



Draft

**Fasset
Strategic Plan**

1 April 2015 to 31 March 2020

Submitted on

31 August 2017

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ACRONYMS

Abbreviation	Term
AAT	Association of Accounting Technicians
ACCA	Association of Chartered Certified Accountants
ACFE	Association of Certified Fraud Examiners
AGM	Annual General Meeting
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
AQP	Assessment Quality Partner
ARC	Audit and Risk Committee
ATR	Annual Training Report
B-BBEE	Broad-Based Black Economic Empowerment Act 46 of 2013
BCEA	Basic Conditions of Employment Act 75 of 1997 (as amended 2002)
BPC	Board Procurement Committee
BUSA	Business Unity South Africa
CA (SA)	Chartered Accountant South Africa
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIMA	Chartered Institute for Management Accountants
CPD	Continuous Professional Development
CRO	Chief Risk Officer
CSS	Customer Satisfaction Surveys
CSSA	Chartered Secretaries - Southern Africa
DBSA	Development Bank of South Africa
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Administration
DQP	Development Quality Partner
EE	Employment Equity
EEA	Employment Equity Act of 1998
EEP	Employment Equity Plan
Exco	Executive Committee
Fasset	Finance and Accounting Services Sector Education and Training Authority
Finco	Finance Committee
FMPP	Framework for Managing Programme Performance Information
HASA	Hospital Association of South Africa
HEI	Higher Education Institution
HRDS-SA	Human Resources Development Strategy for South Africa
HR	Human Resource
HRM	Human Resource Management

Abbreviation	Term
HWSETA	Health and Welfare SETA
IAC	Institute of Administration and Commerce
ICB	Institute of Certified Bookkeepers
IIA	Institute of Internal Auditors
liP	Investors in People
IPAP	Industrial Policy Action Plan
IT	Information Technology
JIPSA	JIPSA
LEG	Learner Employer Grant
LL	Lifelong Learning
LPD	Learner Professional Development
LPM	Learning Programmes Matrix
M&E	Monitoring & Evaluation
MANCO	Management Committee
MHET	Minister of Higher Education and Training
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework 2014-2019
NATED	National Programmes
NCV	National Certificate (Vocational)
NDP	National Development Plan
NGO	Non-Governmental Organisations
NGP	New Growth Path
NLP	Non Levy Payer
NLRG	NSFAS Loan Repayment Grant
NQF	National Qualifications Framework
NQF Act	National Qualifications Framework Act 67 of 2008
NSA	National Skills Accord
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Students Financial Aid Scheme
OFO	Organising Framework for Occupations
PCHET	Portfolio Committee on Higher Education and Training
PFMA	Public Finance Management Act 1 of 1998
PIVOTAL	Professional, Vocational, Technical and Academic Learning Programme
PME	Performance Monitoring and Evaluation
POPI	Protection for Personal Information Act
PPPFA	Preferential Procurement Policy Framework Act

Abbreviation	Term
PSET	Post School Education and Training
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System
Remco	Remuneration Committee
RMC	Risk Management Committee
RPL	Recognition of Prior Learning
SAICA	South African Institute of Chartered Accountants
SAIPA	South African Institute of Professional Accountants
SAIS	South African Institute of Stockbrokers
SAIT	South African Institute of Tax Professionals
SARS	South African Revenue Service
SCM	Supply Chain Management
SDA	Skills Development Act 97 of 1998 (as amended 2003)
SDL	Skills Development Levy
SDLA	Skills Development Levies Act of 1999 (as amended 2010)
SETA	Sector Education and Training Authority
SIC Code	Standard Industrial Classification Code
SIPS	Strategic Integrated Projects
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SP	Strategic Plan
SSP	Sector Skills Plan
TBA	To Be Advised
TVET	Technical and Vocational Education and Training
UoT	University of Technology
WBE	Workplace-Based Experience
WSP	Workplace Skills Plan

FOREWORD

It is our privilege as the Finance and Accounting Services Sector Education and Training Authority (Fasset) Board to submit this draft Strategic Plan (SP) for the period 1 April 2015 to 31 March 2020 to the Department of Higher Education and Training (DHET). We are focused as a Sector Education and Training Authority (SETA) on continuing to deliver on our mandate of facilitating skills development across the Post-School Education and Training (PSET) pipeline. We will do this by continuing to partner with all our stakeholders, including DHET, and various delivery partners for the benefit of the Fasset sector and the broader economy.

