number of workers who progress to higher positions of employment after successful completion of postgraduate degrees funded by the HWSETA in strategic period.	36	Undetermined	A track and trace study for workers will be conducted on all workers whose training was funded by the HWSETA in 2021-2022.
Number of workers with increased levels of critical skills after successfully completing skills programmes funded by the HWSETA in the strategic period.	6198	Undetermined	A survey measuring increased skills of workers that were funded in 2020-2022 will be conducted in 2021-2022.
Number of workers who obtain full qualifications after going through the process of Recognition of Prior Learning funded by the HWSETA in the strategic period.	342	Undetermined	A track and trace study for workers that had undergone the Recognition of Prior Learning Assessment in 2020-2021 will be conducted to identify learners that actually obtained full qualifications through RPL in 2021-2022.
Number of workers who obtain formal qualifications after successfully completing AET programmes funded by the HWSETA in the strategic period.	660	Undetermined	A track and trace study for workers that were funded for AET programmes will be conducted in 2021-2022 to track learners that actually complete their AET programmes and then map progression taken by these students.

Track and trace studies for identifying workers that progress to higher positions require to be given a period of at least a year after completion to realise such a progression. This means that workers that completed in 2020-2021 will be tracked in 2021-2022. Progress towards the 5-year targets against the above outcome indicators will be determined in quarter 4 of 2021-2022 (this will include learners that completed in quarters 1 to 3 of 2020-2021).

Impact Statement 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome statement 4.1: The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Increased number of unemployed persons who find employment after successfully completing learnership programmes funded by the HWSETA in the strategic period.	1400	437	Progress made in 2020-2021 towards meeting the 5-year target reached 31% of the target. A total of 437/1400 (31%) unemployed persons funded for learnerships found jobs six months after completing their qualifications. This track and trace study followed learners that completed in quarter 4 of 2019-2020 and quarters 1 to 3 of 2020-2021. Another track and trace study will be conducted in 2021-2022 and learners that completed in quarter 4 2020-2021 and quarters 1 to 3 of 2021-2022 will be followed.
Increased number of unemployed persons who find employment after successfully completing apprenticeship programmes funded by the HWSETA in the strategic period.	150	48	Progress made in 2020-2021 towards meeting the 5-year target reached 32% of the target. A total of 48/150 (32%) unemployed persons funded for apprenticeships found jobs six months after completing their qualifications. This track and trace study followed learners that completed in quarter 4 of 2019-2020 and quarters 1 to 3 of 2020-2021. Another track and trace study will be conducted in 2021-2022 and learners that completed in quarter 4 2020-2021 and quarters 1 to 3 of 2021-2022 will be followed.
Increased number of unemployed persons who find employment after successfully completing undergraduate programmes funded by the HWSETA in the strategic period.	262	104	Progress made in 2020-2021 towards meeting the 5-year target reached 40% of the target. A total of 104/262 (40%) unemployed persons funded through bursaries for university undergraduate programmes found jobs six months after completing their qualifications. This track and trace study followed learners that completed in quarter 4 of 2019-2020 and quarters 1 to 3 of 2020-2021. Another track and trace study will be conducted in 2021-2022 and learners that completed in quarter 4 2020-2021 and quarters 1 to 3 of 2021-2022 will be followed.

Outcome statement 4.1: The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Increased number of unemployed persons who find employment after successfully completing internship programmes funded by the HWSETA in the strategic period.	915	179	Progress made in 2020-2021 towards meeting the 5-year target reached 20% of the target. A total of 179/950 (20%) unemployed persons funded for internships found jobs six months after completing their internship programmes. This track and trace study followed learners that completed in quarter 4 of 2019-2020 and quarters 1 to 3 of 2020-2021. Another track and trace study will be conducted in 2021-2022 and learners that completed in quarter 4 2020-2021 and quarters 1 to 3 of 2021-2022 will be followed.
Number of unemployed persons who obtain their TVET college qualification after successfully completing TVET college Work Integrated Learning (WIL) programmes funded by the HWSETA in the strategic period	685	111	Progress made in 2020-2021 towards meeting the 5-year target reached 16% of the target. A total of 111/685 students that completed TVET Work Integrated Learning (WIL) were tracked and confirmed through self-disclosure. Additional cohorts will be tracked to confirm completion of studies. TVET colleges will be requested to provide this information. A total of 47 of the 111 students (42%) that completed their TVET qualifications found jobs. This is an impact derived from this outcome.
Number of unemployed persons who obtain their university qualifications after successfully completing university Work Integrated Learning (WIL) programmes funded by the HWSETA in the strategic period.	1211	107	Progress made in 2020-2021 towards meeting the 5-year target reached 9% of the target. A total of 107/1211 students that completed university Work Integrated Learning (WIL) were tracked and confirmed through self-disclosure. Additional cohorts will be tracked to confirm completion of studies. Universities will be requested to provide this information. A total of 50 of the 107 students (48%) that completed their undergraduate university qualifications found jobs. This is an impact derived from this outcome.
Number of unemployed persons who find employment after successfully completing vocational programmes funded by the HWSETA in the strategic period.	572	Undetermined	Track and trace study for the unemployed did not include students funded through vocational bursaries, mainly because the support that was given was not for the entire programme. In 2021-2022, the HWSETA will track learners that actually complete their vocational qualifications and then identify those that find jobs at least six months after completing their qualifications.

Outcome statement 4.1: The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Number of unemployed persons who find employment after successfully completing postgraduate programmes funded by the HWSETA in the strategic period.	90	Undetermined	Track and trace study for the unemployed did not include students funded through postgraduate bursaries, mainly because the support that was given was not for the entire programme. In 2021-2022, the HWSETA will track learners that actually complete their postgraduate qualifications and then identify those that find jobs at least six months after completing their qualifications.
Number of unemployed persons who find jobs after successful completion of skills programmes funded by the HWSETA in the strategic period.	1500	Undetermined	Track and trace study for the unemployed did not include students funded for skills programmes, mainly because skills programmes were not meant to lead to any form of employment. However, since 2019-2020, skills programmes offered to unemployed persons were offered to people who already had qualification in order to add top-up skills that are required for first entry into occupations. In 2021-2022, the HWSETA will track these students and identify those that find jobs at least six months after completing the top-up programmes qualifications.
Number of unemployed persons who obtain formal qualifications after successfully completing AET programmes funded by the HWSETA in the strategic period.	405	Undetermined	Track and trace study for the unemployed did not include students funded for AET programmes, mainly because the support that was given was not for the entire programme. In 2021-2022, the HWSETA will track learners that actually complete their AET programme and then map progression taken by these students.

Track and trace studies for identifying unemployed persons that find work after completion require to be given a period of at least six months to find jobs after completions. This means that unemployed persons that completed in quarter 1 to 3 of 2020-2021 were tracked in March 2021. Track and trace studies for unemployed persons focused mainly on students that completed learnerships, apprenticeships, internships and qualifications funded by the HWSETA through undergraduate bursaries. Progress made in achieving 5-year outcome targets for these outcome indicators ranges between 20%-48%.

Unemployed persons that completed learning programmes funded by the HWSETA through vocational bursaries, postgraduate bursaries, skills programmes and AET programmes were not tracked, mainly because the HWSETA did not support the entire programmes or persons who already had qualification pertaining to skills programmes. Students funded through vocational bursaries and for AET programmes will first be followed-up to check whether they completed the whole programme or qualification, and then progression will be mapped. Students funded for skills programmes and through postgraduate bursaries on the other hand will be tracked to see if they managed to find jobs at least six-months after completion.

Impact Statement 5: The HWSETA contributes to increased capacity of NGOs, NPOs and Trade Unions to meet social and rural development needs of South African Citizens by 2030.

Outcome statement 5.1: The HWSETA supports skills development for entrepreneurial and cooperative activities, as well as the establishment of new enterprises and cooperatives in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Increased number of small and emerging businesses exposing their employees to skills development participating in the strategic period.	174	160	This was the first year of implementation of the strategic plan and already 92% of the 5-year target has been met. Database analysis will be conducted to compare the number of small businesses that submit WSPs and those that participate in skills development initiatives of the HWSETA.
Increased number of health and welfare sector large, medium, and small firms submitting WSPs to the health and social development sector in the strategic period.	784	752	This was the first year of implementation of the strategic plan and already 96% of the 5-year target has been met. Database analysis will be conducted to compare the number of levy paying and non-levy paying employers that actually submit WSPs. Also, a database analysis will be conducted on non-levy paying. This will show the level of participation of employers on skills development.
Number of cooperatives skills development initiatives that yield the desired outcomes in the strategic period.	10	Undetermined	This was the first year of implementation of the strategic plan 2020-2025, therefore outcomes could not be measured against this outcome indicator. An outcome evaluation will be conducted in 2021-2022 on two cooperatives that were funded in 2020-2021, to determine whether they achieved the desired outcomes or not.

The 5-year target for small businesses that participate in skills development initiatives of the HWSETA is cumulative over five years, which means that each small business will be counted once irrespective of how many times over the years each business participates. The HWSETA will endeavour to identify small businesses that submit WSPs but do not participate in skills development initiatives of the HWSETA and will encourage them to participate so that the 5-year target can be achieved and over-achieved.

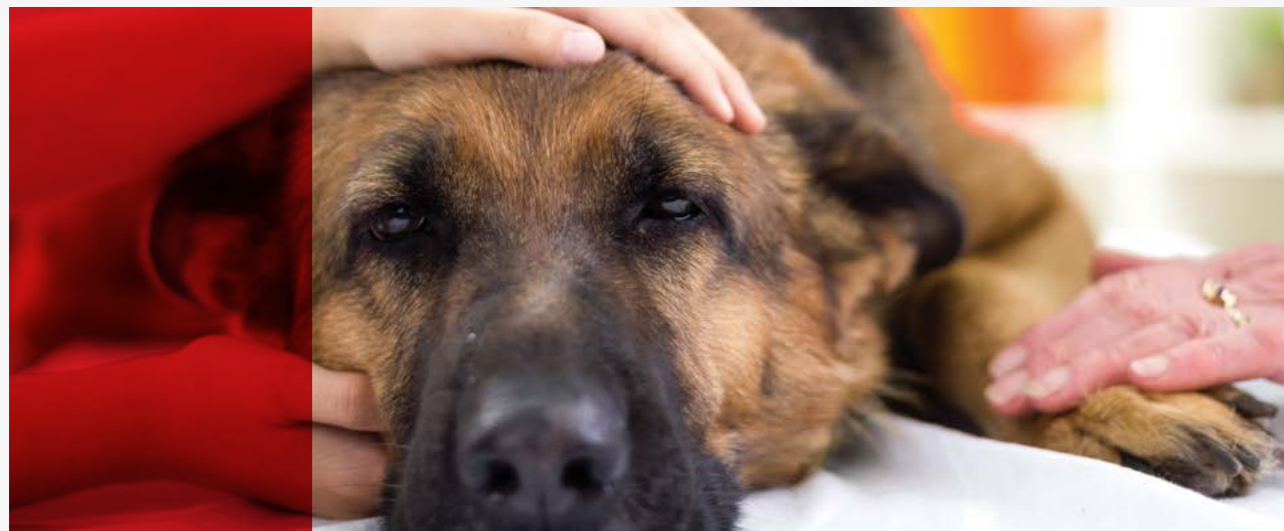
The 5 year target for large, medium, and small firms that submit WSPs to the HWSETA is cumulative over five years, which means that each firm will be counted once irrespective of how many times over the years it submits. The HWSETA will endeavour to identify firms that pay the skills levy but do not submit WSPs to the HWSETA and will encourage such firms to submit their WSPs so that the 5-year target can be achieved and over-achieved.

Impact Statement 6: The HWSETA contributes to increased capacity of large, medium, and small firms, as well as small and emerging businesses and cooperatives of the health and welfare sector to become more sustainable and expand in size by 2030.

Outcome statement 6.1: The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development in the strategic period.

Outcome Indicators	5-year Target	Actual Achievement 2020-2021	Comment on Actual Achievement and Deviations
Increased number of levy exempt organisations exposing their employees to skills development participating in the strategic period.	100	59	This was the first year of implementation of the strategic plan and already 59% of the 5-year target has been met. Database analysis will be conducted to compare the number of levy exempt organisations that submit WSPs and those that participate in skills development initiatives of the HWSETA.
Increased number of trade union officials exposed to skills development programmes in the strategic period.	350	111	This was the first year of implementation of the strategic plan and already 32% of the 5-year target has been met. A survey will be conducted to find out the relevance of skills development training union officials are exposed to and also assess whether the skills needs of these officials are met.
Number of rural, provincial and public sector skills development projects that yield the desired outcomes in the strategic period.	8	Undetermined	This was the first year of implementation of the strategic plan 2020-2025, therefore outcomes could not be measured against this outcome indicator. Outcome evaluation will be conducted in 2021-2022 on two projects that were funded in 2020-2021, to determine whether they achieved the desired outcomes or not.

Progress has been made towards achieving the above 5-year targets. The HWSETA will encourage more levy exempt organisations to participate in skills development initiatives of the HWSETA.



Institutional Programme Performance Information

(c) Description of each programme

Programme 1: Administration

Purpose	This programme is responsible for the overall strategic management and support to the HWSETA operations divisions. The goal of this programme is to ensure that the HWSETA is well-positioned and capacitated to deliver on its targets. This programme cuts across a number of divisions and functional areas including Finance, which incorporates procurement and grants management, Corporate Services, which incorporates Human Resource Management, Information Technology and Marketing.
Institutional Outcomes	The HWSETA delivers its mandate efficiently and effectively through its well-capacitated organisational structure and business processes that are automated and integrated in the strategic period. The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted youths in the strategic period.

Programme 2: Skills Planning and Impact Assessment

Purpose	The HWSETA has configured this programme to include two sub-divisions, namely, Research and Information, and Monitoring and Evaluation. Each sub-division is headed by its own manager. The HWSETA utilises this programme to implement skills planning related projects that include development and update of the sector skills plan, research leading to a better understanding of the dynamics surrounding sectoral labour market, production of new knowledge in the sector and development of new researchers in the sector. This programme also implements the vital and timeous evaluation and impact assessments of projects and programmes implemented by the HWSETA. These are vital for lessons learnt and ensuring that projects contribute positively to the sector and desired impacts are achieved.
Institutional Outcomes	Research, monitoring, evaluation, and impact system of the HWSETA provide a credible skills planning and evaluation system that ensures its funding initiatives yield good impact in the strategic period.

Programme 3: Skills Development Programmes and Projects

Purpose	The purpose of this programme is to provide skills for learners in the workplace in scarce and critical areas within the health and welfare sectors. To this end, this programme is responsible for the implementation of learning programmes, approval of grants and implementation of projects. It also provides policy and advice to employers wishing to access grants from the HWSETA.
----------------	---

Sub-Programme 3.1: Learning Programmes

Purpose	The purpose of this sub-programme is to implement learning programmes. It also provides policy and advice to employers wishing to access grants from the HWSETA.
Institutional Outcomes	<p>The HWSETA supports the growth of the public college system so that public colleges may qualify as centres of specialisation in the strategic period.</p> <p>The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.</p> <p>The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.</p>

Sub-Programme 3.2: Workplace Skills Plan and Projects

Purpose	The purpose of this sub-programme is to approve grants and implement projects. It also provides policy and advice to employers wishing to access grants from the HWSETA.
Institutional Outcomes	<p>The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development, as well as provisions for persons with disabilities in the strategic period.</p> <p>The HWSETA promotes linkages between education and the workplace to increase work-based learning opportunities in the health and welfare sector in the strategic period.</p> <p>The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.</p> <p>The HWSETA supports skills development for entrepreneurial and cooperative activities, as well as the establishment of new enterprises and cooperatives in the strategic period.</p>

Programme 4: Quality Assurance and Qualification Development

Purpose	This programme consists of three subdivisions, namely, Qualification Development, Skills Development Provider Accreditation and Learner Achievement. The purpose of the programme is to develop fit-for-purpose qualifications and ensure quality training is offered in the health and welfare sector. This programme is responsible for the coordination, development and registration of new qualifications, accreditation and quality assurance of training providers and quality assurance of learner achievement, which culminates in certification. Developments and circulars by the Quality Council for Trade and Occupations (QCTO) on the continued delegation of the functions incorporated in this programme make this programme unclear going forward and these developments will be monitored closely.
Institutional Outcomes	The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted youths in the strategic period.
Institutional Outcomes	<p>The HWSETA provides quality assurance services for the health and welfare sector to ensure quality in occupational education and training in the strategic period.</p> <p>The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.</p>



(c) Outcomes, Outputs, Output Indicators, Targets, and Actual Achievements

Colour Code					
Progress in %	0% - 25%	26% - 50%	51% - 75%	76% - 99%	100% ->
Description of Classification	Annual target has not been achieved and strides made have yielded low success by 31 March 2021.	Annual target has not been achieved and strides made yielded moderate success by 31 March 2021.	Annual target was almost achieved based on good progress made by 31 March 2021.	Annual target was almost achieved based on substantial progress made by 31 March 2021.	Annual target has been achieved or exceeded before or by 31 March 2021.

Programme 3: Skills Development Programmes and Projects

Sub-programme 3.1: Learning Programmes

Programme 3: Output No. 3

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Workers from the health and welfare sector with learnership agreements registered with the HWSETA as industry-funded or HWSETA-funded complete the learnership programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	3(1)	Number of workers whose learnership agreements are registered with the HWSETA as industry-funded or HWSETA-funded in the reporting period	908 30%	3406 103%	3630	28	-3602	Some approvals were awarded to an employer in the fourth quarter of the last financial year with learners only entering the programme in the 2020/2021 Financial Year. More approvals were granted after the re-tabling of the APP.	The 50% reduction in the target was done in order to redirect more resources to skills programmes which are shorter term programmes.

Programme 3: Output No. 4

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Employed apprenticeships and trainee technicians entered into the HWSETA apprenticeship programme complete the programme and are reported to the HWSETA within 12 months of completion in the reporting period.	4(1)	Number of employed apprentices and trainee technicians entered into the HWSETA funded apprenticeship programme in the reporting period.	128 256%	34 113%	100	0	-100	Expression of Interest evaluations were in process in quarter 1. Achievements were therefore reported after the re-tabling of the APP.	The 50% reduction in the target was done in order to redirect more resources to skills programmes which are shorter term programmes.

Programme 3: Output No. 7

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Unemployed graduates funded by the HWSETA for internships are reported to the HWSETA within 12 months of completion in the reporting period.	7(1)	Number of unemployed graduates entered into the internship programme funded by the HWSETA in the reporting period.	765 77%	1163 106%	1210	61	-1149	Some approvals were awarded to an employer in the fourth quarter of the last financial year with learners only entering the programme in the 2020/2021 Financial Year. More approvals were granted after the re-tabling of the APP.	Doubled the target in order to address the need of social service workers required by the sector to fight the psychosocial effects of COVID-19.

Programme 3: Output No. 8

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Workers from the health and welfare sector entered into credit and non-credit bearing skills programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	8(1)	Number of workers entered into credit and non-credit bearing skills programmes funded by the HWSETA in the reporting period.	1713 23%	8264 100%	8664	244	-8420	Some approvals were awarded to an employer in the fourth quarter of the last financial year with learners only entering the programme in the 2020/2021 Financial Year. More approvals were granted after the re-tabling of the APP.	Doubled the target in order to fund more skills training on COVID-19 in the workplace.

Programme 3: Output No. 21

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Workers from the health and welfare sector entered into Adult Education and Training (AET) programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	21(1)	Number of workers entered into AET programmes funded by the HWSETA in the reporting period.	0 ⁴⁹	0 ⁵⁰	540	0	-540	Expression of Interest evaluations were in process in quarter 1. Achievements were therefore reported after the re-tabling of the APP.	The target was reduced in order to divert funding to urgent COVID-19 and Work-Based Programmes.

⁴⁹ This is a new indicator introduced by the NSDP (2030).

⁵⁰ This is a new indicator introduced by the NSDP (2030).

Programme 3: Output No. 26

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Unemployed apprentices and trainee technicians entered into the HWSETA apprenticeship programme complete the programme and are reported to the HWSETA within 12 months of completion in the reporting period.	26(1)	Number of unemployed apprentices and trainee technicians entered into the HWSETA funded apprenticeship programme in the reporting period.	238 238%	357 106%	150	0	-150	Expression of Interest evaluations were in process in quarter 1. Achievements were therefore reported after the re-tabling of the APP.	Reduced the target to 100 as employers were unlikely to open workplaces until January 2021 when there would be certainty of the available budget.

Programme 3: Output No. 29

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Unemployed persons registered with the HWSETA as industry-funded or HWSETA-funded for learnership programmes are reported to the HWSETA within 12 months of completion in the reporting period.	29(1)	Number of unemployed persons whose learnership agreements are registered with the HWSETA as industry-funded or HWSETA-funded in the reporting period.	2988 93%	4048 102%	3951	42	-3909	Some approvals were awarded to an employer in the fourth quarter of the last financial year with learners only entering the programme in the 2020/2021 Financial Year. More approvals were granted after the re-tabling of the APP.	Reduced the target to 2500 as employers were unlikely to open workplaces until January 2021 when there would be certainty of the available budget.

Programme 3: Output No. 30

Impact Statement No. 4: The HWSETA contributes to the reduction of hard-to-fill vacancies in the health and welfare sector by 2030.

Outcome Statement No. 4(1): The HWSETA contributes to increased access, by the unemployed, into occupationally-directed programmes of the health and welfare sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
Unemployed persons entered into credit and non-credit bearing skills programmes funded by the HWSETA complete these programmes and are reported to the HWSETA within 12 months of completion in the reporting period.	30(1)	Number of unemployed persons entered into skills programmes funded by the HWSETA in the reporting period.	2988 93%	4048 102%	3000	224	-2776	Some approvals were awarded to an employer in the fourth quarter of the last financial year with learners only entering the programme in the 2020/2021 Financial Year. More approvals were granted after the re-tabling of the APP.	Doubled the target in order to fund more skills training on COVID-19 awareness.

Sub-programme 3.2: Partnerships, Projects, and WSP

Programme 3: Output No. 14

Impact Statement No. 3: The HWSETA contributes to the improved level of skills for 80% of the workforce within the health and welfare sector by 2030, which is evidenced by higher productivity of employers, and/or career progression either through promotion within the same organisation or appointment in a higher position or appointment in a higher position by another organisation.

Outcome Statement No. 3(1): The HWSETA contributes to the improvement of level of skills for 50% of the South African workforce through various learning programmes that address the critical skills required by the sector in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
The HWSETA supports skills development priorities of the Department of Social Development and Department of Health in the reporting period.	14	Number of projects funded through Discretionary Grants aimed at public sector education and training in the reporting period.	21 350%	10 250%	10	0	-15	Projects were approved in quarter 1 and the MoAs were therefore reported after the re-tabling of the APP.	Increased the target and budget aimed at capacitating the state to fight the COVID-19 pandemic.

Programme 3: Output No. 22

Impact Statement No. 5: The HWSETA contributes to the increased capacity of NGOs, NPOs, and Trade Unions to meet social and rural development needs South African Citizens by 2030.

Outcome Statement No. 5(1): The HWSETA supports officials from NGOs, NPOs, and Trade Unions in order to strengthen governance and service delivery, and thus advance social, rural, and community development, as well as provisions for persons with disabilities in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
The HWSETA funds the skills development initiatives of levy exempt organisations in the reporting period.	22	Number of levy exempt organisations whose skills development initiatives are supported by the HWSETA in the reporting period.	141 101%	178 115%	170	0	-170	Expression of Interest evaluations were in process in quarter 1. Achievements were therefore reported after the re-tabling of the APP.	The target was reduced in order to divert funding to urgent COVID-19 and Work-based Programmes.

Programme 4: Quality Assurance and Qualification Development

Programme 4: Output No. 15

Impact Statement No. 2: The HWSETA contributes to the development of the post-school system that produces increasing productive workers and work-ready graduates for the health and welfare sector by 2030.

Outcome Statement No. 2(4): The HWSETA supports career development services related to the health and welfare sector and makes them accessible to rural and targeted unemployed youths in the strategic period.

Output Statement	Output Indicator No	Output Indicator	Audited Actual Performance 2018/19	Audited Actual Performance 2019/20	Planned Annual Target 2020/21	Actual Achievement (Until 30 June 2020)	Deviation from Planned Target to Actual Achievement 2019/20	Reasons for Deviation	Reasons for Revision of Outputs/Output Indicators/Annual Target
The HWSETA makes career development services accessible to school and post-school youths ⁵¹ , mainly from rural areas, in the reporting period.	15(2)	Number of career guidance practitioners funded for training by the HWSETA in the strategic period.	0 ⁵²	0 ⁵³	30	0	-30	Expression of Interest evaluations were in process in quarter 1. Achievements were therefore reported after the re-tabling of the APP.	Reduced the target as schools were unlikely to allow any career guidance programmes in schools during national lockdown.

⁵¹ Post-school youth refers to those unemployed youth as defined in the Green paper on post-school education. Post-school youth includes those from rural and urban areas, and targeted groups, such as learners with disabilities, female, and black South African youths.

⁵² This is a new indicator introduced by the NSDP (2030).

⁵³ This is a new indicator introduced by the NSDP (2030).

REVENUE COLLECTION: R-million

Skills Development Revenue

Estimate 2020-21	Actual Collection 2020-21	(Over)/Under Collection	Commentary	Estimate 2019-20	Actual Collection 2019-20	(Over)/Under Collection
R 406	R 367	R 39	9.6 % lower than budgeted. Collection of levy income is not predictable. In the formulation of the budget, a proposed collection is estimated based on factors available at the time of budgeting. The impact of the SDL payment holiday for employers due to the COVID-19 pandemic has significantly impacted the revenue collection.	R 511	R 539	(R 28)

Investment Income

Estimate 2020-21	Actual Collection 2020-21	(Over)/Under Collection	Commentary	Estimate 2019-20	Actual Collection 2019-20	(Over)/Under Collection
R 31	R 26	R 5	Actual collection lower to amount budgeted. Investment income decreased due to reduced investment bank balances as volumes of Discretionary Grant payments were high in the year.	R 66	R 64	R 2

Government Levies

Estimate 2020-21	Actual Collection 2020-21	(Over)/Under Collection	Commentary	Estimate 2019-20	Actual Collection 2019-20	(Over)/Under Collection
R 104	R 169	(R65)	Government levy collection is higher as per expectations. As more departments comply with the Cabinet Circular of 2012, this collection is much higher than expected due to extensive follow-ups and timeous invoicing.	R 152	R 183	(R 31)





GOVERNANCE

PART C



Governance Structure

The Board's role is to provide leadership, direction, and stewardship of the organisation's assets and interests in relation to the public funds it administers to promote public interest in skills development within the Health and Social Development (welfare) sectors.

The Board's role is to provide leadership, direction, and stewardship of the organisation's assets and interests in relation to the public funds it administers to promote public interest in skills development within the Health and Social Development (welfare) sectors.

The Board is constituted of 15 members representing the following constituencies and stakeholders in the sectors served by the HWSETA:

- Ministerial appointed Independent Chairperson;
- Organised Labour;
- Organised Employers, including small businesses and relevant government departments;
- Levy exempt sector; and
- Any interested professional body or bargaining council with jurisdiction in the sector, which the Minister of Higher Education, Science and Technology considers appropriate for the sector.

The Board meets every quarter, or as required, to enable it to assert its governance responsibility as the Accounting Authority and as the employer of all the HWSETA staff.

Fiduciary Responsibility of Board Members

All Board members are aware of their fiduciary responsibilities and the need for fair, transparent, and accountable decisions and actions. Board members are both individually and collectively liable for all decisions, actions or omissions, and commissions by the board during their term of office.

Statutory Meetings

Attendance of Board members at all statutory meetings is recorded in attendance registers, which are audited annually by Internal Auditors and the Auditor-General South Africa. All meetings are formally noted, with an agenda and supporting meeting packs. Meeting protocol is formal, and all minutes and documents are formally tabled, considered, addressed, filed and stored.

Meeting Attendance Fees for Board Members

Board members are not staff members of the HWSETA and therefore do not receive any salaries or benefits. Board members are employers of the HWSETA staff, and as such, serve the HWSETA in their capacity as the Accounting Authority with executive oversight, accountability and responsibility. A meeting fee is paid to board members for their attendance at and contributions to statutory meetings.

A record is kept of all allowances paid to members, and such record is audited through internal and external audits conducted by the Internal Auditors and the Auditor-General South Africa, respectively.

Board Changes During the Year Under Review

The 6th Board was appointed on 1 April 2020 for a period up to 31 March 2025.

Board members in place during the year under review:

Board Member	Representing	Appointment Date
Dr Nomsa Mnisi	Independent Chairperson	1 April 2020
Employer Representatives		
Mr Rudie van Loggerenberg	Department of Social Development	1 April 2020
Vacant	Department of Health	1 April 2020
Dr Nceba Ndzwayiba	Hospital Association of South Africa	1 April 2020
Dr Katlego Mothudi	Board of Healthcare Funders	1 April 2020
Vacant	SA Medical Schemes	1 April 2020
Dr Lillian Marutle	Organised Employers	1 April 2020

Board Member	Representing	Appointment Date
Labour Representatives		
Ms Dimakatso Sebopa	DENOSA	1 April 2020
Ms Tselane Mbotshane	HOSPERSA	1 April 2020
Mr Sidney Kgara	NEHAWU	1 April 2020
Ms Nobukhosi Xulu	NEHAWU	1 April 2020
Ms Lungile Duma	NPSWU	1 April 2020
Vacant	PSA	1 April 2020
Non Profit Organizations / Mental Health		
Ms Lalita Harie		1 April 2020
People with Disabilities		
Ms Bongwiwe Malope		1 April 2020

Board terminations during the year under review:

Board Member	Representing	Appointed	Termination
Dr Clarence Mini	SA Medical Schemes	1 April 2020	11 May 2020
Mr Reuben Maleka	PSA	1 April 2020	1 July 2020
Dr Gail Andrews	DoH	1 April 2020	24 March 2021

1 independent member, who is a Ministerial appointee: the Chairperson of the Board

6 members representing organised labour

6 members representing organised employers, of which 2 are representatives of government constituencies

1 member representing professional councils

1 member representing the levy exempt sector

HWSETA BOARD COMPRISING 15 MEMBERS

Executive Committee of the Board

The Board is assisted by its Executive Committee, which is comprised of 5 members from the Board. The Executive Committee meets every second month to assert strategic oversight over the HWSETA's affairs.

Standing Committees

The Board has 4 standing committees, namely:

- Finance, Remuneration & Tender Standing Committee;
- Skills Development & RIME Standing Committee;
- ETQA Standing Committee; and
- Corporate Services Standing Committee

The standing committees provide technical guidance and recommendations in key portfolio areas, as well as assisting the Executive Committee.

Audit, Risk, Ethics and Governance Committee

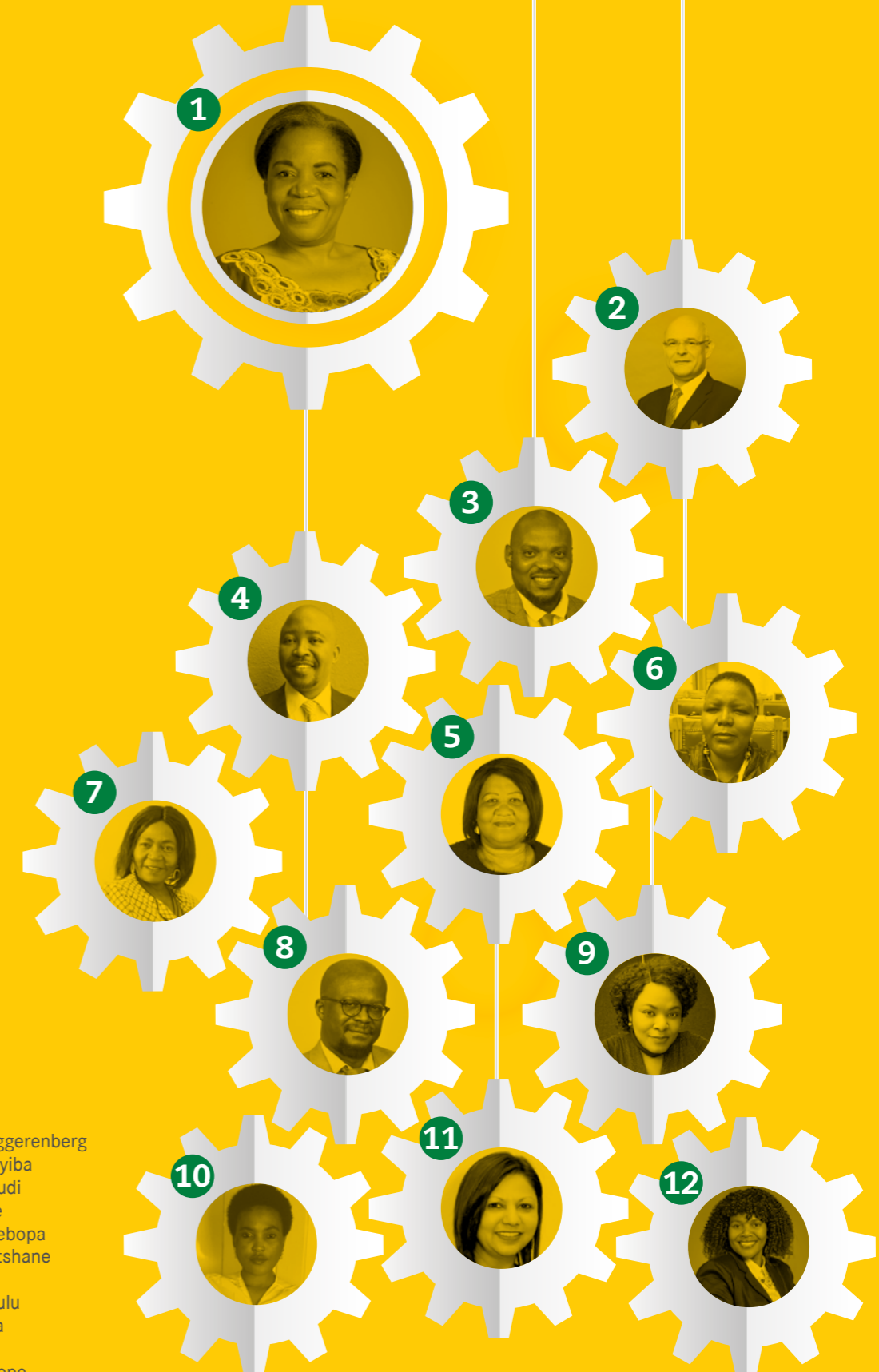
The Audit, Risk, Ethics and Governance Committee is a standing committee with direct delegations from, and reporting to the Board. It assists the Accounting Authority in its compliance, oversight, governance and fiduciary responsibilities within the prevailing legislative prescriptions. Furthermore, this committee is responsible for the review and update of the risk analysis, by management and independently from internal audit.

The Audit, Risk, Ethics and Governance Committee comprises 3 independent members, who are recruited openly and are not members of the Board. The remaining 2 members of this committee stem from the Board.

This Committee functions in line with its Committee Charter and complies with principles of good corporate governance and with the requirements of the Public Finance Management Act.



The HWSETA Board



1. Dr Nomsa Mnisi
2. Mr Rudie van Loggerenberg
3. Dr Nceba Ndzwayiba
4. Dr Katlego Mothudi
5. Dr Lillian Marutle
6. Ms Dimakatso Sebopa
7. Ms Tselane Mbotshane
8. Mr Sidney Kgara
9. Ms Nobukhosi Xulu
10. Ms Lungile Duma
11. Ms Lalita Harie
12. Ms Bongwiwe Malope

HWSETA BOARD MEETING ATTENDANCE 1 APRIL 2020 TO 31 MARCH 2021

	N Mnisi	K Mothudi	N Ndzwayiba	R van Loggerenberg	G Andrews	L Marutle	R Maleka	S Kgara	N Xulu	T Mbotshane	D Sebopa	L Duma	L Harie	B Malope
Board Meeting and Special Board Meetings 9 Meetings	9	8	9	4	4	9	1	7	9	8	5	6	9	9
EXCO and Special Exco Meetings 7 Meetings	7	7				7				5	2	7		
SD/RIME Standing Committee Meetings 4 Meetings			2	1	2			1	3	4		3	4	
ETQA Standing Committee Meetings 5 Meetings			3			5			5	5	4		5	5
Corporate Services Standing Committee Meetings 6 Meetings			1	1	1	5			1	5		6	5	6
Finance and Remuneration Standing Committee Meetings 7 Meetings		7	1			6		5	1		5		1	1
Audit and Risk Committee Meetings 4 Meetings	1	3				2		4						
Other Meetings / Workshops / Induction 17 in Total	14	10	10	8	5	13	2	4	11	15	7	13	11	10
Training, 10 in Total	2	4	2			5		2	2	4	4	6	7	6
Total	33	40	28	14	12	52	3	23	32	46	27	41	42	37



Executive Authority DHET

The HWSETA reports to the DHET on the following basis:

- Quarterly reporting of both financial and non-financial information;
- The annual Sector Skills Plan;
- The annual budget and Strategic Plan;
- The Annual Performance Plan for the following financial year; and
- Any other reporting request by the Department.

Internal Control Unit

The HWSETA’s internal audit function is outsourced to an independent firm. The internal audit function operates on an approved three-year rolling strategic internal audit plan. The internal audit plan is formulated on the HWSETA’s current operations and the strategic plan, with a focus on the key risks of the HWSETA as identified by an annual risk assessment. The internal auditors report in accordance with an approved Charter, which is in line with the Audit Committee Charter. The internal audit function has continuously added value by strengthening the control environment through improvements in internal controls.

In the current year, eight internal audits were performed, which allowed the HWSETA to strengthen internal controls.

Internal Audit and Audit, Risk and Governance Committee - The Effectiveness of Internal Controls

The system of internal controls applied by the HWSETA over financial and risk management is effective, efficient and transparent.

In line with the PFMA and Treasury Regulations, Internal Audit provides the Audit and Risk Committee and management with assurance that internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, we noted that no matters were reported that indicate any material deficiencies in the system of internal controls or any deviations there from.

Management is committed to addressing issues raised by the Internal Auditors and External Auditors, and this follow-up report is reviewed by the Committee during its meetings. Accordingly, the system of internal controls over financial reporting for the period under review was efficient and effective.

Internal Audit

We are satisfied that the Internal Audit function has operated effectively and that it addressed the risks pertinent to the HWSETA in its audits. We believe that Internal Audit contributed to the improvement of internal controls within the HWSETA.

Audit, Risk and Governance Committee Responsibility

The Audit, Risk, Ethics and Governance Committee has adopted appropriate formal terms of reference in its Charter, in line with the requirements of Section 51(1)(a) of the Public Finance Management Act, No. 1 of 1999, and Treasury Regulation 27. The Audit, Risk and Governance Committee has conducted its affairs in compliance with this Charter.

Key Activities and Objectives of the Audit, Risk and Governance Committee

The Audit, Risk, Ethics and Governance Committee has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa and the Accounting Authority;
- Reviewed the Auditor-General’s management letter and management’s response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit if applicable.

The Audit, Risk, Ethics and Governance Committee concurs and accepts the Auditor-General’s conclusions on the Annual Financial Statements, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor-General South Africa.

The following internal audits were conducted by internal auditors during the 2020/2021 Financial Year:

- Audit of Predetermined Objectives (Q1 and Q2);
- Supply Chain Management Review;
- Risk Management Review;
- ETQA Review;
- Follow-up Reviews on IA and EA findings;
- Grants and Commitment Review;
- Projects Visits; and
- Ad-hoc ERP Review.

The Audit, Risk, Ethics and Governance Committee is established and comprises three independent members and two board members. The Committee is advisory in nature and reports directly to the Board.

The Committee’s Charter and Terms of Reference are aligned to the HWSETA’s constitution, the PFMA and Treasury Regulations. This Committee also takes on the responsibility of IT and Governance oversight.

The Audit, Risk, Ethics and Governance Committee has the following objectives, to review:

- a. The effectiveness of internal control systems;
- b. The effectiveness of internal audit;
- c. The risk areas of the entity’s operations to be

- covered in the scope of internal and external audits;
- d. The adequacy, reliability and accuracy of financial information provided to management and other users of such information;
- e. Any accounting and auditing concerns identified as a result of internal and external audits;
- f. The entity's compliance with legal and regulatory provisions;
- g. The activities of the internal audit function, including its annual work programme, coordination with external auditors, reports of significant investigations and responses of management to specific recommendations; and
- h. Where relevant, the independence and objectivity of external auditors.

Compliance with Laws and Regulations

The HWSETA has established internal mechanisms to ensure compliance with laws and regulations, including checklists and internal reporting.

Application of King IV Principles

The impact of corporate governance on operations and the creation of capitals to provide value to stakeholders cannot be underestimated. Where there is poor performance, there is poor corporate governance and conversely poor corporate governance is likely to result in the HWSETA underperforming. HWSETA supports the shift in King III to King IV towards an outcomes-based and holistic approach to corporate governance; and the mindful application of the governance practices in the pursuit of achieving the aspirational governance principles. The ultimate goal being the realisation of an ethical culture, good performance, effective control and legitimacy.

In accordance with the principles set out in King IV, the HWSETA has constituted the following Committees to ensure compliance:

1. Executive Committee (EXCO);
2. Audit, Risk, Ethics and Governance Committee; and
3. Finance, Remuneration and Tender Committee.

The Audit, Risk, Ethics and Governance Committee also attends to matters of ethics. Any matters of ethics are also reported to the Exco and in Board meetings.

Systems are in place to identify changes in legislation as and when they arise. Changes in legislation and statutory requirements are reported to the Board on a quarterly basis and as and when it becomes necessary.

The HWSETA ensured that all King IV principles were applied and matters arising were presented on quarterly basis at the Audit, Risk, Ethics and Governance Committee meetings, Exco and the Board

The HWSETA has complied with the 16 principles of King IV applicable to State owned entities.

Risk Management

The Accounting Authority is responsible for the HWSETA risk management process. The Audit and Risk Committee assists the Accounting Authority in carrying out its risk management responsibilities.

The HWSETA continuously strives to improve its risk management processes and ensure that risk assessments are carried out on regular basis to determine the effectiveness of its risk management strategy and to identify new and emerging risks.

Fraud and Corruption

The HWSETA has a fraud prevention plan in place that has been implemented. As one mechanism, the HWSETA has an anonymous tip-off hot line, which is widely advertised and has been uploaded on our website. The HWSETA investigates all tip-offs made without exception. Tip-offs from our hot line are sent directly to our internal auditors, who then report to the appropriate authority for investigation.

Allegations of Misconduct

There have been charges of misconduct by some staff members of the HWSETA during the year. Currently, there are four pending cases at the CCMA.

A total of nine tip-offs were received between 1 April 2020 and 31 March 2021. These tip-offs were reported through the tip-off hot line and sent directly to Internal Auditors to ensure confidentiality. Eight related to external skills development providers and one on the internal affairs of the HWSETA. All tip-offs were resolved during the period under review.