As a SETA that has been in operation since 2000, our re-establishment for two years until 2018 has been extended to 2020 following the expiry of our five-year licence on 31 March 2016. When the MHET extended Fasset's licence by an additional two years in 2016, the Fasset Board re-evaluated the SETA's strategy and took into account developments within the skills development environment, whilst remaining mindful of the proposed amendments to the SETA landscape beyond the 31 March 2018. The focus confirmed by the Board has not changed, despite the additional of two more years to the SETA landscape.

Fasset's strategy, entitled #LastingLegacy was introduced in the 2016/2017 financial year, and remains the SETA's focus until 2020. Within the #LastingLegacy strategy, some revisions have been introduced to Fasset's discretionary-funded programmes, with the intention of ensuring impactful delivery through addressing skills gaps and niche areas that are currently not being adequately addressed in the PSET system. To this end, Fasset will continue to focus on two core areas; firstly, the facilitating of learner placement and enhancing their employability prospects for sustained employment, and secondly, supporting the academic achievement of Professional, Vocational, Technical and Academic Learning (PIVOTAL) programmes. In tackling these two core areas, we remain mindful of the need to address various national governmental strategic imperatives, as well as the need to balance stakeholder expectations with limited funds available.

The purpose for which Fasset has been established is to provide an institutional framework to devise and implement national, sectoral and workplace strategies that are aligned with the objectives of national economic and social development priorities. These strategies are developed within the context of:

- Supporting the development and improvement of skills development interventions,
- Providing an assurance of quality in education and training,
- Enhancing access to learning opportunities,
- Encouraging active employer participation,
- Supporting the objectives of the Employment Equity Act (EEA) of 1998, and
- Addressing the needs of the South African labour market including that of employers, workers and Small, Medium and Micro Enterprises (SMMEs).

The industrial scope of coverage of Fasset is the finance and accounting sector, as determined by the Minister of Higher Education and Training (MHET) in terms of section 9(2) of the Skills Development Act No. 97 of 1998 (as amended) (hereinafter referred to as the SDA), read in conjunction with Government Gazette No 33756, RG 9417, No R1055 of 11 November 2010. As a Public Entity listed in Part A of Schedule 3 of the Public Finance Management Act (PFMA) 1998, Fasset is established in accordance with section 9 of the SDA and having all the powers granted to it in terms of the Act.

The National Treasury Framework for SPs and Annual Performance Plans (APP's) (August 2010) has been used as the basis for the preparation of this APP. Additionally, this SP is submitted in accordance with the requirements of the DHET, the PFMA, National Treasury regulations and the Fasset Constitution. In line with these requirements, Fasset has developed a Materiality and Significance Framework to record the level and reasoning for the suggested levels of materiality and significance for consideration by the governance structures of Fasset, and for submission to and approval by the executive authority. In preparing this SP, we have taken into account the funding regulations, which govern the SETA levy-grant system. No changes to the regulations have been introduced, however the existing regulations are incorporated in Fasset's planned interventions and related budget.

Essential aspects of this SP include Fasset's vision, mission and skills development priorities, required to deliver on the set goals in line with the SETA's mandate. Outcomes and outputs aligned to the National Skills Development Strategy (NSDS) III are also included as the basis upon which Fasset will deliver its strategic objectives.

This SP has been prepared to, most notably, reflect our strategy and programmes for the 2018/19 financial year. It should be read in conjunction with the APP, which serves as the operational tool that is used to arrange and allocate resources, functions and responsibilities in order to meet Fasset's strategic objectives for the 2018/19 financial year. Should any changes materialise in the legislative environment that could materially impact the content of this SP, Fasset reserves the right to update the SP accordingly.

As the Fasset Board, we endorse this SP and look forward to working with DHET and delivering against NSDS III in the upcoming year for the benefit of our stakeholders and the country.

Yours in skills development,

Shahied Daniels
Fasset Acting Chairman

SIGN-OFF

Fasset SP 2018/2019
31 August 2017 Submission

SIGN-OFF

This SP is submitted by Fasset as approved by the Fasset Board. It reflects the strategic direction as well as the goals, outcomes and outputs that Fasset will endeavour to achieve over the 2015 – 2020 period in fulfilment of our mandate. It takes into account the relevant policies, legislation and other imperatives that are relevant to our operating environment.

The SP is signed-off as follows:

Chief Financial Officer:

Katlego Nembulane

Signature:



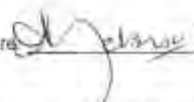
Date:

30/08/2017

Acting Chief Executive Officer:

Lesege Lebuso

Signature:



Date:

30/8/2017

The APP is approved by the Acting Chairman of the Fasset Board on behalf of the Accounting Authority as follows:

Acting Chairman:

Shahied Daniels

Signature:



Date:

30/8/2017

PART A: STRATEGIC OVERVIEW

1 Vision

Fasset's vision is as follows:

- To facilitate the achievement of world-class finance and accounting skills

2 Mission

Fasset's mission is as follows:

- Increase the flow of new finance and accountancy entrants into employment,
- Develop and grow the skills required in the sector, and
- Facilitate transformation of the finance and accountancy sector.

The Fasset vision and mission are aligned to our organisational strategy and form the foundation upon which we build a pipeline of world-class skills for the broader finance sector whilst driving the transformation strategy for the sector.

3 Values

Our shared values articulate what we stand for, what we value as an organisation and inform how we interact with our valuable stakeholders.

Table 1: Fasset Values

Values	What our values mean to us
Professionalism and accountability	We are a high performance, professional team; we strive for excellence through hard work and by taking responsibility and being accountable within an accepted and agreed code of conduct
Ethics	We work with integrity and honesty and respect internal and external stakeholders at all times
Making a difference	We make a difference to the lives of all our stakeholders by identifying their needs and exceeding expectations
Valuing people	We strive to create a motivating and supportive culture by understanding, respecting, developing and valuing each other
Innovation	We continuously innovate and improve to add value to all our stakeholders

4 Legislative and Other Mandates

The SETA is bound by a variety of mandates including constitutional, legislative and those linked to important policy matters. The sections that follow describe these mandates.

4.1 Constitutional Mandates

The Constitution of the Republic of South Africa is the supreme law governing the country of South Africa. It provides the legal foundation for the existence of the Republic, sets out the rights and duties of its citizens and defines the structure of the government.

The relevant sections of the Constitution that have a direct bearing on the governance of Fasset are the following:

- Chapter 2 outlines the Bill of Rights which enumerates the civil, political, economic, social and cultural human rights of the people of South Africa.
- Chapter 4 defines the structure of Parliament and lays down the process for enacting bills into law, amongst others.
- Chapter 10 on Public Administration, which lists values and principles for the administration of the civil service.
- Chapter 13 deals with Public Finance which requires effective and transparent budgeting at all levels of government; it gives the National Treasury the power to oversee budgetary processes and places some restrictions on government procurement and borrowing.
- Chapter 14 outlines general provisions dealing with transitional and incidental provisions such as requiring that obligations imposed by the Constitution be carried out without delay; providing that some executive powers may be delegated by one organ of state to another; and as the Constitution is published in all eleven official languages, providing that the English text is authoritative in the event of a conflict.

As a public entity, Fasset reports to the MHET as the Executive Authority of the SETA (i.e. the Board). We are accountable to Parliament and are also under the oversight of National Treasury in terms of performance management and financial administration. We engage with a broad range of stakeholders in fulfilment of our SETA mandate which requires us to uphold principles of good governance in the interest of making a meaningful contribution in skills development for the benefit of the Fasset sector and the country.