Minimising Conflict of Interest

The HWSETA abides by the HWSETA Related Party policy. Declarations of interest are made and recorded at each board, subcommittee meeting of the HWSETA, and in the Tender Committee meetings for specification and adjudication of tenders.

All employees, including senior management, declare their interests annually, which is co-ordinated and monitored by the Corporate Services Division. In an effort to discourage conflicts of interest, it is the policy of the HWSETA that all employees must refrain from acceptance of gifts from employers, suppliers and other outside parties.

If any conflict arises, the affected employee/s will immediately refrain from participation in any supply chain management processes or decision-making processes. This has occurred on a few occasions, and the affected individuals have refrained from participation in decision making in the affected area/issue.

Code of Conduct

The HWSETA has a Code of Conduct and Business

Ethics Policy which provides direction to employees with regard to their relationship with other employees and the public, and to indicate the spirit in which employees should perform their duties, what should be done to avoid conflicts of interest and what is expected of them in terms of their personal conduct in public and private life.

The primary purpose of the Code is to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct and shall be dealt with in accordance with the relevant HWSETA policies, if she/he contravenes any provision of the Code or fails to comply with any provision thereof. A record of all declaration of interests and gifts is maintained.

Health, Safety and Environmental Issues

The health and safety of all employees is of paramount importance for the HWSETA. With the onset of the COVID-19 pandemic, the HWSETA OHS Committee devised a plan to ensure the safety of staff.

Regular meetings of the HWSETA OHS Committee are held in order to discuss safety issues, identify potential safety risks and address these accordingly.

Members of the committee are trained in OHSA and conduct regular inspections. A safe working environment contributes to heightened staff morale and productivity.

Remuneration Philosophy

The HWSETA is committed to good practice and governance, fairness and equity in remuneration for its employees in line with relevant legislation. The HWSETA embraces a Cost to Company (CTC) as part of the overall Employee Value Proposition, considering the following: Remuneration at the HWSETA is based on a Cost to Company with a flexible guaranteed package structure, encompassing cash and benefits, travelling allowances and provident fund; insurance, medical aid allowance and risk benefits fall outside the CTC and are paid by the employer; the HWSETA uses the Paterson method of job evaluation, that is a systematic approach to determine as objectively as



possible, the worth of one job relative to the other within the organisation; the HWSETA pays employees at the median range (ie 50% percentile); and pay scales for all levels have been developed in accordance with sound reward practices, including job hierarchy, overlap by pay level, pay range (minimum to maximum) and slope (percentage increase between the median of one level relative to the next).

Ethics

The HWSETA Board is the ultimate custodian of the HWSETA's values and ethics and in its own conduct strives to lead by example. It follows that the Board aims to integrate these values and ethics into the HWSETA's strategy. The Social and Ethics Committee has been established as part of the Audit and Risk Committee, a statutory committee of the Board, who assists the Board in this endeavour. The HWSETA has established an Ethics Strategy, aligned to our code of conduct, ethics guidelines and policies.

The HWSETA has communicated its corporate citizenship to support its corporate ethos.

The committee monitors the HWSETA's activities in terms of social, environmental and economic development, by ensuring that ethical leadership, integrity, anticorruption, sustainability, value creation, equality, preventing discrimination and contributing to the development of the communities in which our activities are predominantly conduct. The Committee strives to ensure communications to stakeholders are transparent and appropriate.

The Committee monitors compliance to the HWSETA's code of conduct and ethics and other relevant social, ethical and legal requirements, as well as best practice. It reports to shareholders on matters in its mandate at the annual general meeting.

Social Responsibility

The HWSETA invested over R187 500 in the period under review in various initiatives, such as the donation of a custom wheelchair for a child in need as well as stationery to a local healthcare clinic.

Audit and Risk Committee Report For the Year Ended 31 March 2021

1. Legislative Requirements

The Audit and Risk Committee herewith presents its report for the financial year ended 31 March 2021, as required by section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999) (PFMA) read with Treasury Regulation 27.1.10.

2. Audit and Risk Committee Members and Attendance

The Audit and Risk Committee was established in accordance with sections 51(1)(a)(ii) and 77 of the PFMA. The Audit and Risk Committee charter requires that the Audit and Risk Committee comprises a minimum of three members and a maximum of five members, the majority of whom should be independent members. The Audit and Risk Committee comprises five members, 3 independent members and 2 member representing Council. In terms of section 77(b) of the PFMA, the Audit and Risk Committee must meet at least twice a year. During the financial year ended 31 March 2021, the Audit and Risk Committee met on 5 occasions.

The table below shows the attendance of these meetings:

Name	Tenure	Qualifications	Number of Meetings Scheduled 2020/2021	Number of Meetings Attended 2020/2021
Mr. G Higgins Aucom Chairperson	1 Sept 2018 to 31 January 2021 10 March 2021 to 31 July 2023	CA(SA)	4	4
Ms. M Ramutsheli Aucom member	1 Sept 2018 to 31 January 2021	MPhil Internal Auditing	3	3
Ms. P Motlokoa Aucom member	1 Sept 2018 to 31 January 2021	CA(SA)	3	3
Dr. K Mothudi Board/Aucom member	1 April 2020 to 31 March 2025	Board member	4	3
Mr. S Kgara Board/Aucom member	1 February 2019 to 31 March 2025	Board member	4	4
Mr. W Carrim Aucom member	10 March 2021 to 31 July 2023	MCom taxation MBA CA(SA)	1	1
Ms. I Mathatho Aucom member	10 March 2021 to 31 July 2023	MBA B.Com Hons H.Dip Tax Law	1	1



The members of the Audit and Risk Committee held meetings with the senior management of the HWSETA, internal audit function and the external auditors, collectively and individually, on matters related to governance, internal control and risk in the HWSETA, throughout the reporting period. The Chairperson also held a meeting with the Chairperson of the Board to report on governance, internal control, risk, performance and financial information and other relevant matters concerning the HWSETA.

3. Audit and Risk Committee's Responsibility

The Audit and Risk Committee has complied with its responsibilities arising from section 51(1)(a)(ii) of the PFMA read with Treasury Regulation 27.1.8, and reports that it operated in terms of the Audit and Risk Committee charter read in conjunction with the internal audit charter.

4. Effectiveness of Internal Control

The Audit and Risk Committee acknowledges management's efforts to strengthen internal controls in the HWSETA. There is a need for increased support, monitoring and evaluation to unlock the full potential of these efforts.

The Audit and Risk Committee notes the findings by the internal and external auditors. Management has provided assurance that effective corrective action will be implemented in respect of all internal control weaknesses, and the Audit and Risk Committee will monitor these going forward.

Due to the strategic importance of, and investment in, the modernisation of information and communication technology (ICT) in the HWSETA, the Audit and Risk Committee has monitored the risk register and progress reports on the respective action plans during the year under review. The Audit and Risk Committee remains concerned that not all ICT risks are being addressed or mitigated, in implementing the new ERP system. This continues to place the HWSETA in a position where manual intervention is required to provide credible information, in particular, within the areas identified by the AGSA.

5. The Quality of Monthly and Quarterly Reports Submitted in Terms of the PFMA

The Audit and Risk Committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. The Audit and Risk Committee has engaged with management to remedy shortcomings, especially relating to reports on performance against predetermined objectives.

The Audit and Risk Committee has reviewed and commented on the HWSETA's annual financial statements and report on performance information and their timely submission to the external auditors by 31 May 2021.

6. Internal Audit Function

The HWSETA is obliged, in terms of the PFMA, to ensure that the entity has a system of internal audit under the control and direction of the Audit and Risk Committee. The Audit and Risk Committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review. The Committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the HWSETA.

7. Risk Management Function

The Audit and Risk Committee is responsible for the oversight of the risk management function. The risk management committee reports to the Audit and Risk Committee on the HWSETA's management of risk. The risk management committee reports at each quarterly meeting on the progress with regards to management of strategic and operational risks in the organisation.

8. Evaluation of the Finance Function

On the whole, the Audit and Risk Committee is satisfied with the HWSETA's finance function during the year under review.

9. Performance Management

Part of the responsibilities of the Audit and Risk Committee includes the review of performance management. The Audit and Risk Committee has in terms of the performance of the HWSETA performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards;
- Review and comment on the alignment of the annual performance plan, budget, strategic plan, and performance agreements;
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the HWSETA;
- Review of reported noncompliance with legislation
- Review of compliance with in-year reporting requirements;
- Review of the quarterly performance reports submitted by the internal audit function; and
- Review and comment on the HWSETA's performance management system and making recommendations for its improvement.

The Audit and Risk Committee is satisfied that the performance report has been prepared in terms of the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting performance.

10. Evaluation of the Annual Financial Statements

The Audit and Risk Committee has reviewed the annual financial statements, which focused on the following:

- Significant financial reporting judgements and

estimates contained in the annual financial statements.

- Clarity and completeness of disclosures and whether disclosures made have been set properly in context;
- Quality and acceptability of, and any changes in, accounting policies and practices;
- Compliance with accounting standards and legal requirements;
- Significant adjustments and/or unadjusted differences resulting from the audit;
- Reflection of unusual circumstances or events and management’s explanation for the accounting treatment adopted;
- Reasons for major year-on-year fluctuations;
- Asset valuations and revaluations;
- Calculation and levels of general and specific provisions; and
- Write-offs and reserves;
- The basis for the going concern assumption, including any financial sustainability risks and issues.

The Audit and Risk Committee is comfortable that the annual financial statements have been prepared in terms of GRAP and the PFMA.

11. AGSA’s Report

The Audit and Risk Committee concurs with and accepts the conclusion and audit opinion of the external auditors on the annual financial statements.

The Committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors. The Audit and Risk Committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The Audit and Risk Committee concurs with the findings on the reported performance information; financial statement as well as procurement and contract management.

The external audit function, performed by the Auditor-General, is independent of the HWSETA. The Audit and Risk Committee has met with the external auditors to ensure that there are no unresolved issues and acknowledges the diligence and cooperation of the external audit team.

On behalf of the Audit and Risk committee:



Mr George Higgins CA(SA) RA
 Audit and Risk Committee Chairperson
Health and Welfare Sector Education Training Authority
 31 July 2021



ACHIEVEMENTS

HWSETA Partners with the SAPC to Improve Learner and Intern Completion Rates in Pharmacy

In pursuit of the National Development Plan (NDP) targets to capacitate South Africa with an adequate and competent healthcare workforce by 2030, the South African Pharmacy Council (SAPC) embarked on a robust Human Resources for Pharmacy Plan to achieve the pharmacy-related National Health Human Resource Strategy.

The programme’s main objectives are to capacitate and train new pharmacy professionals, and to support personnel such as Pharmacist assistants and Pharmacy technicians in their career journeys. This programme will also ensure that the country has a steady supply of skilled persons who can deliver on its health commitments made in the Constitution, NDP, National Health Act, and the Presidential Health Compact, amongst other instruments.

According to the Regulations relating to pharmacy education and training (GNR.1156 of 20 November 2000), Pharmacist interns and learners who are pursuing the professional designations of Pharmacist assistants or Pharmacy technicians must be guided by an SAPC-registered tutor. The training facility also requires approval from the SAPC, permitting it to facilitate training that is in line with the relevant Regulations.

However, for the SAPC, a self-funded non-profit statutory health council, this mammoth training task proved challenging due to lack of adequate resources. Furthermore, the health council lacked the resources to address the shortfalls and inefficiencies in their training and mentorship of interns and learners. The SAPC then approached the HWSETA to assist with the financial resources they needed to enable the training and skills development of pharmacy professionals.

The funding request, which the HWSETA approved, aims to ensure the development and training of tutors that should result in the improved quality of training provided to interns and learners.

For the training and skills development to be effective, it must empower its participants with the relevant skills, values and attributes required to practice as a Pharmacy professional. The tutor’s responsibility is to mentor the learners in all aspects of Pharmacy practices. It is equally important for the tutor to emphasise the values and attributes of a professional Pharmacist. For effective training to take place, the tutor must be able to provide the learners with all the required equipment, materials, programmes, access to information systems and literature.

The Tutor Training Programme

Alarmed by the high dropout and failure rates of Learner Pharmacist Assistants that were placed in both the public and private sector training sites, the HWSETA committed itself to finding mechanisms to ensure that more learners successfully complete their training. The mechanism that was identified to address this challenge is a training programme aimed at tutors and mentors of up-and-coming Pharmacy professionals. The training programme will impact the quality of tutorship for Pharmacist interns and Pharmacist assistants.

The tutor training programme will cover both the legal and practical aspects of becoming a tutor; being a tutor, coach, and mentor. Following the programme, tutors will be fully equipped to deliver training efficiently, therefore an improvement in learner success and completion rates should be seen.



Training of Co-operatives Members on Social Entrepreneurship and Co-operative Governance

The HWSETA, in collaboration with Malaikas Education Project Management provided social entrepreneurship training to cooperatives that were identified by the HWSETA, with each cooperative having a representation of three members. The training intervention includes a one-year mentorship from established community-based entrepreneurs.

The purpose of this training is to capacitate cooperatives so that they understand and apply the principles that govern the operations of cooperatives, facilitate compliance with prescripts as outlined in the Cooperatives Act and understand related legal frameworks for application and compliance, as well as to ensure the success of the cooperative social entrepreneurship ventures through training and availed seed funding.

The training started in the Eastern Cape (13 cooperatives), followed by the Northern Cape (7 cooperatives); KwaZulu Natal (2 cooperatives); and in Mpumalanga (3 cooperatives) the roll out was scheduled for third week of March (learners did not attend due to uncertainties and fears about the COVID-19 pandemic).

The content of the course covered the induction of the training programme, purpose of the training, gap analysis of all cooperatives and introduction of key concepts which were covered in depth in subsequent sessions, inclusive to:

- Introduction to the course, purpose and expectations;
- Gap Analysis - presentation of co-ops aspirations, strengths, challenges hindering success of co-ops and critical needs identified as enablers of the progress, growth, and success of the co-operatives;
- Social entrepreneurship;
- Innovative entrepreneurship-change Management;
- Co-operatives – kinds and types;
- Values of cooperatives;
- The 7 co-operative principles;
- Harnessing the strength of an individual as a collective and united co-operative;
- Co-operative Act and all related legislation;

- Principles of good governance for co-ops – Board, Committees, Financial and Business Management Strategies;
- Management and leadership aspects; and
- Mentoring and coaching Process.

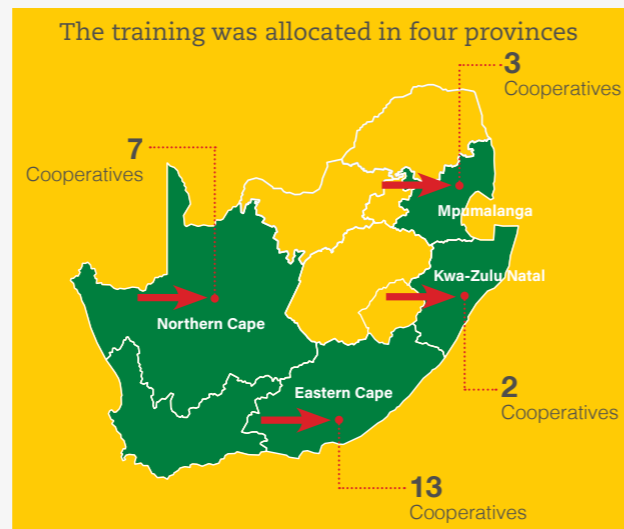
Roll out plan had to be adjusted to respond to legislative restrictions that emerged in order to control the pandemic. All training was in line with SETA and Department of Education and Disaster Management Act, as well as guidelines stipulated by the National Department of Health (NDOH).

During the lockdown, training interventions and contact with learners through chatgroups took place. Although training was delayed due to the COVID-19 pandemic, learners came back with a lot of interest to continue.

The feedback from the learners regarding the training and their plans going forward inspires hope and optimism that the training and business skills learnt will make a huge difference to their co-ops and the communities they come from.

The training provided confidence to this group of dynamic, eager to learn individuals, as those that were initially shy started to participate in class discussions.

The attendance on the last day by Malaikas Education and Resourcing Consultants Managing Director Dr. Hafisa Ally to present cooperatives with MoA forms for start-up or seed funding was indeed a great success.



HWSETA and ACRA's Apprenticeship Programme Prepares Calls Mashile for Career Success

He was inspired by a friend to pursue a career in Air Conditioning and Refrigeration – a decision 28-year-old Calls Mashile from Mpumalanga province describes as a stepping stone towards attaining his career ambitions. Today, Mashile is a qualified Refrigeration Mechanic with permanent employment at Skyshot Climate Solution (CIAT).



Mashile is one of the young people that took part in the HWSETA-funded apprenticeship programme at the Air Conditioning and Refrigeration Academy (ACRA) between 2018 and 2020. Upon completion of his matric, he decided to pursue his dreams of becoming an Electrical Engineer at Ekurhuleni East College.

"In my final year, a friend suggested that I consider taking-up the Air Conditioning and Refrigeration Mechanical route. The prospect of this path was exciting because it combined my passion for electrical engineering with other disciplines including, mechanics, plumbing and welding," Mashile explains.

The real breakthrough came when he successfully applied for the Air Conditioning and Refrigeration Mechanic Apprenticeship that the HWSETA was offering in partnership with ACRA.

The apprenticeship funding includes a stipend, personal protective equipment (PPE) and the tools of the trade. "Honestly, the two-year apprenticeship programme was an incredible experience in the air conditioning and refrigeration department. It presented me with more opportunities to learn and expand my skills," says Mashile.

He adds: "Through this programme, I have also been able to consolidate my future goals, where career advancement is concerned. The experience the HWSETA and ACRA provided me has been highly beneficial, and I plan to use every opportunity at my disposal to grow my career further."

ACRA is a fully accredited (NAMB/QCTO/DHET) training and trade test centre that offers learnerships, apprenticeships and adult training in the air conditioning and refrigeration academy. The Academy comes with a fully equipped 2,800 m² workshop, where apprentices are provided with extensive training in air-conditioning, refrigeration, ventilation, scaffolding and more."

Although Mashile loves his job, he admits that it comes with its own challenges, such as having to be on stand-by (which affects his personal life) and the amount of travel involved. But he would not trade his career for anything.

In five years, Mashile plans to pursue a Postgraduate Certificate in Education (PGCE). Ultimately, he aspires to become a lecturer in Air Conditioning and Refrigeration, because of his passion for the field. "I believe that it's important to encourage young people to explore the Air Conditioning and Refrigeration field, because it has the potential to open many doors as far as career development is concerned," says Mashile.

"I would like to send my sincere appreciation to everyone who played a role in my apprenticeship programme. A special thanks to my mentors Glenn Drew, Daniel Beets, Jerry Sehlapelo and Philmone Mashilo," he concludes.

He who Works Hard, Achieves Hard

It was Collin Powel who once said that: "A dream doesn't become reality through magic; it takes sweat, determination and hard work."

These attributes encompass the hardships and ultimately triumph of Phumelele Thusi, a 28-year young woman from Daagakraal in Mpumalanga, who received a Phlebotomy internship funded by the HWSETA. Thusi did her internship training with the Department of Higher Education at Sunninghill, screening employees for COVID-19 symptoms, as well as training them on COVID-19 related issues.

At this young age, Thusi was able to build a house for her family with the stipend she received from her internship.

"While many young people dream of buying cars or clothes once they secure job opportunities, my dream has always been to build a house for my family. Every month after receiving my stipend, I would save the money knowing that I had a plan. Today I stand proud to have achieved this dream, which seemed like a distant reality before the HWSETA internship opportunity came along," says Thusi.

She explains that growing up, life was not easy and that living in a decent house was a luxury her parents could not afford. Thusi comes from a family of seven,



who lived in a small house before she could build the new one. “I am grateful for the internship opportunity afforded to me by the HWSETA. Not only was I able to build my family a house, I gained invaluable skills which I believe serve as a foundation for me to secure permanent employment in the future,” she says.

Thusi is one of the 45 learners who were selected to participate in the Precision Community Development Programme. This programme is a joint venture between the HWSETA and Precision Community Development, aimed at upskilling the youth of

Clothing and Textile Masterplan Brings Hope to Msinga Factory

The South African Retail-Clothing, Textile, Footwear and Leather (R-CTFL) Value Chain Masterplan has brought optimism and delight to many women in rural Keates Drift in Msinga, KwaZulu-Natal. The area, which is one of the poorest in South Africa since its shoe factory closed its doors 26 years ago and left 3000 families without any source of income, is slowly building its way up in the clothing and textile sector.

In an effort to reduce the unemployment rate and poverty in the area, Ms Lelly Mntungwa (42), started to empower the Msinga community through job creation and skills capacitation. Mntungwa later established Msinga Clothing Factory in 2016 to further her ambition to train, upskill and employ the youth and women from the area who had no economically tradable skills.

Speaking from her factory, Mntungwa said the HWSETA, which was responsible for all its training and skills development requirements, came to their rescue in 2019 when they started to implement skills training in Msinga.

“The HWSETA has now aligned with government (R-CTFL) Value Chain Masterplan by giving rural communities a chance to participate in skills programmes, especially in clothing and textile. Skills transfer is a sustainable gift that can empower people to become income generators and survive during difficult situations,” says Mntungwa.

Mntungwa explains that the HWSETA has also identified 19 cooperatives, which have 800 youth and women in rural areas across South Africa, to enhance their skills in clothing and textile, so that they are able to manufacture for retail stores. She adds that government is also encouraging retail stores to source products locally and invest in the clothing and textile sector through the masterplan.