Furthermore, the SDA makes provision for the establishment of SETAs for each national economic sector. In terms of this, a SETA Constitution is drawn up in accordance with the requirements of section 13, as further provided for in terms of section 9 (1) of the Act, and provides an institutional framework for the SETA to develop and implement national, sectoral and workplace strategies, in order to develop and improve the skills of the South African workforce. Together with the PFMA, the Skills Development Levy Act (SDLA) of 1999 (as amended), the Fasset Constitution and other relevant legislation, govern the SETA.

4.2 Legislative Mandates

Fasset has been operating since April 2000 and is responsible for skills development activities within the finance, accounting, management consulting and other financial services sector. It was re-established for a further two-year period from 1 April 2016 to 31 March 2018 by the MHET, Dr Blade Nzimande. The re-establishment has since been further extended until 2020 with the current

Board's term coming to an end in March 2018. Confirmation of the SETA's operating licence beyond 2020 period has not yet been communicated by the DHET.

We are focused on delivering on our general aims as a SETA, which are to:

- Facilitate, coordinate and monitor the implementation of the NSDS in the Fasset sector,
- Identify skills shortages in the sector,
- Support the development of the skills of employees in the sector,
- Support the improvement of the quality of life and labour market prospects of employees in the sector,
- Strengthen the institutional capacity of the SETA, in order to improve productivity and the quality of the services it provides to its stakeholders,
- Through the Skills Development Levy (SDL), increase the levels of investment in skills development and improve the return on such investments,
- Support improved performance and productivity in the workplaces in the sector, as well as the competitiveness of employers,
- Support the improvement of the employment prospects of persons previously disadvantaged by unfair discrimination,
- Liaise with employment services to assist work seekers to gain access to work experience,
- Liaise with employment services to assist retrenched workers to re-enter the labour market,
- Liaise with employers in respect of skills development programmes,
- Promote the development of skills aimed at self-employment,
- Support skills development in the informal sector, cooperatives and other income-generating initiatives for the unemployed,
- Support and promote the development of artisans, technicians, professionals and persons in other categories,
- Support, facilitate and promote the quality of occupation-based learning in the sector,
- Promote effective communication between, and participation by bodies involved in skills development – both inside and outside the sector,
- Co-operate with, and support the Quality Council for Trades and Occupations (QCTO) in such matters relating to QCTO functions and operations referred to in section 10 of the Act, and
- Co-operate with, and support the functions of other agencies in matters related to skills development.

Fasset operates in terms of the SDA, which makes provision for the establishment of SETAs for each national economic sector as well as the SDLA, which introduced programmes and funding policies designed to increase investment in skills development. These pieces of legislation provide an institutional framework for the SETA to develop and implement national, sectoral and workplace strategies in order to develop and improve the skills of the national workforce resulting in improvements in employability and productivity, whilst contributing to the competitiveness of the country.

The SETA's *Grant Regulations Regarding Monies Received by a SETA and Related Matters*, which was gazetted on 3 December 2012 and came into effect on 1 April 2013, has also been taken into account in our budgeting and skills programme interventions. Detail on this is included in the relevant sections of this SP. Other relevant legislative requirements which Fasset is cognisant of in ensuring that good governance structures and practices are maintained in executing the SETA mandate are the following:

- The PFMA, which is aimed at promoting good financial management in order to maximise delivery through the efficient and effective use of financial resources.
- The National Qualifications Framework (NQF) Act 67 of 2008, which provides for the regulation of qualifications and professional bodies, and establishes the quality councils that Fasset interacts with.

Fasset is also bound by the following legislation:

- Basic Conditions of Employment Act (BCEA) 75 of 1997,
- EEA,
- Broad-Based Black Economic Empowerment (B-BBEE) Act 53 of 2003, and
- Income Tax Act 58 of 1962.
- Preferential Procurement Policy Framework Act (PPPFA)

4.3 Policy Mandates

Fasset's strategic planning process has taken cognisance of a number of government policy frameworks that have a direct bearing on our mandate as a SETA in as far as skills development is concerned. In addition, sector-specific charters are also important to the SETA mandate. These are:

- White Paper on Post-School Education and Training (PSET),
- Human Resources Development Strategy for South Africa (HRDS-SA),
- NSDS III,
- Medium Term Strategic Framework (MTSF) 2014-2019,
- National Skills Accord (NSA),
- New Growth Path (NGP),
- Industrial Policy Action Plan (IPAP),
- National Development Plan (NDP), and
- B-BBEE Codes of Good Practice.

We support the aims and objectives of the HRDS-SA, which outlines the human resources development strategy for the country; the MTSF, which is a broad government framework that indicates economic growth drivers; as well as NSDS III, which outlines the five-year NSDS and serves as the roadmap for Fasset, within which we will deliver our skills development interventions.

In terms of economic growth and social development, cognisance was taken of the NDP¹ which serves as the blueprint and policy framework for all other government policies. The NDP addresses a wide array of economic and social issues, including education and training. Particular focus has been placed on the need to provide educational and economic opportunities for young people and the imperative to transform the workplace and ownership of businesses. Furthermore, the NSA, which was brokered between government, labour, business and civil society in 2011, to speed up the skilling of young South Africans as a key element of government's NGP, has also been taken into account.

¹ National Planning Commission, *Make our Future Work: National Development Plan 2013*.

These policy imperatives have provided the backdrop against which Fasset will contribute towards the following national strategic imperatives:

- Increase access to skills development opportunities that enable effective participation in the economy and society by all South Africans, particularly those who have been previously disadvantaged and continue to remain on the fringes of human resource development and economic participation.
- Achieve fundamental transformation of inequities that are linked to race, gender, class, age and disability.
- Address the challenge of occupational skills shortages with a view to improving productivity within the economy.

The fact that NSDS III is linked to the MTSF, the HRDS-SA, IPAP, the NGP, the NSA, sector development plans, Government's goals for rural development, and the new environment strategy, will enable Fasset to deliver against national initiatives on a broader scale in the future.

Furthermore, the White Paper on PSET (released in 2014) outlined the policy direction that will be adopted by the DHET. Although an implementation plan on the White Paper has not yet been issued, Fasset has considered the contents of the policy document. It is our understanding that a number of gaps need to be addressed relating to areas such as centralisation, the increased focus on research, monitoring and impact assessment of SETA interventions, the employability pipeline and the effective use of the SDL.

We recognise that the implementation of the White Paper currently presents some challenges in as far as legislative misalignments are concerned. We will continue to provide inputs to the White Paper and participate in the process with DHET to craft a workable implementation plan which is, as far as possible, geared towards ensuring that the policy imperatives of the White Paper are operationalised.

In terms of these, Fasset will continue to focus on the key components of our Sector Skills Plan (SSP), including:

- The continued promotion of the skills development strategy
- The delivery of effective projects occurs and that impact on the skills needs of our sector and beyond our sector, across the post-schooling system pipeline.
- Emphasis on driving the transformation strategy to ensure that more Black African people, Coloured people in the Western and Northern Cape and people with disabilities are assisted to gain access to the sector and that B-BBEE imperatives are addressed in all our interventions.
- Continued focus on tracking the impact of our skills development interventions.

Specific detail on how the above policy imperatives are supported, and the links with Fasset programmes and interventions, is detailed in Part C of this SP.

4.4 Ministerial Imperatives

In addition to legislative and policy mandates, Fasset is focused on addressing imperatives as identified by the MHET and the Portfolio Committee on Higher Education and Training (PCHET). These imperatives, as listed below, are aimed at ensuring that the NSDS III goals and outcomes

are addressed in a robust manner, for effective implementation. Many of these ministerial imperatives align to research findings described in the SSP as well as the skills priorities identified.