Stakeholders in the sector have since committed to growing the market for local CTFL producers. The agreed target is to grow total CTFL retail sales to R250 billion by 2030, with local CTFL share increased to 65% of sale in order to support R69 billion local CTFL

Daagakraal Community through skills development. The project also aims to alleviate poverty in the community through youth empowerment opportunities.

Thusi explains that although she is from humble beginnings, she plans to work hard and become successful in her career. “I am grateful for the never-ending love my parents showed me and my siblings in the midst of the challenges they faced bringing us up. I am going to grab every opportunity at my disposal and grow my career, so that I can make them proud,” she concludes.

procurement that deliver a total of R-CTFL employment of 333 000 workers, including 165 000 CTFL formal sector manufacturing jobs.

The Department of Trade, Industry and Competition (the dtic) afforded Mntungwa an opportunity to be trained in Clothing and Textile, including Cotton Processing at Minjiang University in Fuzhou, China.

Msinga Clothing Factory, which employs 100 women on site, is currently making garments for the Foschini Group, Mr Price, and Ackermans. Mntungwa has since been nominated by the HWSETA to mentor other projects in the rural areas of South Africa.

According to the Deputy Minister of Trade, Industry, and Competition, Ms Nomalungelo Gina, the South African R-CTFL Value Chain Master Plan to 2030 is focused on actions of all stakeholders and mechanisms to monitor its implementation so as to improve and grow the CTFL sector – thereby creating meaningful employment and socio-economic development.

“The Master Plan will represent the first commitment from a broad array of retailers to buy local – driving local manufacturing and employment. To achieve the objectives of the Master Plan, the industry will need to re-think and re-invent itself so that each of us make a substantial contribution that is beneficial to all. It will require commitment from all stakeholders, including retailers, manufacturers, workers and government,” says Gina.



HWSETA Trains EMS and FPS for COVID-19 Response

A partnership between the HWSETA, Powerdigm Consulting and the Free State Department of Health (FSDOH) gave birth to Batlisisa campaign in March 2020, which aims to facilitate the training of 1063 Community Healthcare workers as Contact Tracers for COVID-19 cases.

However, following a visit to the Free State by then Minister of Health, Dr Zweli Mkhize on 2 April 2020, the focus of the campaign was shifted to the training of Emergency Medical Services (EMS) and Forensic Pathology Services (FPS) personnel.

This change in focus came following a needs analysis by the Minister and his team during the visit. The Batlisisa project was funded under Special Projects, which were established by the HWSETA in response to the COVID-19 pandemic. It also underlines the HWSETA’s goal of bridging the skills gap in the Health and Welfare sector.

After the launch of the project and the overwhelming positive response by FSDOH, the HWSETA funded an additional 450 health personnel and undertakers as it became evident that they too needed the training as part of the value chain.

The training programme comprises of five modules: Module 1 is an interactive lecture that covers Introduction to COVID-19, and includes the Clinical Perspective of COVID-19, and the EMS Procedures in COVID-19.

This was presented at the ICAM studio, based at the FSDOH’s Bloemfontein head office, which maintains online contact with participants located in various EMS Regional Centres across the five regions of the province. At the completion of Module 1, the participants also undertook an online assessment on the course material. Modules 1-4 were presented online via tablets, laptops and smartphones. Facilitated by Batlisisa-appointed coordinators, the participants went through online material as they attended classes at the regional centres. Where applicable, participants undertook the course using their allocated devices at their own convenience. These modules were presented over a six-month period, with each being allocated six hours of eLearning.

The training programme modules comprised:

- Module 2. Personal Protective Equipment
- Module 3. Decontamination and Infection Control, including Burials
- Module 4. Clinical Management
- Module 5. Legal and Regulatory requirements

At the completion of each eLearning module, participants were required to take a one-hour assessment based on the content. It was compulsory for participants to obtain a pass mark on a module in

order for the system to allow them to continue to the next module.

The Batlisisa campaign appreciates the overwhelming support of Ms Montseng Tsiu, Free State MEC for Health, who officially opened the first session in April 2020. Dr David Motau, the Head of Department of Health was instrumental in ensuring maximum participation of participants and providing resources and logistical support for the training.

Further Training and Research

At the behest of the FSDOH and in consultation with the HWSETA, a specialised eLearning course was developed for undertakers, which included all five modules presented in one session.

This course was initially presented to undertakers in all the regions of the Free State Province in May 2020. Some undertakers enrolled and completed this course over the extended period as it was available online, up to July 2020. A total of 428 undertakers have since registered for the course. Batlisisa also conducted learner research, before and after their training, to assess how the teaching of knowledge, attitude, behaviour and professional practice of the EMS officials impacted them.

Although the campaign seems to have benefited participants in their understanding of COVID-19 against their responsibilities, research indicated that there is a great need for emotional support for EMS officials during the pandemic and other high-pressure events like the holiday season.

This Batlisisa Campaign also strives to advance the agenda of the National Skills Development Strategy (NSDS III) and Human Resource Development Strategy of South Africa. Of the participants that enrolled for the project, 98% are black; 45,5% are female; and 21% are youth.

A significant number of participants had to undergo initial training in handling IT gadgets and navigating the course online. Here, the Batlisisa Campaign also contributed towards the advancement of the country’s National Strategy for harnessing the 4th Industrial Revolution.





HWSETA Funds Unemployed Social Work Graduates for Psycho-social Response to COVID-19

As the pandemic progressed, the National Department of Health (NDOH) put in place various strategies to protect people and to ensure business continuity. New gaps were identified in the COVID-19 strategy and evidence suggested that many workers, specifically health workers, were experiencing severe stress and burnout.

All this related to massive workloads, the changing work environments, closure of schools and other lockdown measures. To this end, the health sector called for psychosocial support for health professionals and support workers. This concern was expressed sharply by the Minister of Higher Education, Science and Technology.

To address this need, the WITS Health Consortium (WHC) requested support at short notice. The HWSETA responded proactively and enthusiastically, and put in place a national Social Worker Internship programme. The WHC was requested to identify, employ, and deploy 1210 social workers interns across the country to support the health and social development teams provide a more comprehensive response to the mental health needs of health workers, learners, and other general workers.

Recently qualified unemployed social workers were identified in consultation with both the Departments of Health and Social Development. These unemployed social workers were deployed to areas of need as identified by both departments, namely, KZN (172); Western Cape (24); Free State (6); Gauteng (79); Limpopo (273); Eastern Cape (31); Northern Cape (24); and North West (50).

In addition, 30 qualified and experienced social workers were identified to serve as supervisors in the various provinces, and to ensure the inexperienced

social workers gain valuable work experience and good mentorship over the 12-months of their workplace training.

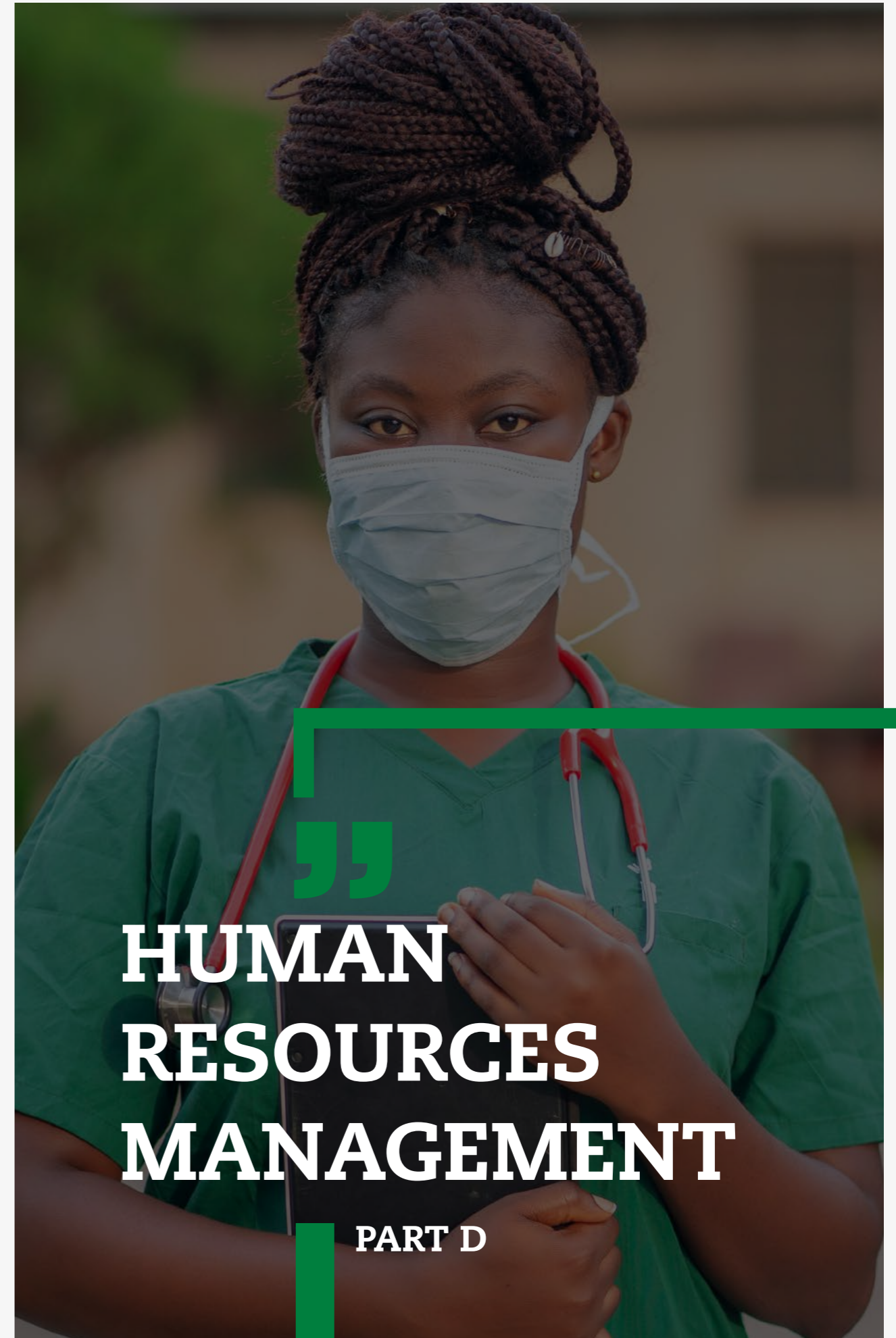
These resources delivered important outcomes, such as much needed work experience and practical social work skills to assist the unemployed social workers to become more marketable after their internships.

The aim is for them to gain employment and provide urgently needed counselling and psychosocial services under supervision in hospitals, clinics, institutions for older persons, NGOs working with children, older persons, and people with disabilities to the various categories of workers that are struggling under the pressure of the pandemic.

This in turn will improve the mental health of workers, hence contributing to reduced sick leave and better productivity. Throughout the 12 months internship training programme, the social workers will be provided a stipend, which will go a long way in assisting them and their families during these challenging times.

While it is difficult to quantify the actual outcomes, anecdotal evidence indicates that the programme is making a qualitative difference to compliment the teams working on the ground and more importantly, assisting hundreds of people daily to cope with stress, anxiety, and burnout.

The programme fits completely within the HWSETA mandate. More importantly, it makes a meaningful contribution to immediate priorities of the COVID-19 pandemic national strategy, while strengthening the ability of organisations and departments to create new employment and prepare individuals with new skills and competencies to respond to the post-COVID needs of our country.



HUMAN RESOURCES MANAGEMENT

PART D



Human Resources

Employment and Vacancies

Programme/Activity/Objective	2020/2021 No. of Employees	2020/2021 Approved Posts	2020/2021 Vacancies	% of Vacancies
Top Management	1	1	0	0%
Senior Management	6	6	0	0%
Professional qualified	22	24	2	8,3%
Skilled	66	73	7	9,6%
Semi-skilled	48	48	0	0%
Unskilled	0	0	0	0%
Total	143	152	9	6%

Employment Changes

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Employment at End of the Period
Top Management	1	0	0	1
Senior Management	6	0	0	6
Professional qualified	21	3	2	22
Skilled	61	8	6	63
Semi-skilled	54	0	3	51
Unskilled	0	0	0	0
Total	143	11	11	143

Reasons for Staff Leaving

Reason	Number	% of Total no. of Staff Leaving
Death	1	0,69%
Resignation	6	4,19%
Dismissal	4	2,79%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	11	7,67%

Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written Warning	0
Dismissal	4
Total	5

Equity Target and Employment Equity Status

LEVELS	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	1	2	0	1	2	1	0	0
Professional qualified	6	8	0	1	2	1	1	1
Skilled	17	21	3	3	4	3	2	1
Semi-skilled	10	19	0	2	1	1	0	6
Unskilled	0	0	0	0	0	0	0	0
Total	34	50	3	7	9	6	3	8

LEVELS	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	1	1
Senior Management	3	1	0	0	0	0	0	1
Professional qualified	8	9	2	1	3	3	0	0
Skilled	32	23	3	2	2	1	0	3
Semi-skilled	31	25	8	7	3	3	1	1
Unskilled	0	0	0	0	0	0	0	0
Total	74	58	13	10	8	7	2	6

LEVELS	DISABLED STAFF			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	1	0	0
Skilled	0	0	1	1
Semi-skilled	0	2	2	2
Unskilled	0	0	0	0
Total	0	3	3	3

Personnel Cost by programme/Activity/Abjective

Programme/Activity/Objective	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of Total exp. (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
ADMIN	101 117	63 062	62%	77	819
SDP*	32 486	30 151	93%	51	591
ETQA	16 575	10 910	66%	15	727

Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	% of Personnel exp. to Total Personnel Cost (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Top Management	13 892	13,34%	7	1 985
Senior Management	28 712	27,58%	20	1 436
Professional qualified	6 586	6,33%	9	754
Skilled	39 216	37,66%	52	643
Semi-skilled	15 717	15,09%	55	286
Unskilled	0	0,00%	0	0
Total	104 123		143	584

* Employee numbers include terminations and appointments

Performance Rewards

Programme/Activity/Objective	Performance Rewards	Personnel Expenditure (R'000)	% of Performance Rewards to Total Personnel Cost (R'000)
Top Management	1027	13 892	7,39%
Senior Management	2206	28 712	7,68%
Professional qualified	601	6 586	9,13%
Skilled	3 900	39 216	9,94%
Semi-skilled	1391	15 717	8,85%
Unskilled	0	0	0,00%
Total	9 125	104 123	8,76%

Training Costs

Programme/Activity/Objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of Employees Trained	Avg Training Cost per Employee (R'000)
Administration (Finance; CS; RIME& OCEO	63 062	354	0,56%	91	3,89
SDP*	30 151	0	0,00%	0	
ETQA	10 910	0	0,00%	0	
Total	104 123	0	0,00%	91	3,89



FINANCIAL MANAGEMENT

PART E



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT on the Health and Welfare Sector Education and Training Authority

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Health and Welfare Sector Education and Training Authority set out on pages 112 to 157, which comprise the statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Health and Welfare Sector Education and Training Authority as at 31 March 2021, and its financial performance and cash flow for the year then ended in accordance with the standards of the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act of South Africa 1 of 1999 (PFMA) and the Skills Development Act of South Africa 97 of 1998 (SDA).

Basis for Opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The Accounting Authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA and the SDA, and for such internal control as the Accounting Authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Accounting Authority is responsible for assessing the public entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and Scope

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
11. My procedures address the usefulness and reliability of the reported performance information, which must be based on the public entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
12. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the public entity's annual performance report for the year ended 31 March 2021:

Programmes	Pages in the annual performance report
Programme 3 – Skills Development Programmes and Projects	30 – 54

13. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 3 – Skills Development Programmes and Projects.

Other matter

15. I draw attention to the matter below.

Achievement of planned targets

16. Refer to the annual performance report on pages 25 to 83 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Report on the audit of compliance with legislation

Introduction and Scope

17. In accordance with the PM and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
18. The material findings on compliance with specific matters in key legislation are as follows:

Annual Financial Statements

19. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the PFMA.
20. Material misstatements of grants and transfers payable - non-exchange transactions, employer grant and project expenses, and commitments identified during the audit in the submitted financial statements were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Other information

21. The Accounting Authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
22. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
23. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information

is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

24. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

25. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, findings on the annual performance report and the findings on compliance with legislation included in this report.
26. Oversight controls relating to financial statements were not always effective in detecting errors,

as material misstatements were. These misstatements could have been avoided had effective oversight been exercised regarding the operation of implemented controls.

27. Management did not implement adequate reviewing and monitoring controls of the annual financial statements before submission for auditing. This resulted in financial statements being subjected to material corrections after having been submitted for auditing.
28. Significant deficiencies were noted in the information technology system controls environment. These deficiencies could have been prevented had the effectiveness of information technology systems controls been adequately monitored throughout the year.

Auditor - General

Pretoria
31 July 2021



Auditing to build public confidence

Annexure - Auditor-General's Responsibility to Parliament for the Audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
 - conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on

the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Health and Welfare Sector Education and Training Authority to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Table of Contents

Annual Financial Statements

Statement of Financial Performance	112
Statement of Financial Position.....	113
Statement of Changes in Net Assets.....	114
Cash Flow Statement.....	115
Statement of Comparison Between Budget and Actual Expenditure	116
Notes to Financial Statements	119

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31 MARCH 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Non - Exchange Revenue	3	535 435	722 657
Skills Development Levy: income		525 425	716 245
Skills Development Levy: penalties and interest		10 010	6 412
Exchange Revenue		28 139	65 163
Investment income	4	25 874	64 330
Other income	5	2 265	833
Total revenue		563 574	787 820
EXPENSES			
Total expenses		992 900	893 517
Employer grant and project expenses	6	842 722	747 597
Administration expenses	7	150 178	145 920
Net Deficit for the year	2	(429 326)	(105 697)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		632 511	1 114 582
Statutory receivable: Non-exchange transactions	10.1	35 671	5 041
Accounts receivable: Exchange transactions	10.2	2 868	3 007
Prepayments and advances	9	1 348	2 279
Inventories	12	968	1 112
Cash and cash equivalents	13	591 656	1 103 143
Non-current assets		15 336	14 999
Property, plant and equipment	8.1	9 238	9 254
Intangible assets	8.2	6 098	5 745
TOTAL ASSETS		647 847	1 129 581
FUNDS AND LIABILITIES			
Current liabilities		122 018	174 426
Grants and transfers payable - Non exchange transactions	14.1	96 831	149 116
Trade & other payables: Exchange transactions	15.1	14 786	16 435
Provision for staff Bonuses	15.2	4 624	2 339
Levy exempt provision	16	5 776	6 535
NSF Funds received in Advance	17	1	1
Operating lease payables	25	-	-
Funds and reserves		525 829	955 155
Administration reserve		15 336	14 999
Employer grant reserve		-	-
Discretionary reserve		510 493	940 156
TOTAL FUNDS AND LIABILITIES		647 847	1 129 581

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2021

FUNDS AND RESERVES					
	Administration reserve R'000	Employer grant reserve R'000	Discretionary reserve R'000	Unappropriated surplus R'000	Total R'000
Surplus at 31 March 2019	13 492	-	1 047 360	-	1 060 852
Net deficit				(105 697)	(105 697)
Allocation of unappropriated surplus	30 637	40 495	(176 829)	105 697	-
Transfer from Employer reserves		(40 495)	40 495		-
Transfer to Discretionary reserves	(29 130)		29 130		-
Surplus at 31 March 2020	14 999	-	940 156	-	955 155
Net deficit				(429 326)	(429 326)
Allocation of unappropriated surplus	2 514	35 535	(467 375)	429 326	-
Transfer from Employer reserves		(35 535)	35 535		-
Transfer to Discretionary reserves	(2 177)		2 177		-
Surplus at 31 March 2021	15 336	-	510 493	-	525 829

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2021

	Note	2020/21 R'000	2019/20 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating activities			
Cash receipts from stakeholders		505 998	720 237
Levies, and penalties received		503 662	719 084
Other cash receipts from stakeholders		2 336	1 153
Cash paid to stakeholders, suppliers and employees		(1 040 436)	(827 522)
Grants and project payments		(921 074)	(691 722)
Compensation of employees		(93 091)	(87 964)
Payments to suppliers and other		(26 271)	(47 836)
Cash generated from operations	26	(534 438)	(107 286)
Investment income		25 874	64 330
Net cash (outflow) from operating activities		(508 564)	(42 956)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	8.1	(2 566)	(3 370)
Purchase of intangible assets	8.2	(357)	(270)
Disposal of property, plant and equipment			
Net cash (outflow) from investing activities		(2 923)	(3 640)
Net (decrease) in cash and cash equivalents		(511 487)	(46 596)
Cash and cash equivalents at the beginning of the year		1 103 143	1 149 739
Cash and cash equivalents at the end of the year	13	591 656	1 103 143

STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE

FOR THE YEAR PERIOD ENDED 31 MARCH 2021

Reference to explanations	2020-2021					2019-2020
	R'000	R'000	R'000	%	R'000	R'000
	Actual	Approved Adjusted Budget	Original Approved Budget	Variance between Actual and Adjusted budget	Variance between Actual and Adjusted budget	Prior year Actual
Total Levy Income	366 808	405 980	538 406	-9.65%	(39 172)	539 224
Levy - Mandatory	88 885	101 495	132 323	-12.42%	(12 610)	134 627
Levy - Discretionary	221 617	251 200	335 646	-11.78%	(29 583)	328 436
Levy - Administration	46 296	53 285	70 437	-13.12%	(6 989)	69 751
Levy Interest and Penalties	10 010	-	-	0.00%	10 010	6 410
Total Income - Government Departments	A 168 627	104 190	160 293	61.85%	64 437	183 433
Total Investment Income	25 874	30 663	69 022	-15.62%	(4 789)	64 330
	561 309	540 833	767 721	3.79%	20 476	786 987
Approved prior year surplus for utilisation		500 000				
Skills Development Levies Grant refund	121	-	-	-	-	148
Sundry income	2 144	-	-	-	-	685
Administration Expenditure	150 178	143 169	162 632	4.90%	7 009	145 920
Accommodation and Travelling	B 1 209	2 050	6 521	-41.02%	(841)	6 214
Advertising and Promotions	1 254	801	3 159	56.55%	453	1 602
Audit - External	3 218	2 761	3 241	16.55%	457	3 003
Audit - Internal	2 477	2 500	3 327	-0.92%	(23)	3 004
Bank charges	126	125	125	0.80%	1	124
Branding	C 1 804	500	1 329	260.80%	1 304	479
Catering and Refreshments	29	100	555	-71.00%	(71)	449
Cleaning	1 292	1 100	1 302	17.45%	192	1 158
Consulting Fees	929	552	527	68.30%	377	386
Courier & Postage	154	130	277	18.46%	24	175
Depreciation	2 586	2 633	2 633	-1.79%	(47)	2 133
Audit Committee costs	243	239	239	1.67%	4	270
Governance Costs	D 2 105	3 000	3 403	-29.83%	(895)	2 424
Insurance Premiums	492	665	665	-26.02%	(173)	505
Groceries	23	85	115	-72.94%	(62)	100
Lease charges	3	212	212	-98.58%	(209)	31
Legal fees	135	500	1 053	-73.00%	(365)	659

STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE *contd.*

FOR THE YEAR PERIOD ENDED 31 MARCH 2021

Reference to explanations	2020-2021					2019-2020
	R'000	R'000	R'000	%	R'000	R'000
	Actual	Approved Adjusted Budget	Original Approved Budget	Variance between Actual and Adjusted budget	Variance between Actual and Adjusted budget	Prior year Actual
Memberships & Subscriptions	703	527	527	33.40%	176	728
Motor Vehicle expenses	24	44	88	-45.45%	(20)	49
Office Move	99	1 053	1 053	-100.00%	(954)	-
Printing and Stationery	855	870	2 218	-1.72%	(15)	1 738
Programme evaluations and ETQA AQP	E 968	1 524	2 221	-36.48%	(556)	785
Quality Council for Trades and Occupations	3 488	3 580	3 580	-2.57%	(92)	3 294
Research costs	769	1 205	1 267	-36.18%	(436)	1 344
Recruitment costs	268	380	1 053	-29.47%	(112)	1 393
Rent Paid and storage	F 10 059	10 587	10 399	-4.99%	(528)	9 125
Repairs and Maintenance	19	120	157	-84.17%	(101)	110
Salaries	J 104 123	95 189	97 621	9.39%	8 934	92 643
Security	101	100	250	1.00%	1	76
Social responsibility	221	75	234	194.67%	146	37
Software licences and support	4 138	3 159	3 159	30.99%	979	3 141
Staff, Board Training and bursaries	439	1 001	1 963	-56.14%	(562)	801
Staff welfare and EAP	337	540	265	-37.59%	(203)	1 035
Telephone and faxes	G 1 379	1 789	2 034	-22.92%	(410)	2 029
Management of fraud hotline	35	35	45	0.00%	-	35
International benchmarking and research	-	-	1 053	0.00%	-	592
Water and Electricity, rates and taxes	1 416	1 852	2 035	-23.54%	(436)	1 684
Other consumables	323	100	212	223.00%	223	155
Write off of assets	-	106	106	-100.00%	(106)	-
Workshops	H 2 335	1 380	2 409	69.20%	955	2 410
Mandatory Grants	53 350	65 972	92 626	-19.13%	(12 622)	94 132
Project Expenditure - Discretionary Funds	I 789 372	828 692	509 463	-4.74%	(39 320)	653 465
Total grants	842 722	894 664	602 089	-	-51 942	747 597
Deficit before capital expenditure	(429 326)	3 000	3 000			(105 697)
CAPEX	2 923	3 000	3 000	-2.57%	(77)	3 640
Deficit	(432 249)	-	-			(109 337)

STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE *contd.*

FOR THE YEAR PERIOD ENDED 31 MARCH 2021

As reflected in note 18.1 to the Annual Financial Statements, formal approval was obtained from the National Treasury, in terms of the PFMA, to retain the surplus funds of 2019-2020. The original approved budget for 2020-21 was adjusted to include these surplus funds, that were planned to be spent in the current year to fund the release of commitments. This means the deficit does not represent unauthorised spending.

Commentary on material variances - 20% and R500 000 or more

A	Government levy income - Despite the negative effects of COVID-19, government levy income was higher than expected. This is due to timeous invoicing and constant follow-up of invoiced amounts.
B	Accommodation and travelling - As a result of the travel restrictions during the year and the implementation of the other communication methods, travel costs have decreased significantly.
C	Branding - The over-expenditure relates to the HWSETA engaging a service provider for the development of the Career Portal.
D	Governance costs - Virtual Board and Sub-Committee meetings have contributed to governance costs being lower than what was budgeted as no cost had to be incurred for Board member's travel and accommodation requirements. Furthermore, the Annual General Meeting (AGM) for 2019/20 was also hosted virtually thereby resulting in cost savings for the event.
E	Programme Evaluations and AQP - Evaluators and evaluations for the development, review and approval of learning material did not take place as planned during the financial year due to lack of response after a Request for Quotations had been sent out. This resulted in planned expenditure not being incurred.
F	Rent paid - The lower than budgeted rental is due to the planned office move for seven offices being delayed after the tender process did not yield the expected results. Only three out of the ten office tenders processes were successful.
G	Telephone and faxes - Lower than budgeted expenditure is due to staff being in the office less than what was assumed normal previously (i.e on a rotational basis due to COVID-19 protocols thus there is a decline in the use of landline phones).
H	Workshops - Expenditure due to ETQA workshops including communication of ETQA policies to stakeholders.
I	<p>Project expenditure on Discretionary Grants - Although this expenditure is over budget this was funded through reserves as depicted in commitments of previous years - Commitments note 19. It is almost impractical to predict the expenditure relating to employer grant and project expenses. Various factors influence the completion of projects and payments of tranches against a commitment. Amounts set aside for Discretionary Grants in the reserves have been approved in previous years by the DHET and NT. Factors that influence project deliverables include:</p> <ul style="list-style-type: none"> Statutory bodies setting standards - The start dates of projects are out of the control of the HWSETA as they are determined by Statutory bodies Recruitment by employers - Employers recruit at different times depending on their target market (e.g. some employers recruit from recently passed matriculants whilst others recruit from the unemployed and out of school youth). Misalignment of academic years - The academic year of Universities and TVET Colleges is not aligned to the HWSETAs (e.g. The first semester of Universities and TVET Colleges is the fourth quarter of the HWSETA Government Departments - Tender and learner recruitment processes taking longer thus making it difficult to forecast). <p>Also, the PFMA does not allow for the HWSETA to budget a deficit without approval. This makes it difficult to control Discretionary Grant disbursements as commitments were raised in previous financial years.</p>
J	Salaries - This expense is significantly above budget due to actual bonus payments being higher than expected. In light of the COVID-19 pandemic, SDL revenue collections for the current year was expected to be significantly lower due to the SDL contribution holiday granted to employers by the government. As a result, spending projections were adjusted downwards. Management's recognition of the bonus provision in the prior year was conservatively based on expectations of significantly decreased revenues. The administration income was not significantly impacted as expected and administration expenditure remains within the 10,5% limit. Actual bonus payments exceeded provisions created in the prior year, resulting in the spend being over budget.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2021

1. Accounting Policies to the Annual Financial Statements

1.1 Basis of Preparation

The principal accounting policies adopted in the preparation of these financial statements are set out below and are, in all material respects, consistent with those of the previous year, except as otherwise indicated.

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board, and the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999), and on the going concern basis. The HWSETA is a Public

Entity listed in schedule 3A to the PFMA. The HWSETA obtains its mandate from the Skills Development Act and provides this service to its sectors of Health and Social Development in South Africa.

The Annual Financial Statements have been prepared on a historical cost basis.

1.2 Going Concern Assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 New Accounting Pronouncements

Where applicable, the HWSETA has applied the following standards and interpretations, as they became effective in the year under review:

Standard/ Interpretation:	Effective date: Years beginning on or after	Impact
GRAP 34 - Separate Financial Statements	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 35 - Consolidated Financial Statements	01 April 2020	The objective of this standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 36 - Investment in Associates and Joint Ventures	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 37 - Joint Arrangements	01 April 2020	The objective of this Standard is to establish principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements). The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 38 - Disclosure of Interests in Other Entities	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 110 - Living and Non-living Resource	01 April 2020	This standard prescribes the recognition, measurement, presentation, and disclosure requirements for living resources; and disclosure requirements for non-living resources. The HWSETA does not have any business transactions that involve living resources.
IGRAP 20 - Accounting for adjustments to Revenue	01 April 2020	This interpretation clarifies the accounting for adjustments to: (a) exchange and non-exchange revenue charged in terms of legislation and similar means; and (b) interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal, or objection process.

1.4 Currency

These financial statements are presented in South African Rands since that is the currency in which most of the entity's transactions are denominated. All amounts are rounded to the nearest one thousand, unless otherwise stated.

1.5 Revenue Recognition

- Exchange revenue

Revenue is measured at fair value of the consideration received or receivable.

- Non-exchange transactions

Revenue from non-exchange transactions are recognised in accordance with GRAP 23 using the "assets and liabilities" approach. Non-exchange revenue transactions result in resources being received by the HWSETA, usually in accordance with a binding arrangement. When the HWSETA receives resources as a result of a non-exchange transaction, it recognises an asset and revenue in the period that the arrangement becomes binding and when it is probable that the HWSETA will receive economic benefits or service potential and it can make a reliable measure of the resources transferred.

When the resources transferred to the HWSETA are subject to the fulfilment of specific conditions, it recognises as asset and a corresponding liability. As and when the conditions are fulfilled, the liability is reduced and the revenue is recognised. The asset and the corresponding revenue are measured on the basis of the fair value of the asset on initial recognition.

Non-exchange transactions include the receipt of levy income, penalties and interest on such income levied by SARS, received by the HWSETA from the Department of Higher Education and Training. This income category also includes the receipt of levy income from Government Departments of Health and Social Development.

1.5.1 Non-exchange revenue - levy income

In terms of section 3(1) and 3(4) of the Skills Development Levies Act, 1999 (Act No. 9 of 1999), registered member companies of the HWSETA pay a Skills Development Levy of 1% of the total payroll cost to the South African Revenue Services (SARS), who collects the levies on behalf of the Department of Higher Education and Training. Companies with an annual payroll cost of less than R500 000 are exempted in accordance with section 4(b) of the Levies Act as amended, effective 01 August 2005.

Eighty percent (80%) of skills development levies are paid to the HWSETA (net of the twenty percent contribution to the National Skills Fund) as a direct charge against the National Revenue Fund.

A net receivable / payable is recognised for SARS adjustments. An estimate as a result of retrospective

adjustments by SARS due at year-end is based on historical trends and actual data where these amounts are available subsequent to year end. Changes to prior year estimates are accounted for in revenue in the current period.

The HWSETA refunds amounts to employers in the form of Grants, based on information from SARS. Where SARS retrospectively amends the information on levies collected, it may result in Grants that have been paid to certain employers that are in excess of the amount the HWSETA is permitted to have granted to employers. A receivable relating to the overpayment to the employer in earlier periods is raised at the amount of such Grant over-payment, net of bad debts and provision for irrecoverable amounts.

Revenue is adjusted for inter-SETA transfers due to employers changing SETA's. Such adjustments are separately disclosed as inter-SETA transfers. The amount of the inter-SETA adjustment is calculated according to the Standard Operating Procedure issued by the Department of Higher Education and Training issued June 2001.

Exempted employers

An employer who is liable to pay the levy is exempted, if during any month, there are reasonable grounds for believing that the total remuneration (as determined in accordance with the Act) paid or payable by that employer to all its employees during the following 12 month period will not exceed R500 000. The HWSETA recognises a payable in respect of SDL levy refunds due to Levy exempt employers. This payable is a provision based on levies received from possible Levy exempt entities.

When a new employer is transferred to the HWSETA, the levies transferred by the former SETA are recognised as revenue and allocated to the respective category to maintain its original identity.

Interest and penalties – non-exchange revenue

Interest and penalties on the Skills Development Levy is recognised when it is received. This is recognised as non-exchange transactions.

Investment income – exchange revenue

Interest income from investments including fixed deposits and cash held in current accounts, is accrued on a time proportion basis, taking into account the principal outstanding and the effective interest rate over the period to maturity.

1.5.2 Government levy income – non-exchange revenue

In accordance with the Cabinet Circular of 2012, Government Departments pay 30% of 1% of their annual payroll budget to a SETA effective 01 April 2013. The 30% received by the HWSETA is utilised as follows:

10% - Administration costs of the HWSETA
20% - Discretionary Grants and projects.

1.5.3 Government grants and other donor income – Non-exchange revenue

Funds transferred by the National Skills Fund (NSF) are accounted for in the financial statements of the HWSETA as a liability until the related eligible special project expenses are incurred, when the liability is utilised the revenue is recognised as income in the statement of financial performance.

Property, plant and equipment acquired because of government projects are capitalised in the financial statements of the HWSETA, as the HWSETA controls such assets for the duration of the project. Such assets are disposed of in terms of agreement with the donor.

Conditional government grants and other conditional donor funding received are recorded as deferred income when they become receivable and are then recognised as income on a systematic basis over the period necessary to match the grants with the related costs which they are intended to compensate.

Unconditional grants received are recognised when the amounts have been received.

1.5.4 Levy exempt income – non-exchange revenue

Levy exempt income is monies received from employers who are exempt from paying SDL levies. As per the Skills Development Circular 09/2013, the HWSETA transfers all monies received from levy exempt employers to Discretionary Grant income after the expiry date of five years from date of receipt of the funds, if not refunded to the respective employer through the SARS system.

1.6 Grants and Project Expenditure

A registered employer company or organisation may recover a maximum of 69.5% of its total levy payment by complying with the grant criteria in accordance with the Skills Development Regulations issued in terms of the Skills Development Act 1999 (Act No. 9 of 1999). A refund of 20% would be for participation in Mandatory Grants, and 49.5% for participation in Discretionary Grants.

Mandatory Grants

The grant payable and the related expenditure are recognised when the employer has submitted an application for a grant in the prescribed form within the agreed upon cut-off period and the application have been approved as the payment then becomes probable. The grant is equivalent to 20% of the total levies paid by the employer during the corresponding financial period for the skills planning grant and skills implementation grant.

Discretionary Grants and project expenditure

The HWSETA may, out of any surplus monies, determine and allocate Discretionary Grants to employers, education and training providers and

workers of the employers who have submitted an application for a Discretionary Grant funding in the prescribed form within the agreed upon cut-off period. The Discretionary Grant payable and the related expenditure are recognised when the application has been approved and the conditions are met.

Project expenditure comprise:

- costs that relate directly to the specific project;
- costs that are attributable to contract activity in general and can be allocated to the project; and
- such other costs as are specifically chargeable to the SETA under the terms of the contract.

Such costs are allocated using methods that are systematic and rational and are applied consistently to all costs having similar characteristics.

Discretionary Grants and project costs are recognised as expenses in the period in which they are incurred. A receivable is recognised net of a provision for irrecoverable amounts for incentive and other payments made to the extent of expenses not yet incurred in terms of the contract.

Grant payments and projects

A provision is recognised for grant payments once the specific criteria set out in the regulations to the Skills Development Act No. 97 of 1998 have been complied with by member companies and it is probable that the HWSETA will approve the payment. The measurement of the obligation involves an estimate, based on the established pattern of past practice of approval for each type of grant.

No provision is made for projects approved at year-end, unless the service in terms of the contract has been delivered or the contract is of an onerous nature. Where a project has been approved, but has not been accrued for or provided for, it is disclosed as commitments in the notes to the financial statements.

1.7 Employee Benefits

Salaries and wages

Salaries and wages are recognised on an undiscounted basis as expenditure in the statement of financial performance.

Leave

The HWSETA recognised a liability and an expense for accumulating leave as and when employees render services that entitle them to leave days. The amount of the liability and expense is determined as the additional amount payable as a result of the unused leave days owing to employees at the end of the period.

Performance bonuses

A liability and expenses is recognised for performance bonuses when a reliable estimate can be made of the amount to be paid as performance bonuses. A reliable estimate can only be made when performance

assessments have been completed in terms of the Performance Measurement Policy and the bonus value has been approved. This process starts and is completed after year-end.

Post-retirement benefits

The HWSETA provides a defined contribution plan as post-retirement benefits to its employees.

The HWSETA recognises a liability for any contributions owing to the fund at the end of the period and recognises the amount of contributions that were paid or due to the plan during the reporting period as an expense.

1.8 Commitments

Commitments are disclosed in the notes to the Annual Financial Statements and are not raised as liabilities and is where the HWSETA has, in the normal course of its operations, entered into a contractual agreement with entities related to project expenses or capital expenditure, or where there is a conditional letter of approval of funds. Commitments are measured at the amount that the entity would rationally pay to settle the obligation or to transfer it to a third party at the reporting date.

1.9 Irregular and Fruitless and Wasteful Expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

- The PFMA of 1999; and
- The Skills Development Act of 1998,

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular expenditure or fruitless and wasteful expenditure is charged against the respective class of expenditure in the period in which they are incurred and disclosed in a note in the period that it is identified.

Irregular expenditure or fruitless and wasteful expenditure is incurred when the resulting transaction is recognised in the accounting records. It is disclosed in a note in the Financial Statements when it has been identified and confirmed as irregular expenditure or fruitless and wasteful expenditure.

Where an instance of irregular expenditure or fruitless expenditure has been identified, the incident is investigated and recorded in the register, reported to the Board, recovery process implemented, and if irrecoverable, condonation and write-off in terms of the National Treasury Irregular Expenditure Framework.

Irregular expenditure or fruitless and wasteful expenditure is de-recognised when it is either recovered, condoned by the National Treasury, removed or written off by the Accounting

Authority in line with the framework issued by the National Treasury:

- a) Treasury Instruction Note No. 2 of 2019/2020 Irregular expenditure.
- b) Treasury Instruction Note No. 3 of 2019/2020: Fruitless and wasteful expenditure.

1.10 Property, Plant and Equipment

Property, plant and equipment (owned and leased) are initially recognised at cost and subsequently at cost less accumulated depreciation and adjusted for any impairments.

Initial recognition

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- a) It is probably that the future economic benefits or service potential associated with the item will flow to the entity, and
- b) The cost or fair value of the item can be measured reliably.

Depreciation

Depreciation is calculated on the straight-line method to write off the cost of each asset to estimated residual value over its estimated useful life as follows:

- Computer equipment	3 - 3 to 6 years
- Motor vehicles	5 to 10 years
- Office furniture and fittings	10 to 20 years
- Office equipment	6 to 10 years
- Leased assets	Depreciated over the lease period

1.11 Intangible Assets

Internally generated fixed assets – initial recognition

The HWSETA recognises the development of the HWSETA ERP system as Internally Generated Software. All expenses that are measurable and clearly identifiable to the development of the ERP system have been capitalised to the cost of Internally Generated Software as and when incurred. The following costs are capitalised to the cost of the asset:

- a) Materials and services consumed in the development effort, such as third-party development fees, software purchase costs, and travel costs related to development work; and
- b) The payroll costs of those employees directly associated with software development.

Subsequent measurement

The HWSETA ERP system is subsequently measured using the cost model. The HWSETA has considered various factors in assessing the lifespan of the ERP system developed. Management expects continued service potential of the ERP system as long as the SETA sector is in existence. There are limited Processing and Reporting systems currently in the market that are able to meet the operational needs

of SETAs. Based on the latest promulgations by the Minister of Higher Education, Science and Technology, SETAs will have an indefinite lifespan. The HWSETA system has thus been assessed to have an indefinite lifespan and as such will not be amortised.

Other intangible assets

Initial recognition

An intangible asset shall be recognised as an asset if, and only if:

- a) It is probably that the future economic benefits or service potential associated that are attributable to the asset will flow to the entity, and
- b) The cost or fair value of the item can be measured reliably.

Subsequent measurement

After the initial recognition, an item or intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment.

Acquired computer software licences and computer application packages are capitalised on the basis of the costs incurred and bring to use the specific software. These costs are amortised using the straight-line method, over their estimated useful lives.

Computer software	- 3 to 6 years
Computer Software Licences	- over the period of the licence

The useful lives and residual values are estimated on an annual basis at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment

Intangible assets are reviewed regularly to assess whether there is any indication of impairment and where the carrying amounts of intangible assets are greater than their recoverable service amounts, these assets are written down to these recoverable service amounts. The recoverable service amount is the greater of the fair value of the intangible asset less costs to sell or the value in use. Amortisation and impairment losses are included in the statement of financial performance.

De-recognition of other intangible assets

An intangible asset shall be de-recognised:

- a) On disposal (including disposal through a non-exchange transaction); or
- b) When no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the de-recognition of an intangible asset item is included in surplus or deficit when the item is de-recognised. The gain or loss arising from the de-recognition of an intangible asset item is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Costs associated with developing or maintaining computer software programmes are recognised as an expense when incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the HWSETA, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Amortisation of such costs will be amortised from the time of bringing the asset into use over the estimated life of the asset.

Research and development

An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, it can demonstrate all of the following:

- a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b) The intention to complete the intangible asset and use or sell it;
- c) The ability to use or sell the intangible asset;
- d) How the intangible asset will generate probable future economic benefits or service potential. Among other things, the entity can demonstrate the existence of the market for the output of the intangible asset or the intangible asset itself or if it is used internally, the usefulness of the intangible asset; and
- e) The availability of adequate technical, financial and other resources to complete the development and use or sell the intangible asset.

1.12 Inventories

Initial recognition

Inventories are initially measured at cost and shall be recognised as an asset if, and only if:

- (a) It is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- (b) The cost of the inventories can be measured reliably.

Subsequent measurement

Inventories are subsequently measured at the lower of cost and current replacement cost. Cost is determined on the first-in-first-out (FIFO) basis. Current replacement cost is the cost that the entity would incur to acquire the asset on the reporting date. The HWSETA holds inventory for consumption in the production process of goods to be distributed at no charge.

1.13 Leasing

Finance leases are leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Legal title may or may not eventually be transferred. An operating lease is a lease other than a finance lease.

The HWSETA as a lessee

In respect of an operating lease periodic payments are made to the lessor in return for the use of the asset.

These periodic payments are recognised in equal instalments (the straight-line basis) as an expense over the period of the lease, and not based on actual cash payments.

1.14 Contingent Liabilities

Contingent liabilities are disclosed when the HWSETA has a possible obligation that will probably result in an outflow of economic benefits depending on occurrence or non-occurrence of a future event. Disclosed amounts in respect of contingent liabilities are measured on the basis of the best estimate, using experience of similar transactions or reports from independent experts.

1.15 Impairment of Assets

Impairment is the loss in the future economic benefits or service potential of an asset over and above the systematic recognition of the loss through depreciation or amortisation. All HWSETA assets are non-cash generating.

Property, plant and equipment and intangible assets are annually assessed, by considering internal and external factors where there is an indication of impairment. If any such indication exists, the recoverable service amount of the asset is estimated at the higher of fair value less cost to sell and its value in use.

The assets value in use is determined using one of three approaches, namely, depreciated replacement cost, restoration cost or service units. The approach selected will be determined by the availability of the data and the nature of the impairment.

An impairment loss is recognised whenever the carrying amount exceeds the recoverable service amount.

A previously recognised impairment loss is only reversed if there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognised in previous years.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.16 Provisions

Initial recognition

Provisions are recognised when the HWSETA has a present obligation as a result of a past event and it is probable that this will result in an outflow of economic benefits or service potential that can be estimated reliably. The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

Subsequent recognition

Provision shall be reviewed at each reporting date and adjusted to reflect the current best estimate. It is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be reversed.

1.17 Financial Instruments

Initial recognition

Financial assets and financial liabilities are recognised on the HWSETA statement of financial position when the HWSETA becomes a party to the contractual provisions of the instrument. All regular way purchases and sales of financial assets are initially recognised using trade date accounting.

Initial measurement

Financial instruments are initially measured at fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs directly attributable to the acquisition or issue of the financial asset or liability.

Financial assets

The HWSETA's principal financial assets are cash and cash equivalents and accounts receivables.

Accounts and other receivables

Accounts and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the HWSETA will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the receivables carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The movement in the provision is recognised in the Statement of Financial Performance.

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, investments and deposits held by the HWSETA with the Corporation for Public Deposits (CPD) and domestic banks. Cash and cash equivalents are measured at amortised cost.

Financial liabilities

The HWSETA principal financial liabilities are accounts and other payables.

All financial liabilities are measured initially at fair value and include transaction costs where appropriate. After initial recognition, all financial liabilities are measured at amortised cost using the effective interest rate method.

De-recognition

A financial asset or a portion thereof is de-recognised

when the HWSETA realises the contractual rights to the benefits specified in the contract, the rights expire, and the HWSETA surrenders those rights or otherwise loses control of the contractual rights that comprise the financial asset. On de-recognising, the difference between the carrying amount of the financial asset and the sum of the proceeds receivable and any prior adjustment to reflect the fair value of the asset that had been reported in equity is included in net surplus or deficit for the period.

A financial liability or a part thereof is derecognised when the obligation specified in the contract is discharged, cancelled, or expires. On derecognising, the difference between the carrying amount of the financial liability, including related unamortised costs, and the amount paid for it is included in net surplus or deficit for the period.

Fair value considerations

The fair values at which financial instruments are carried at the balance sheet date have been determined using available market values. Where market values are not available, fair values will be calculated by discounting expected future cash flows at prevailing interest rates where material.

Offsetting

Financial assets and financial liabilities are offset if there is any intention to realise the asset and settle the liability simultaneously and a legally enforceable right to set off exists.

1.18 Reserves

Net assets are sub-classified in the Statement of Financial Position between the following funds and reserves:

- Administration reserve

This is the reserve maintained for the operational and running costs of the HWSETA.

- Employer Grant reserve

This is the reserve maintained for the paying back to employers a percentage of the contributed levies after they satisfy the specific criteria set out in the Act.

- Discretionary Grant reserve

This is the reserve set out of surplus monies for use on special projects which the HWSETA deem suitable in fulfilling its objectives as set out in the Act.

- Accumulated surplus / deficit

This is the reserve arising out of operations and is reallocated at the end of the year to the above reserves on the basis set out below.

This sub-classification is made based on the restrictions placed on the distribution of monies received in accordance with the regulations issued in terms of the Skills Development Act, member employer company levy payments are set aside in terms of the

Skills Development Act and the regulations issued in terms of the Act, for the purpose of:

	2020/21	2019/20
	%	%
Administration cost of the HWSETA	10.5	10.5
Employer grant fund levy	20	20
Discretionary Grant and projects Received by the HWSETA	49.5	49.5
Contribution to the National Skills Fund	80	80
	20	20
	100	100

In addition, contributions received from public service employers in the national or provincial spheres of government may be used to pay for its administration costs.

Interest and penalties received from SARS as well as interest received on investments are utilised for Discretionary Grants and projects. Other income received are utilised in accordance with the original source of the income.

The amount retained in the administration reserve equates to the net book value of property, plant and equipment and intangible assets.

The net surplus/deficit is allocated to the administration reserve, the Mandatory Grant reserve and the Discretionary fund reserve based on the above.

Surplus funds are moved to the Discretionary fund reserve from the administration reserve on the HWSETA's Board approval after prior written approval from the National Treasury and from the Mandatory Grant on fulfilment of the HWSETA's payment obligations.

1.19 Taxation

The HWSETA is exempt from Income Tax in terms of section 10 of the Income Tax Act, 1962 (Act No. 58 of 1962).

1.20 Comparative Amounts

Where necessary, comparative amounts are adjusted to conform to changes in the presentation. No comparatives were restated in the current year.

1.21 Presentation of Budget Information in the Financial Statements

The HWSETA presents a comparison of the budget amounts for which it is held publicly accountable and actual amounts as a separate financial statement in the Annual Financial Statements.

The comparison of budget and actual amounts are presented separately for each level of legislative oversight:

- a) The original approved and final approved budget amounts;

- b) The actual amounts on a comparable basis; and
- c) By way of note disclosure and explanations of material differences between the budget for which the entity is held publicly accountable and actual amounts. The budget covers the period 01 April 2020 to 31 March 2021 and has been prepared on the accrual basis of accounting.

1.22 Related Parties

An entity or individual is considered to be a related party to the HWSETA when the party has the ability to control the HWSETA or can exercise significant influence over the HWSETA in making financial and operating decisions, or if the party and the HWSETA are subject to common control.

1.23 Key Accounting Judgements

In the application of the HWSETA's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on past experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future period. The key accounting judgements include:

Non-exchange receivables

The calculation in respect of the impairment of non-exchange transactions is based on an assessment of the extent to which receivables have defaulted on payments already due, and an assessment of their ability to make payments based on their credit worthiness or other information available. This was performed across all classes of these receivables. A receivable relating to overpayments made in earlier periods is recognised at the amount of the grant overpayment, net of bad debts and allowance for irrecoverable amounts.

Exchange receivables

The HWSETA assesses its sundry debtors for impairment at the end of each accounting period. In determining whether an impairment loss should be recorded, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Non-exchange payables

Payables from non-exchange transactions are stated at their nominal value. The carrying amount of these

payables approximates fair value due to the short period of maturity of these instruments.

Exchange payables

Payables from exchange transactions are stated at their nominal value. The carrying amount of these payables approximates fair value due to the short period of maturity of these instruments.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosures of these estimates of provisions is included in note 1.16 – Provisions.

Levy exempt employers

A provision for levy exempt employers is made annually based on the identification of levy exempt employers based on information available from these entities, and the amounts of contributions received from employers who have not been specifically identified as being levy exempt. The change in any estimate is also affected by prior scheme year levy reversals that occurred in the current year.

Property, plant and equipment and intangible assets

The useful lives of assets are based on management's estimation. Management considers the impact of technology, condition of the asset, obsolescence, and service requirements to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

The following values in the Annual Financial Statements have been judgementally derived:

- a) Depreciation of property, plant and equipment, and amortisation of intangible assets;
- b) Provision for doubtful debts from non-exchange transactions; and
- c) Provision for Levy Exempt Employers.

1.24 Events after Reporting Date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue.

Two types of events can be identified:

- a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- b) Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The HWSETA will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The HWSETA will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.25 Statutory Receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset. Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts de-recognised.

Statutory receivable arise from levies that are due to the HWSETA from government departments in line with the Grant Regulations.

Recognition

The HWSETA recognises statutory receivables as follows:

- a) If the transaction is an exchange transaction, using the policy on revenue from exchange transactions;
- b) If the transaction is a non-exchange transaction, using the policy on revenue from non-exchange transactions (taxes and transfers); or
- c) If the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the HWSETA and the transaction amount can be measured reliably.

Initial measurement

The HWSETA initially measures statutory receivables at their transaction amount.

Subsequent measurement

The HWSETA measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- a) Impairment losses; and
- b) Amounts de-recognised.

Accrued interest

The HWSETA does not charge interest on Mandatory receivables because the collecting agent (SARS) charges interest on late payments of levies.

Impairment losses

The HWSETA assesses at each reporting date, whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables may be impaired, the HWSETA considers, as a minimum, the following indicators:

- a) Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent;
- b) It is probable that the debtor will enter sequestration, liquidation or other financial reorganisation;
- c) A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied); and
- d) Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, changes in migration rates and patterns, or long outstanding receivables beyond 120 days and there has not been any recovery over a year.

If there is an indication that a statutory receivable, or a group of statutory receivables may be impaired, the HWSETA measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, the HWSETA considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

De-recognition

The HWSETA de-recognises a statutory receivable, or a part thereof, when:

- a) The rights to the cash flows from the receivable are settled, expire or are waived;
- b) The HWSETA transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- c) The HWSETA, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

In this case, the entity:

- i) de-recognises the receivable; and
- ii) recognises separately, any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts de-recognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

2 ALLOCATION OF NET SURPLUS FOR THE YEAR TO RESERVES 31 MARCH 2021

	Total per Statement of Financial Performance R'000	Administration Reserve R'000	Employer Grant Reserve R'000	Discretionary Grant Reserve R'000
Total revenue	563 574	152 692	88 885	321 997
Skills Development Levy: income				
Admin levy income (10.5%)	46 296	46 296	-	-
Grant levy income (69.5%)	310 502	-	88 885	221 617
Government levy income	168 627	104 131	-	64 496
Skills Development Levy: penalties and interest	10 010	-	-	10 010
Investment income	25 874	-	-	25 874
Other income	2 265	2 265	-	-
Total expenses	(992 900)	(150 178)	(53 350)	(789 372)
Administration expenses	(150 178)	(150 178)	-	-
Employer grants and project expenses	(842 722)	-	(53 350)	(789 372)
Net deficit per the Statement of Financial Performance	(429 326)	2 514	35 535	(467 375)

The amounts reflected on the note do not represent actual cash flows. Instead, these amounts were prepared on an accrual basis in line with Generally Recognised Accounting Practice (GRAP).

2 ALLOCATION OF SURPLUS FOR THE YEAR TO RESERVES AS AT 31 MARCH 2020

	Total per Statement of Financial Performance R'000	Administration Reserve R'000	Employer Grant Reserve R'000	Discretionary Grant Reserve R'000
Total revenue	787 820	176 557	134 627	476 636
Skills Development Levy: income				
Admin levy income (10.5%)	69 751	69 751	-	-
Grant levy income (69.5%)	463 063	-	134 627	328 436
Government levy income	183 433	105 973	-	77 460
Skills Development Levy: penalties and interest	6 410	-	-	6 410
Investment income	64 330	-	-	64 330
Other income	833	833	-	-
Total expenses	(893 517)	(145 920)	(94 132)	(653 465)
Administration expenses	(145 920)	(145 920)	-	-
Employer grants and project expenses	(747 597)	-	(94 132)	(653 465)
Net deficit per the Statement of Financial Performance allocated	(105 697)	30 637	40 495	(176 829)

The amounts reflected on the note do not represent actual cash flows. Instead, these amounts were prepared on an accrual basis in line with Generally Recognised Accounting Practice (GRAP).

3 NON- EXCHANGE REVENUE

	2020/21 R'000	2019/20 R'000
Levy income: Administration	150 427	175 724
Levies received	150 427	175 724
Levies received from SARS	46 296	69 751
Government levies received	104 131	105 973
Inter-SETA transfers in	-	-
Inter-SETA transfers out	-	-
Levy income: Employer Grants	88 885	134 627
Levies received	88 885	134 627
Levies received from SARS	88 885	134 627
Inter-SETA transfers in	-	-
Inter-SETA transfers out	-	-
Levy income: Discretionary Grants	296 123	412 306
Levies received	296 123	412 306
Levies received from SARS	221 617	327 316
Government levies received	64 496	77 460
Transfer from Levy Exempt	-	1 120
Interest	6 104	2 209
Penalties	3 906	4 201
Inter-SETA transfers in	-	-
Inter-SETA transfers out	-	-
Total Skills Development Levy Income	535 435	722 657

4 INVESTMENT INCOME

	2020/21 R'000	2019/20 R'000
Interest income from banking institutions	25 874	64 330
	25 874	64 330

5 OTHER INCOME

	2020/21 R'000	2019/20 R'000
Mandatory Grants received from Services SETA	121	148
Proceed from EPL insurance	-	289
Recovery of irregular expenditure	-	24
Write-off of old debts due to prescription	2 144	372
	2 265	833

6 EMPLOYER GRANT AND PROJECT EXPENSES

	2020/21 R'000	2019/20 R'000
Mandatory Grants	53 350	94 132
Movement in provision	(12 925)	7 820
Disbursed	66 275	86 312
Discretionary Grants	789 372	653 465
Disbursed	789 372	653 465
	842 722	747 597

7 ADMINISTRATION EXPENSES

Note	2020/21 R'000	2019/20 R'000
Depreciation	8.1 2 582	2 007
Amortisation of Intangible assets	8.2 4	126
Operating lease	9 732	9 141
Buildings	9 729	9 110
Plant, machinery and equipment	3	31
Maintenance, repairs and running costs	19	110
Property and buildings	9	80
Machinery and equipment	10	30
Quality Council for Trades and Occupations (QCTO)	3 488	3 294
Research costs	769	1 344
Advertising, marketing, promotions and communication	1 254	1 602
Consultancy and service provider fees	929	386
Legal fees	135	659
Cost of employment	7.1 104 123	92 643
Travel and subsistence and accommodation	1 209	6 214
Staff training and development	354	472
Remuneration to members of the Accounting Authority	2 105	2 424
Remuneration to members of the audit committee	243	270
External auditor's remuneration	3 218	3 003
	20 014	22 225
Workshops	2 335	2 410
Internal audit fees	2 477	3 004
Courier and postage	154	175
Telephone	1 379	2 029
Programme evaluations and AQP	968	785
Management of Fraud hotline	35	35
Printing and stationery	855	1 713
Staff welfare	337	1 035

7 ADMINISTRATION EXPENSES *contd.*

	2020/21 R'000	2019/20 R'000
Office cleaning	1 292	1 158
Insurance	492	505
Motor vehicle expenses	24	49
Social responsibility	221	37
Software support	4 138	3 141
Storage	330	15
Subscriptions	703	728
Staff bursaries	85	329
Security	101	76
Water and electricity, rates and taxes	1 416	1 684
Recruitment costs	268	1 393
Bank charges	126	124
Branding	1 804	479
Other consumables	323	155
Write-off of small assets	-	25
POPI compliance	-	-
International benchmarking	-	592
Catering and refreshments	29	449
Office move	99	-
Groceries	23	100
	150 178	145 920

7.1 COST OF EMPLOYMENT

	2020/21 R'000	2019/20 R'000
Salaries and wages	88 147	79 141
Basic salaries	75 879	65 843
Salary benchmarking		1 364
Severance Pay	-	626
Performance awards	9 125	6 808
Temporary staff and interns	1 771	2 757
Leave expense	1 372	1 743
Social contributions	15 976	13 502
Medical aid allowance	2 913	2 617
Provident fund - additional benefits	2 234	-
Provident fund contributions: defined contribution plan	8 513	9 420
SDL Levies	620	782
UIF	269	251
Workmens Compensation	178	95
Other salary related costs - cell phone allowances	1 249	337
	104 123	92 643
Number of permanent employees at period end		
Permanent	143	143
Temporary	17	1
Internships	6	19

8.1 PROPERTY, PLANT AND EQUIPMENT

	Cost R'000	Accumulated depreciation/ impairment R'000	Closing carrying amount R'000
Period ended 31 March 2021			
Computer equipment	9 966	(7 248)	2 718
Office furniture and fittings	6 208	(2 998)	3 210
Office equipment	6 904	(3 779)	3 125
Motor vehicles	892	(707)	185
Balance at end of year	23 970	(14 732)	9 238
Made up as follows:			
- Owned assets	23 970	(14 732)	9 238
Period ended 31 March 2020			
Computer equipment	8 529	(5 581)	2 948
Office furniture and fittings	5 995	(2 666)	3 329
Office equipment	5 988	(3 263)	2 725
Motor vehicles	892	(640)	252
Balance at end of year	21 404	(12 150)	9 254
Made up as follows:			
- Owned assets	21 404	(12 150)	9 254

There are no restrictions on any item of property, plant and equipment

Movement summary 31 March 2021	Carrying amount 2020 R'000	Additions R'000	Disposals R'000	Depreciation charge/ impairment loss R'000	Carrying amount 2021 R'000
Computer equipment	2 948	1 436	-	(1 666)	2 718
Office furniture and fittings	3 329	213	-	(332)	3 210
Office equipment	2 725	917	-	(517)	3 125
Motor vehicles	252	-	-	(67)	185
Balance at end of year	9 254	2 566	-	(2 582)	9 238

Disposals: Computer equipment with a cost of R814 047 and a carrying value of R 14 has been identified for disposal in early 2021/22 financial year.

Movement summary 31 March 2020	Carrying amount 2019 R'000	Additions R'000	Disposals R'000	Depreciation charge R'000	Carrying amount 2020 R'000
Computer equipment	1 367	2 722	-	(1 141)	2 948
Office furniture and fittings	3 502	141	-	(314)	3 329
Office equipment	2 676	507	-	(458)	2 725
Motor vehicles	346	-	-	(94)	252
Balance at end of year	7 891	3 370	-	(2 007)	9 254

Disposals: Computer equipment with a cost of R561 626 and a zero carrying value has been identified for disposal in early 2020/21 financial year. In addition, office equipment with a cost of R557 152, that has almost reached the end of their useful life have also been identified for disposal.

8.2 INTANGIBLE ASSETS

	Cost R'000	Accumulated depreciation/ impairment R'000	Closing carrying amount R'000
Period ended 31 March 2021			
Internally generated software	6 186	(88)	6 098
Other software	-	-	-
Balance at end of year	6 186	(88)	6 098
Made up as follows:			
Owned assets	6 186	(88)	6 098

Other software consists mainly of Teamviewer.
There are no restrictions on any recognised item of intangible assets.

	Cost R'000	Accumulated depreciation/ impairment R'000	Closing carrying amount R'000
Year ended 31 March 2020			
Internally generated software	5 721	-	5 721
Other software	1 142	(1 118)	24
Balance at end of year	6 863	(1 118)	5 745
Made up as follows:			
Owned assets	6 863	(1 118)	5 745

Movement summary 31 March 2021	Carrying amount 2020 R'000	Additions R'000	Disposals R'000	Amortisation charge R'000	Carrying amount 2021 R'000
Internally generated software	5 580	357	-	(4)	5 933
Other software	165	-	-	-	165
Balance at end of year	5 745	357	-	(4)	6 098

Disposals: Computer software with a zero carrying value, costing R1 033 651 has been written-off during the current year as these software reached the end of their license period.

Movement summary	Carrying Amount 2019	Additions	Disposals	Amortisation Charge	Carrying Amount 2020
31 March 2020	R'000	R'000	R'000	R'000	R'000
Internally generated software	5 310	270	-	-	5 580
Other software	291	-	-	(126)	165
Balance at end of year	5 601	270	-	(126)	5 745

The HWSETA has recognised the development of the HWSETA ERP system as Internally Generated Software. The HWSETA has considered various factors in assessing the lifespan of the ERP system developed. Management expects continued service potential of the ERP system as long as the SETA sector is in existence. There are limited Processing and Reporting systems currently in the market that are able to meet the operational needs of SETAs. Based on the latest promulgations by the Minister of Higher Education, Science and Technology, SETAs will have an indefinite lifespan. The HWSETA system has thus been assessed to have an indefinite lifespan and as such will not be amortised. Software in nature can become obsolete over time if no upgrades are made to the system. After consideration of the current operational capability of the ERP Oodo system, management is confident that there is no impairment. In addition HWSETA fully intends to keep up to date with all upgrades.

Disposals: Computer software with a zero carrying value, costing R556 203 has been identified to be written off during the current year as these software reached the end of their license period.

9 PREPAYMENTS AND ADVANCES

Prepayments and Advances	2020/21	2019/20
	R'000	R'000
Insurance premium	236	321
Office rental in advance	713	793
ERP deposit - Finance module	-	247
Subscriptions and other supplier deposits	399	918
Closing balance	1 348	2 279

10.1 STATUTORY RECEIVABLE: NON-EXCHANGE TRANSACTIONS

	Note	2020/21	2019/20
		R'000	R'000
Inter-SETA debtors	25	1 392	18
SARS levy reversals - Employer Mandatory Grant over-paid	11	4 038	3 979
Government levy receivables		34 164	3 988
Provision for doubtful debts		(3 923)	(2 944)
		35 671	5 041

In accordance with the Cabinet Circular of 2012, Government Departments of Health and Social Development pay 30% of 1% of their annual payroll budget to the HWSETA, effective 01 April 2013. At year-end government levies that are due but not yet received are recognised as receivables in the Annual Financial Statements.

Reconciliation of movement in doubtful debts		
Opening balance	(2 944)	(3 020)
Movement- in provision created	(979)	76
Closing balance	(3 923)	(2 944)

10.2 ACCOUNTS RECEIVABLE: EXCHANGE TRANSACTIONS

	2020/21	2019/20
	R'000	R'000
Interest receivable on cash balances	118	992
Net Receivables	-	107
Other receivables	-	107
Less: Provision for bad debts	-	-
Staff receivables - salary advances	745	75
Office rental deposits	1 215	1 215
Staff study assistance/bursaries	790	618
Total receivables	2 868	3 007

11 EMPLOYER OVERPAID

Included in Skills Development Levy debtors is:	2020/21	2019/20
SARS receivable/(payable)	R'000	R'000
Opening carrying amount	3 979	4 518
Net effect of SARS Adjustments on levies for the current year	59	(539)
Closing carrying amount	4 038	3 979

12 INVENTORIES

	2020/21	2019/20
	R'000	R'000
Opening balance	1 112	1 112
Purchases	2 476	-
Utilised	(2 461)	-
Donation	(159)	-
Closing balance	968	1 112

There are no consumables held at current replacement cost.

Inventory is recognised at the lower cost and net realisable value on the first in first out basis.

13 CASH AND CASH EQUIVALENTS

	2020/21 R'000	2019/20 R'000
Cash - Bank deposits	29 169	366 480
Cash - Corporation for Public Deposits	501 482	629 107
Cash - Investments in term deposits	61 000	107 523
Cash on hand	5	33
Cash and cash equivalents at end of year	591 656	1 103 143

As required in Treasury Regulation 31.2, National Treasury approved the banks where the bank accounts are held.

Cash includes cash on hand and cash with banks. Cash equivalents are short term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and that are subject to an insignificant risk of change.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments.

As the HWSETA was no longer exempted by the National Treasury from the requirement of Treasury Regulation 31.3 to invest surplus funds with the Corporation for Public Deposits (CPD), with the permission of the National Treasury, surplus funds were invested in institutions that have been approved as per Treasury Regulation 3.1.3.5.

14 ACCOUNTS PAYABLE

14.1 GRANTS AND TRANSFERS PAYABLE: NON-EXCHANGE TRANSACTIONS

	Note	2020/21 R'000	2019/20 R'000
Grants payable		96 757	148 807
SARS levy reversals - Employer Mandatory Grants under-paid		-	285
Inter-SETA Payables	25	74	24
		96 831	149 116

15.1 TRADE AND OTHER PAYABLES: EXCHANGE TRANSACTIONS

	2020/21 R'000	2019/20 R'000
Trade creditors	6 739	10 560
Staff leave accrual	5 058	3 962
SARS - PAYE/UIF and third party payables	2 989	1 913
	14 786	16 435

The staff leave accrual is calculated by apportioning the annual salary to a daily cost which is then multiplied by the number of leave days accumulated at year-end by an employee. This provision is only adjusted at year-end.

15.2 PROVISION FOR BONUSES

	2020/21 R'000	2019/20 R'000
Opening balance	2 339	650
Utilised	(2 339)	(650)
Increase in provision	4 623	2 339
Closing balance	4 623	2 339

16 LEVY EXEMPT PROVISION

	2020/21 R'000	2019/20 R'000
Opening balance	6 535	6 285
Transferred to discretionary income	(2 701)	(1 120)
Additional provision created	1 942	1 370
Closing balance	5 776	6 535

This balance relates to levy-exempt employers contributing levies to the HWSETA. Unclaimed funds received more than 5 years ago have been transferred to discretionary income as per the Skills Development Levies Act.

17 DEFERRED GOVERNMENT GRANT AND DONOR FUNDING

17.1 National Skills Fund (NSF) advance receipts

	2020/21 R'000	2019/20 R'000
Opening balance	(1)	(1)
Received during the year/ (paid during the year)	-	-
Deposits current (NSF)	-	-
	(1)	(1)
Less Utilised and recognised as income or against accrual as conditions met	-	-
Learners allowance	-	-
Training provider	-	-
Learners uniform	-	-
Net payable/(receivable)	(1)	(1)
Made up as follows:	(1)	(1)
Receivable	-	-
Payable	(1)	(1)

Note that in the current and prior year there were no NSF projects.

18 CONTINGENCIES

Contingent Asset:

18.1 In terms of the PFMA, all surplus funds as at year-end may be forfeited to National Treasury. Formal approval was obtained from the National Treasury to retain the surplus funds of 2019-2020. Formal approval will be sent to the National Treasury to apply to retain surplus funds for 2020-2021. As at 31 March 2021, the HWSETA has commitments raised for R1 629 Billion.

Calculation in terms of Paragraph 3.2 of the National Treasury Instruction No 12 of 2020/2021

Cash and cash equivalents	591 656
Add: Receivables	39 887
Less: Payables	(122 018)
	509 525

Contingent Liabilities:

18.2 A letter of demand was received from attorneys after year end 2008-2009, acting on behalf of a consulting firm demanding R823 267 from the HWSETA. This was for a contract that was not awarded to them. There is no indication that this demand will succeed in favour of the plaintiff. The plaintiff, Ler-Ong has on two occasions removed the matter from the court roll after being set-down for trial. Currently the matter is still pending to 2019. Total possible further cost amounts to R250 000 once the trial begins.

18.3 The CCMA matter relating to an application by an ex-employee on payment by HWSETA of their settlement amount which the HWSETA had paid into a bank account not nominated by the employee was finalised with the ruling being made in the ex-employee’s favour. The HWSETA was instructed to pay the ex-employee’s legal costs. There has been no correspondence from the ex-employee’s legal representatives on the quantum of the amount. Furthermore, the HWSETA had paid an amount of R82 640 to the Acting Sherrif to be held in the trust account until the final outcome is received.

18.4 In December 2012, the Minister repealed the 2005 Grant Regulations and promulgated the 2012 Grant Regulations. Regulation 4(4) of the 2012 Grant Regulations stipulates that 20% of the total levies paid by the employer in terms of Section 3(1) as read with Section 6 of the Skills Development Levy Act during each financial year may be paid back to the employer who submits the requisite reports and claims back the Mandatory Grant. This effectively reduced the refund percentage from the initial 50%, as established by the 2005 Grant Regulation, to 20%.

Business Unity South Africa (hereinafter referred to as “BUSA”) filed a Labour Court application to review and set aside the 2012 Grant Regulations in its entirety or alternatively Regulation 4(4). In October 2019, after a long legal battle between BUSA and the Minister, the Labour Appeal Court set aside Regulation 4(4) as promulgated in Government Notice 23 of 2016. The judgement is however silent on the question of whether the Mandatory Grant that may be claimed back by the employers from the SETAs is set to revert back to the pre-2012 Grant Regulations position, as well as whether the judgement has a retrospective or prospective effect. This means there is uncertainty of timing and amount.

Although the Minister has been in discussions with BUSA on the matter, there has been no directive from the Department of Higher Education and Training to the SETAs on how to handle this matter. The SETAs continue to pay Mandatory Grants at 20% to all qualifying employers.

19 COMMITMENTS

19.1 Discretionary reserve

R1 629 Billion has been approved and allocated for future projects and skills priorities as set out below.

Projects	NSDS Objectives and Indicators	Opening Commitment 2020-21	Approved by Accounting Authority and Committed -2020-2021	Commitments Released as no MoU at 31 March 2021	Commitments Released -2020-21	Recommitments 2020-21	Utilised-2020-21	Closing Commitment 2020-21
Middle level skills	Indicator 1	1 752	-	-	(1 752)	8 369	(3 938)	4 431
Learnerships	Indicator 3	503 511	236 840	(92 867)	(23 163)	40 552	(186 238)	478 635
Artisans	Indicator 4	144 581	-	-	(17 808)	4 574	(50 602)	80 746
Bursaries	Indicator 6	347 117	27 723	(3 133)	(15 874)	49 545	(198 483)	206 895
TVET - Internships, Student Placement	Indicator 7	288 411	188 249	(5 084)	(62 593)	2 168	(136 415)	274 736
Skills Programmes	Indicator 8	110 978	71 822	-	(20 283)	20 191	(86 073)	96 635
Cooperative Support	Indicator 9	6 886	2 603	-	(2 097)	-	(6 248)	1 144
SMME Funding	Indicator 10	12 087	12 057	(10 245)	(1 017)	-	(6 607)	6 275
NGOs, CBOs and Trade Unions	Indicator 11	9 418	17 086	(4 769)	(5 119)	-	(4 707)	11 910
Research Reports	Indicator 12	-	-	-	-	3 518	(1 232)	2 286
Postgraduate Research	Indicator 13	21 698	-	-	(4 813)	-	(8 423)	8 461

Projects	NSDS Objectives and Indicators	Opening Commitment 2020-21	Approved by Accounting Authority and Committed -2020-2021	Commitments Released as no MoU at 31 March 2021	Commitments Released - 2020-21	Recommitments 2020-21	Utilised-2020-21	Closing Commitment 2020-21
Public sector education	Indicator 14	20 316	24 766	-	(3 873)	-	(699)	40 510
TVET lecturer development	Indicator 16	143 214	-	-	(13 701)	635	(53 378)	76 769
Vocational training in TVET and public colleges	Indicator 17	9 569	60 593	(15 593)	(8 690)	11 765	(1 887)	55 757
Accrediation of SDPs	Indicator 19	1 452	-	-	-	-	-	1 452
Adult based education and training	Indicator 21	7 935	-	-	(2 799)	-	(500)	4 637
Levy exempt support	Indicator 22	20 841	20 000	(19 361)	(1 890)	-	(2 263)	17 327
Partnerships	Indicator 23	8 055	11 454	-	(2 794)	16 408	(6 046)	27 077
Qualification development	Indicator 24	4 819	-	-	(2 743)	-	(2 572)	(496)
Students funded through RPL	Indicator 25	3 793	-	-	-	-	(499)	3 294
Employed apprenticeships	Indicator 26	-	38 683	(21 154)	-	19 345	(24 254)	12 620
Bursaries for Unemployed	Indicator 27	-	136 500	(47 796)	-	-	(5 991)	82 713
Funding for TVET, Colleges and Universities	Indicator 28	-	235 648	(109 570)	-	9 858	(2 072)	133 864
AET funding for unemployed	Indicator 31	-	5 105	(3 270)	-	-	(245)	1 590
TOTAL		1 666 433	1 089 130	(332 842)	(191 009)	186 928	(789 372)	1 629 268

TOTAL DISCRETIONARY GRANTS COMMITTED (Contracted only)

	2020/21 R'000	2019/20 R'000
TOTAL DISCRETIONARY GRANTS COMMITTED (Contracted only)	1 629 268	1 666 433
Closing balance	319%	177%

The HWSETA has committed 319% of reserves in 2020-2021. In prior years, these commitments were released over a period of 2 to 3 years, which allowed the HWSETA sufficient time to build-up funds to make good on all of its commitments. In the recent years, the rate of release of commitments has been much quicker thus the rate of cash outflow has been faster than it was in previous years. The HWSETA has put measures in place to manage the overcommitted state to ensure that sufficient funds are available when needed to make good on commitments that become due. The Grant Regulations requires SETA’s to commit at least 95% of its reserves each financial year.

19.2 Operating Commitments

	2020/21 R'000	2019/20 R'000
Approved and contracted:		
Procurement of furniture and fittings	-	94
Procurement of IT equipment	-	335
	-	429
TOTAL COMMITMENTS- DISCRETIONARY AND OPERATING	1 629 268	1 666 862

20 OPERATING LEASES

	2020/21 R'000	2019/20 R'000
At the balance sheet date, HWSETA has outstanding commitments under non-cancellable operating lease which fall due as follows:		
Not later than one year	8 568	4 782
Later than one year but not later than five years	8 416	
	16 984	4 782

Refer to note 25

The operating lease commitments relate to the following rental contracts entered into by the HWSETA:

Office	Effective Date	Termination Date	Escalation Rate
Head Office - Gauteng	01 April 2021	31 December 2021	N/A
Northern Cape - Kimberley	01 April 2021	31 December 2021	N/A
Eastern Cape - East London	01 April 2021	31 March 2026	N/A
Mpumalanga - Nelspruit	01 April 2021	31 March 2026	N/A
North West - Mafikeng	01 April 2021	31 December 2021	N/A
Gauteng - Midrand	01 April 2021	31 December 2021	N/A
KZN - Durban	01 April 2021	31 December 2021	N/A
Western Cape - Cape Town	01 April 2021	31 December 2021	N/A
Free State - Bloemfontein	01 April 2021	31 March 2026	N/A
Limpopo - Polokwane	01 July 2021	31 December 2021	N/A

21 MATERIAL LOSSES THROUGH CRIMINAL CONDUCT, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

There were no material losses through fruitless and wasteful expenditure incurred during the 2020/21 year.

	2020/21 R'000	2019/20 R'000
Irregular expenditure		
Opening balance	197 787	-
Incurrred during the period	565	197 787
Condoned	-	-
Closing balance	198 352	197 787
Fruitless & wasteful expenditure		
Opening balance	213	18
Incurrred during the period	-	195
Recovered from employee	(24)	-
Closing balance	189	213
Made up of:		
Irregular expenditure	565	197 787
Non-compliance:		
Irregular appointment of five (5) board members by DHET	565	-
Non-compliance to own SCM policy, Treasury Regulations and National Treasury Instruction note 2016/17. No contract or SLA available	-	149
Non-compliance to own SCM policy, Treasury Regulations and National Treasury Instruction note 08 of 2007/08	-	263
Non-compliance to the preferential procurement regulations 2017, Section 6(3)	-	404
Non-compliance to the preferential procurement regulation 2017 section 8(1). Local content not applied	-	7
Contract:		
The HWSETA entered into a three-year contract with Telkom SOC in October 2014 for VPN services. HWSETA contravened the Supply Chain Management regulations when the contract was continued automatically due to management oversight. The HWSETA did receive value for money for funds paid and contravention is free of fraudulent, corrupt or criminal conduct. This matter is awaiting condonation from the National Treasury.	-	2 057
Actual Vs Budget Overspending:		
Mandatory Grants overspent in line with budget. Employer grants are driven by a participation rate that cannot be predicted with accuracy as there is uncertainty of how many employers will submit a WSP and approved at the time of creating the budget. Participation rate has increased due to the HWSETA implementing the ERP system thus making it easier for employers to participate. The HWSETA had collected revenue in this regard that was much higher than budget and the over-spend was funded through revenue.	-	8 423

Discretionary Grants over-spend in line with budget. Project expenditure on Discretionary Grants - although this expenditure is over-budget this was funded through reserves as depicted in commitments from previous years - Commitments note 19. It is almost impractical to predict the expenditure relating to employer grant and project expenses. Various factors influence the completion of projects and payments of tranches against a commitment. Due to circumstances many projects were successfully completed in terms of the criteria in the month of March 2020, where about R200 million was paid alone in this period. It was impractical to submit an adjusted budget at this late stage of the financial year. COVID-19 Projects to support our sectors contributed to this in March 2020. Amounts set aside of Discretionary Grants in the reserves had been approved in previous years. See note in Statement of Comparison between actual and budget.

	-	186 484
Fruitless expenditure	-	195
1. Interest charges on late payment of invoices		
The interest is mainly levied by Telkom. A query has been lodged with the service provider and assistance sought from the IT department to determine the cause.	-	4
2. SARS penalty on late payment		
The HWSETA filed an EMP 201 for statutory payments (PAYE, SDL & UIF) on 04 December 2019 for the November Payroll. The payment was loaded on Standard Bank on 05 December 2019, however, the payment was not released resulting in non-payment by due date 07 December 2019. The matter was taken on appeal with SARS to plead for a reversal of the penalty on late payment, however, the reversal was denied by SARS.	-	167
3. International travel procured but not utilised		
As part of a benchmarking trip to Rwanda, travel cost were incurred in respect of flights and accommodation for a staff member selected to go. The staff member unfortunately was not able to embark on the trip due to an expired passport. The matter was investigated and the staff member has been requested to repay the related costs not refunded by service providers.	-	24
Total	198 541	197 982

22 GOING CONCERN

In terms of the Government Gazette No. 42589 issued 22 July 2019, the HWSETA has been established up to 31 March 2030.

As a result of COVID-19, the State President announced the economic stimulus package which included a four month Skills Development Levy contribution holiday for employers effective 1 May 2020 to 31 August 2020.

The duration of COVID-19, declared as a pandemic by the World Health Organisation (WHO) on 11 March 2020, remained uncertain at time of preparation of the Annual Financial Statements for the year ended 31 March 2021. The pandemic has led to widespread volatility and uncertainty with most sectors of the South African economy being negatively affected. The private health sector, whose Skills Development Levy contribution is the main source of revenue for the HWSETA was also not spared of the severe impact of the pandemic on its operations. To that end, a conservative approach was adopted by the Board and management of the HWSETA during the preparation of the HWSETA's 2021/22 MTEF Budget and Annual Performance Plan.

Furthermore, commitments of R1.6 Billion will be released over 2 to 3 years. The HWSETA remains in a very high over-committed state due to the effect of the four-month Skills Development Levy contribution holiday during the 2020-2021 Financial Year, and the decision to support our sectors during COVID-19. Measures have been put in place to monitor the over-committed state. The collection of Skills Development Levies post contribution holiday has been consistent and almost at the same levels as prior to the contribution holiday.

The HWSETA's overall assessment, based on the above, is that the organisation will continue as a going concern in the foreseeable future.

23 RISK MANAGEMENT

In the course of the HWSETA's operations, it is exposed to interest rate, credit, liquidity and market risk. The HWSETA has developed a comprehensive risk strategy in terms of TR 28.1 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below. Financial instruments have not been discounted as they will all be settled or recovered within 3 months. The effect of discounting was found and considered not to be material.

Interest rate risk

The HWSETA manages its interest rate risk by effectively investing surplus funds in term deposits and call accounts with different accredited financial institutions according to the HWSETA investment policy. Any movement in interest rates will affect interest income. Interest income is utilised for additional Discretionary Grants and therefore, will not affect the operations of the HWSETA adversely. The HWSETA's exposure to interest rate risk and the effective interest rates on financial instruments at balance sheet date are as follows:

	Floating Rate		Non-interest Bearing	Total
	Amount	R'000		
Year ended 31 March 2021				
<i>Total financial assets</i>				
Cash		591 656	4.37%	-
Accounts receivable				2 868
<i>Total financial liabilities</i>				(14 786)
		591 656		(11 918)
Year ended 31 March 2020				
<i>Total financial assets</i>				
Cash		1 103 143	5.83%	-
Accounts receivable				3 007
<i>Total financial liabilities</i>				(16 435)
		1 103 143		(13 428)

Financial instruments consist of receivables, cash and cash equivalents and payables. All financial assets are categorised as receivables at amortised cost, and all financial liabilities as financial liabilities at amortised cost. The total carrying values of the various categories of financial assets and financial liabilities at the reporting date is as follows:

	2020/21 R'000	2019/20 R'000
Financial assets at amortised cost	594 524	1 106 150
Cash and cash equivalents	591 656	1 103 143
Receivables from exchange transactions	2 868	3 007
Financial liabilities at amortised cost	14 786	16 435
Payables from exchange transactions	14 786	16 435

Credit risk

Financial assets, which potentially subject the HWSETA to the risk of non-performance by counter parties and thereby subject to credit concentrations of credit risk, consist mainly of cash and cash equivalents and accounts receivable.

The HWSETA limits its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury. Credit risk in respect of SARS is limited, as it is a government entity of sound reputation. Staff debts are recovered through the payroll.

Credit risk with respect to levy paying employers is limited due to the nature of the income received. The HWSETA does not have any material exposure to any individual or counter-party. The HWSETA's concentration of credit risk is limited to the industry in which it operates. No events occurred in the health and social development sector during the year that duly have an impact on the accounts receivable that has not been adequately provided for. Accounts receivable are presented net of allowance for doubtful debts.

Credit Ratings of HWSETA Bankers:	(Fitch ratings)
Financial institution	
First Rand Bank Ltd.	BB
Nedbank Ltd.	BB
Standard Bank	BB
Corporation for public deposits	N/A

Short-term ratings:

F3 - obligations supported by adequate capacity for timely repayment relative to other obligors in the same country. Such capacity is more susceptible to adverse changes in business, economic or financial conditions than for obligations in higher categories.

Long-term ratings:

BBB - an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists that supports the servicing of financial commitments.

The aging of receivable from exchange transactions:

	2020/21		2019/20	
	Gross	Impairment	Gross	Impairment
Not past due			-	-
0-30 days	863	-	1 174	-
31-120 days	-	-	-	-
120-365 days	-	-	-	-
Over a year (Rental deposits and Staff bursaries)	2 005	-	1 833	-
Carrying amount	2 868	-	3 007	-

Liquidity risk

The HWSETA manages liquidity risk through proper management of working capital, capital expenditure and actual vs. forecasted cash flows. Adequate reserves and liquid resources are also maintained.

The aging of payables from exchange transactions:

	2020/21		2019/20	
	Gross	Impairment	Gross	Impairment
Days				
0-30 days	14 177	-	15 826	-
31-120 days	138	-	138	-
120-365 days	471	-	471	-
Over a year	-	-	-	-
Carrying amount	14 786	-	16 435	-

FINANCIAL INSTRUMENTS**Fair values**

The HWSETA's financial instruments consist mainly of cash and cash equivalents, account and other receivables, and account and other payables. No financial instruments were carried at an amount in excess of its fair value. The following methods and assumptions are used to determine the fair value of each class of financial instrument:

Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates fair value due to the relatively short-term maturity of these financial assets.

Accounts receivable

The carrying amount of accounts receivable, net of allowance for bad debt, approximates fair value due to the relatively short-term maturity of these financial assets.

24 RELATED PARTY TRANSACTIONS**Relationships**

Controlling entity: **Department of Higher Education and Training**

The Executive Authority of the HWSETA is the **Department of Higher Education and Training**. There were no transactions with the Department of Higher Education and Training.

Related persons

Transactions with other SETAs, who are entities under common control. The HWSETA is a National Public Entity controlled by the DHET. It is considered to be related to other SETAs, the QCTO, Higher Health, NSF, TVETs, CETs and Universities. The transactions are consistent with normal operating relationships between entities and are undertaken on terms and conditions that are normal for such transactions.

All other balances and transactions below are at arms length and in the normal course of business.

Remuneration of Management

The disclosure of Remuneration made in terms of Board Members, Audit Committee Members and Senior Management have been disclosed under note 31 of the Annual Financial Statements.

Related Party transactions

The HWSETA is exempt from all the disclosure requirements in paragraph 27 in relation to related party transactions as transactions with these related parties occur within normal supplier relationships, on terms and conditions no more or less favourable than those which it is reasonable to expect the HWSETA to have adopted if dealing with that individual entity or person in the same circumstances, and terms and conditions within the normal operating parameters established by that reporting entity's legal mandate.

Government Departments

Government Departments contribution of levies to the HWSETA is at 30%, since 01 April 2013, of their 1% training budget in line with a Cabinet Circular effective 01 April 2013. One third of the 30% received is allocated for the administration of the HWSETA, the remaining 20% is allocated for Discretionary Grant funding. In the 2017-2018 Financial Year, there were departments that still failed to contribute the full 30% as required. Certain Government Departments have not yet submitted the annual payroll figures thus the expected value is not complete.

The HWSETA is the SETA established in the Health and Social Development Sector. Transactions with the Department of Health and Department of Social Development is listed below as this will be useful to the entities.

	2020/21		2019/20		2020/21	2019/20
	Total	Expected	Total	Expected	Discretionary Grants Paid	
	R'000	R'000	R'000	R'000	R'000	R'000
National						
Health	679	2 860	2 642	2 642	-	-
Social Development	1 533	1 613	1 503	1 503	-	-
Provincial						
Western Cape						
Health*	6 404	19 213	6 126	17 459	-	676
Social Development	2 814	2 962	2 539	2 539	-	180
Eastern Cape						
Health*	13 058	39 174	12 263	36 788	-	5 980
Social Development	3 953	4 161	3 720	3 720	-	3 055
Gauteng						
Health*	23 352	70 056	22 135	63 085	-	10 405
Social Development	5 910	6 221	5 197	5 197	-	-
Free State						
Health	21 000	21 000	20 830	20 830	-	460
Social Development	2 241	2 359	2 074	2 074	-	361
Northern Cape						
Health	10 126	10 126	9 410	9 410	-	411
Social Development	1 517	1 517	1 252	1 252	-	-
Mpumalanga						
Health	23 530	23 530	42 758	42 758	-	6 937
Social Development*			-	-	-	1 586
Limpopo						
Health*	1 001	1 001	-	-	-	-
Social Development	-	-	1 619	1 619	-	4 080
Kwa-Zulu Natal						
Health	23 248	69 744	22 036	62 803	-	12 035
Social Development	5 140	5 411	4 683	4 683	-	285
North West						
Health	20 000	21 053	19 915	19 915	-	-
Social Development	3 121	3 121	2 730	2 730	-	640
	168 627	305 122	183 432	301 007	-	47 091

* The expected levy is based on salary information of the department that is publicly available. This information could not be confirmed with the relevant department.

Related party balances and commitments

SETAs

Interest transactions and balances arise due to the movement of employers from one SETA to another. No other transaction occurred during the year with other SETAs.

The balances at year-end included in the receivables and payables are:

Related party	2020/21 R'000		2019/20 R'000	
	Transfers in/(out) During the Year	Amount Receivable/(Payable)	Transfers in/(out) During the Year	Amount Receivable/(Payable)
Receivables	18	1 392	-	18
W&R SETA	-	13	-	-
LG SETA	-	214	-	-
ETDP SETA	-	1 165	-	-
Bank SETA	18	-	-	18
Payables	24	(75)	-	(24)
MerSETA	9	(26)	-	(9)
FoodBev SETA	-	(4)	-	-
FP&MSETA	5	-	-	(5)
INSETA	1	-	-	(1)
ETDP SETA	1	-	-	(1)
CHIETA	3	-	-	(3)
W&R SETA	-	(45)	-	-
CETA	5	-	-	(5)
Total	42	1 317	-	(6)

Universities, TVETs, CETs and Higher Health

Financial Year 2020/21	Universities	TVETs	CETs	Higher Health	Total
Total receivables	-	-	-	-	-
Total commitments balance	320 310	40 662	675	8 975	379 597
Accounts payable	-	-	-	-	-

Universities, TVETs, CETs and Higher Health

Financial Year 2020/21	Universities	TVETs	CETs	Higher Health	Total
Total receivables	48	-	-	-	48
Total commitments balance	98 389	213 960	753	2 745	315 847
Accounts payable	3 443	-	8 008	6 405	17 856

National Skills Fund

NSF Advance receipts

	2020/21 R'000	2019/20 R'000
NSF Advance receipts	1	1

25 OPERATING LEASE COMMITMENT

In the previous years, the lease liability for the office premises was smoothed over the lease term to equalise the future escalations in the lease payments. In the year under review, no smoothing of lease payments was undertaken because the three new long-term lease agreements were only effective from 01 April 2021.

	2020/21 R'000	2019/20 R'000
Opening balance	-	392
Release of accruals due to termination of lease contracts	-	(392)
Closing balance	-	-

Refer also to Note 20

26 RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO NET SURPLUS

	2020/21 R'000	2019/20 R'000
Net surplus/(deficit) as per Statement of Financial Performance	(429 326)	(105 697)
Adjusted for non-cash items:	-	-
Depreciation	2 582	2 007
Write-off of assets	-	-
Amortisation	4	126
Provision for staff bonuses	2 285	1,689
Investment income	(25 874)	(64 330)
Levy exempt provision - Current year	1 942	1 370
Levy exempt Reversals	(2 701)	(1 120)
Adjusted for working capital changes:	(83 350)	58 669
(Increase)/Decrease in inventory	144	(424)
(Increase)/Decrease in receivables	(29 560)	(4 159)
(Decrease) in smoothing lease	-	(392)
Increase/(Decrease) in payables	(53 934)	63 644
Cash generated from operations	(534 438)	(107 286)

27 CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the HWSETA's accounting policy, management is required to make judgment, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results for July differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised of the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods.

Key sources estimation uncertainty

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the amounts of assets and liabilities within the next financial period.

1. Property, Plant and Equipment

The HWSETA reviews the estimated useful lives of property, plant and equipment at the annual reporting period, refer to note 8 for the carrying values of property, plant and equipment.

The following rates are used for depreciation of Property, Plants and Equipment:

Computer Equipment	2 to 6 years
Computer Software	2 to 6 years
Office furniture and fittings	10 to 20 years
Office equipment	10 to 15 years
Motor vehicles	5 to 10 years

The HWSETA has reviewed the residual values used for the purpose of the depreciation calculation in the light of the amended definition of residual value. The review did not highlight any requirement for an adjustment to the residual values used in the current or prior periods. Residual values are reviewed annually.

2. Levy exempt payables

The HWSETA recognises a payable in respect of SDL levy refunds due to levy exempt employers. This payable is a provision based on levies received from possible levy exempt entities. Refer to Note 16.

28 NEW ACCOUNTING PRONOUNCEMENTS

Standard/ Interpretation:	Effective Date: Years Beginning on or After	Impact
GRAP 34 - Separate Financial Statements	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 35 - Consolidated Financial Statements	01 April 2020	The objective of this standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 36 - Investment in Associates and Joint Ventures	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 37 - Joint Arrangements	01 April 2020	The objective of this standard is to establish principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements). The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 38 - Disclosure of Interests in Other Entities	01 April 2020	This standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures, and associates when an entity prepares separate financial statements. The HWSETA does not have any business combinations or business arrangements as referred to in the standard.
GRAP 110 - Living and Non-living Resource	01 April 2020	This standard prescribes the recognition, measurement, presentation, and disclosure requirements for living resources; and disclosure requirements for non-living resources. The HWSETA does not have any business transactions that involve living resources.
IGRAP 20 - Accounting for adjustments to Revenue	01 April 2020	This interpretation clarifies the accounting for adjustments to: (a) exchange and non-exchange revenue charged in terms of legislation and similar means; and (b) interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal, or objection process.

29 SEGMENT REPORTING

In terms of GRAP 18 paragraph 05. A segment is an activity of an entity:

- (a) that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- (b) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- (c) for which separate financial information is available.

The accounting authority does not review projects in terms of segments to make decisions and assessing the performance. Projects are approved individually based on the funding module. The HWSETA does not have any segments as defined by GRAP 18, Paragraph 5 (b). Therefore this has not been reported on.

30 BOARD REMUNERATION

Financial Year 2020/21

Names	Designation	Total	Allowances	Travel and Subsistence Allowances	
			Meeting Attendance and Preparation	Reimbursement	Cell Phone
		R	R	R	R
Dr. NV Mnisi	Chairperson	120 210	91 088	13 522	15 600
Mr. N Ndzwayiba	Board Member	146 850	144 450	-	2 400
Dr. CC Nkuna	Board Member	2 160	2 160	-	-
Ms. M Nkambule	Board Member	2 700	2 700	-	-
Mr. M Khanyeza	Board Member	2 160	2 160	-	-
Mr. RM Maleka	Board Member	17 920	16 470	-	1 450
Mr. SR Kgara	Board Member	114 855	112 455	-	2 400
Dr. JK Mothudi	Board Member	228 812	219 812	-	9 000
Ms. N Xulu	Board Member	137 535	135 135	-	2 400
Ms. DM Sebopa	Board Member	134 430	132 030	-	2 400
Ms. TA Mbotshane	Board Member	238 798	229 798	-	9 000
Dr. LD Marutle	Board Member	276 443	267 443	-	9 000
Ms. BP Malope	Board Member	167 910	165 510	-	2 400
Ms. L Harie	Board Member	199 684	197 284	-	2 400
Ms. LP Duma	Board Member	213 093	204 093	-	9 000
Mr. A Kyereh	Co-opted Member	60 688	60 388	-	300
Mr. P Hill	Co-opted Member	41 337	41 337	-	-
		2 105 584	2 024 312	13 522	67 750

Independent Audit Committee Member Remuneration Financial year 2020/21

Names	Designation	Total	Meeting Attendance	Travel and Subsistence Allowances
		R	R	R
Mr. CG Higgins	Independent Member/ Chairperson	112 520	112 520	-
Ms. MP Ramutsheli	Independent Member - 10 months	52 206	52 206	-
Ms. P Motlokoa	Independent Member - 10 months	52 206	52 206	-
Ms. MI Mathatho	Independent Member/Deputy Chairperson - 2 months	13 000	13 000	-
Mr. W Carrim	Independent Member - 2 months	13 447	13 447	-
		243 379	243 379	-

Senior Management Remuneration Financial Year 2020/21

Names	Designation	Total	Basic	Travel	Cell Phone	Bonus
		R'000	R'000	R'000	R'000	R'000
Mrs. E Brass	Chief Executive Officer	2 229	1 881	120	19	209
Ms. Z Mafata	Chief Financial Officer	1 746	1 620	-	12	114
Mr. AK Pardesi	Executive - Corporate Services	1 893	1 685	-	11	197
Mr. C Peters	Executive - Provincial Offices	1 574	1 286	164	11	113
Mr. SB Gcabashe	Executive - SDP	1 723	1 413	120	5	185
Ms. BJ Motubatse	Executive - ETQA	1 651	1 371	125	4	151
Ms. B Plaatjie	Executive - RIME	1 515	1 277	66	9	163
		12 331	10 533	595	71	1 132

30 BOARD REMUNERATION

Financial Year 2019/20

Names	Designation	Total	Allowances	Travel and Subsistence Allowances	
			Meeting Attendance and Preparation	Reimbursement	Cell Phone
		R	R	R	R
Ms. R Matenche	Chairperson	328 173	304 525	12 648	11 000
Ms. R Maluleke	Board Member	13 905	13 905		
Mr. N Ndzwayiba	Board Member	125 132	121 270	3 862	
Dr. CC Nkuna	Board Member	85 173	81 323	3 850	
Dr. DS Bomela	Board Member	97 195	90 045		7 150
Ms. M Nkambule	Board Member	210 187	166 022	44 165	
Mr. M Khanyeza	Board Member	180 616	173 143	7 473	
Mr. RM Maleka	Board Member	174 123	155 304	11 669	7 150
Ms. LLC Malamba	Board Member	71 796	70 740	1 056	
Ms. BJ Kumalo	Board Member	195 234	183 330	4 754	7 150
Mr. SR Kgara	Board Member	85 480	85 320	160	
Mr. LA Gilbert	Board Member	68 786	64 611	4 175	
Ms. K Naicker	Board Member	14 681	14 310	371	
Dr. JK Mothudi	Board Member	93 822	87 750	6 072	
Mr. A Kyereh	Co-opted Member	81 119	70 127	10 992	
Mr. P Hill	Independent Member	80 715	80 715		
		1 906 137	1 762 440	111 247	32 450

Independent Audit Committee Member Remuneration Financial Year 2019/20

Names	Designation	Total	Meeting Attendance	Travel and Subsistence
		R	R	R
Mr. CG Higgins	Independent Member/ Chairperson	107 996	104 740	3 256
Ms. MP Ramutsheli	Independent Member	47 802	45 878	1 924
Ms. P Motlokoa	Independent Member	62 708	60 907	1 801
		218 506	211 525	6 981

Senior Management Remuneration Financial Year 2019/20

Names	Designation	Total	Basic	Travel	Cell Phone	Bonus
		R	R	R	R	R
Mrs. E Brass	Chief Executive Officer	2 272	1 967	120	13	171
Ms. Z Mafata	Chief Financial Officer (8 mths)	1 144	1 136	-	3	5
Mrs. D Theaker	Acting Chief Financial Officer (4 Months)	524	492	32	1	-
Mr. AK Pardesi	Executive - Corporate Services	1 763	1 607	-	7	148
Mr. C Peters	Executive - Provincial (9 Mths)	1 136	1 018	108	5	5
Mr. SB Gcabashe	Executive - RIME/SDP	1 750	1 481	120	5	144
Ms. BJ Motubatse	Executive - ETQA	1 563	1 340	90	5	129
Ms. B Plaatjie	Executive - RIME	1 538	1 341	66	3	129
		11 691	10 382	536	41	732

31 PRESENTATION OF BUDGET INFORMATION

Reconciliation of budget surplus with the deficit in the statement of financial performance - 2020/21

	R'000
Net Deficit per the Statement of Financial Performance	(429 326)
Adjusted for:	
Impairments recognised	-
Surplus on sale of assets	-
Loss on scrapping of assets	-
Increase/decrease in provisions	-
Effect of smoothing relating to operating leases	-
Adjustments relating to Finance charges for finance leases on rental	-
	(429 326)
Participation on Mandatory Grants	(12 622)
Utilisation of reserves for Discretionary Grants	(39 320)
Under-spending on administration expenses	7 009
	(474 259)
Exceeded budget collection of revenue plus transfer of reserves	477 259
Net surplus per approved budget before capital expenditure	3 000

Factor resulting in major variances between actual costs and budgeted costs:

As per the Statement of Comparison between Budget and Actual costs:

1. The Grant levies budget for the current year is based on a COVID-19 adjusted budget due to the impact the pandemic had on the private health sector. The four-month Skills Development Levy contribution holiday announced by the State President in April 2020 had a severe impact on levy revenue for the year under review resulting in the budget being adjusted significantly to take into account the impact of the pandemic on operations. While the actual revenue is almost on budget, it is significantly lower than previous financial years as a result of the negative impact of the pandemic.
2. Government levies are higher than expected despite outstanding levies from two departments. This is due to rigorous debtor management adopted by the HWSETA which includes timeous invoicing and constant follow up of invoiced amounts resulting in improved collection rate.
3. The disbursement of Discretionary Grants has improved remarkably in the last two years due to increased capacity, improved processes and a concerted effort to reduce bottlenecks in the disbursement of Discretionary Grants.
4. Savings on the administration budget are mainly due to cautious spending given reduced income mainly affected by the four-month Skills Development Levy contribution holiday as well as COVID-19 induced expenditure savings for expenditure line items such as travel & accommodation. Furthermore, the planned office move for seven offices did not take place due to bids submitted for tender not meeting minimum requirements thus some of the budget for office move was not used.

Reconciliation of budget surplus with the surplus in the statement of financial performance - 2019/20

	R'000
Net deficit per the statement of financial performance	(105 697)
Adjusted for:	
Impairments recognised	-
Surplus on sale of assets	-
Loss on scrapping of assets	-
Increase/decrease in provisions	-
Effect of smoothing relating to operating leases	-
Adjustments relating to finance charges for finance leases on rental	-
	(105 697)
Participation on Mandatory Grants	8 423
Utilisation of reserves for Discretionary Grants	186 484
Underspending on administration expenses	(3 206)
	86 004
Exceeded budget collection of revenue	84 004
Net surplus per approved budget before capital expenditure	2 000

Factor resulting in major variances between actual costs and budgeted costs:

As per the Statement of Comparison between Budget and Actual costs:

1. The Grant levies budget for the current year is based on levy income percentages as per the new grant regulations and based on expected revenue. Actual receipts is however unpredictable.
2. Government levies are higher than expected despite a few outstanding levies from the Departments. This is due to higher salary costs borne by the Departments and improved contribution to the HWSETA.
3. Increased payment of Mandatory Grants and Discretionary Grants due to increased participations and increased capacity, as a concerted effort to reduce bottlenecks for the disbursement of Mandatory Grants.
4. Savings are mainly due to postponement of office moves, lower spend on staff training and advertising costs.

In addition, the HWSETA has heeded the call for austerity measures. This has resulted in savings in administration expenditure.

Financial Year 2020-21	Original Approved Budget at start of year 2020/21 R'000	Final Approved Adjusted Budget at end of year 2020/21 R'000	Difference R'000	Original Approved Budget at start of year 2019/20 R'000	Final Approved Budget at end of year 2019/20 R'000
Levy income	538 406	405 980	(132 426)	490 271	490 271
Government levy contributions	160 293	104 190	(56 103)	150 489	150 489
Investment income - interest	69 022	30 663	(38 359)	63 056	63 056
Levy income penalties	-	-	-	-	-
Retention of surplus utilisation	-	500 000	500 000	-	-
Other income	-	-	-	-	-
Total Income	767 721	1040 833	273 112	703 816	703 816
Total Expenditure	764 721	1037 833	273 112	701 816	701 816
Administration expenditure	162 632	143 169	(19 463)	149 126	149 126
Mandatory Grants expenditure	92 626	65 972	(26 654)	85 709	85 709
Discretionary Grant expenditure	509 463	828 692	319 229	466 981	466 981
Surplus for the period	3 000	3 000	-	2 000	2 000
Less: capital expenditure	3 000	3 000	-	2 000	2 000
Surplus after capital expenditure	-	-	-	-	-

The adjustments to the original approved budget of 2020/21 (approved in August 2019) were made due to information available six months into the 2020-21 Financial Year. Certain assumptions that were made in the original budget were then tested, and actual operational needs had changed in some instances, relating to administrative expenditure, grant expenditure and revenue expectations. Changes to the approved budget included:

- 1) The Skills Development Levy budget had to be adjusted to take into account the impact of the four month Skills Development Levy contribution holiday announced by the State President. Government Levy budget was also reduced given reduction of budgets by National Government for all departments;
- 2) Investment income was adjusted downwards due to the expected reduction in cash inflow following the contribution holiday as well as the decline in the repo rate throughout the 2020/21 Financial Year announced by the Reserve Bank Governor, which impacted the interest rates and therefore interest earned;
- 3) Reduced Skill Development Levy income meant reduced Mandatory income allocation thus Mandatory payables were also decreased;
- 4) Administration budget was decreased in light of expected reduction in revenue and cautious spending adopted; and
- 5) The budget for Discretionary Grant spending was increased to include the retention of 2019/20 surplus that was approved by the National Treasury.

NOTES



”

**A BETTER
LIFE FOR ALL
THROUGH PEOPLE
DEVELOPMENT**



17 Bradford Road, Bedfordview, Johannesburg, 2007
Private Bag X15, Gardenview, 2047
Tel: 011 607 6900
Toll Free Number: 0800 864 478
www.hwseta.org.za