- Assessment of skills required for the sector, and the identification of scarce skills.
- Improvement of education levels in the sector.
- Partnerships with public Technical and Vocational Education and Training (TVET) Colleges.
- Bursaries awarded to deserving South African citizens in critical skills at Higher Education Institutions (HEIs) and TVET Colleges across the country.
- Scarce and critical skills needs in the sector, how these will be addressed and the number of learners to be trained and placed.
- Partnership agreements with public TVET Colleges, HETs and other training providers, together with the amounts, number of learners and type of training programmes in place.
- Placement of students in the industry as part of agreements with employer organisations, with an emphasis on students from TVET Colleges, to obtain workplace experience and the capacitation of TVET College lecturers.
- A comprehensive plan on making the public service a training space.
- Rural development programmes and how these will be implemented.
- Progress on the implementation of Recognition of Prior Learning (RPL).
- Access to SETAs and their offerings in townships and rural areas through an established presence at TVET Colleges.

These imperatives have been incorporated into the programmes and interventions that Fasset will implement in the realisation of the NSDS III goals and outcomes, as described in Part B of this SP. Targets and budget information related to these imperatives is included in the APP.

4.5 Relevant Court Rulings

There are two relevant court rulings affecting the SETA as outlined below.

4.5.1 Business Unity South Africa

In 2013, Business Unity South Africa (BUSA) launched a court case against DHET on the *SETA Grant Regulations Regarding Monies Received by a SETA and Related Matters*, which was gazetted on 3 December 2012 and came into effect on 1 April 2013. The primary contention relates to DHET allegedly not following due process when implementing the December 2012 funding regulations. BUSA also did not agree with the decrease in the Mandatory Grant percentage from 50% to 20% and that unspent SETA funds be transferred to the National Skills Fund (NSF). DHET filed a response to the BUSA case with the High Court and BUSA have, in turn, responded by filing a counter-claim.

The final court ruling was issued in August 2015 in BUSA's favour where BUSA's arguments were upheld and the SETA Grant Regulations providing for the Mandatory Grant decrease and the transfer of unspent SETA funds to NSF were declared invalid and set aside. The effect of the Order of the Court was suspended until 31 March 2016. This enabled the MHET to consult with the National Skills Authority (NSA), which supported the re-promulgation of the Mandatory Grant at 20%. This was gazetted on 13 January 2016 and remains in force until the court makes a ruling on the matter.

In the meantime, SETAs are required to continue to disclose uncommitted surpluses that are transferrable to the NSF as a contingent liability at the end of each financial year and applications must continue to be made to National Treasury for the retention of surpluses. Concurrently, NSF will continue to disclose a contingent asset for uncommitted surpluses receivable from SETAs at the end of each year.

BUSA have subsequently lodged another challenge on 30 June 2016 pertaining to the Mandatory Grant being decreased from 50% to 20%. At this stage, there is no court ruling on the matter and the regulation remains in force as per the MHET's gazette of 13 January 2016. Fasset will continue to implement the current funding regulations until such time that a different directive is received from DHET.

4.5.2 Hospital Association of South Africa

A further court action relates to a judgement handed down by the Labour Court in May 2014 on a matter involving the Hospital Association of South Africa (HASA) and the Health, Welfare SETA (HWSETA) and stakeholders within the health and welfare sector where the new SETA Constitutions and the subsequent appointment of SETA Boards by the MHET have been questioned. It was ruled that the MHET could not approve a new SETA constitution and appoint constitutive members to the Board in terms of section 33(2) of the SDA. This judgement was appealed by the Minister.

The Labour Appeal Court has found in favour of HASA and ruled that the new SETA constitution was invalid and that HWSETA Board should be reconstituted in accordance with the 2005 constitution by March 2016.

This ruling has a potential impact on the composition of the current Fasset Board and the status of the SETA constitution. DHET has advised all SETAs that the *status quo* remains in the interim until advised otherwise.

5 Situational Analysis

The institutional environment within which Fasset operates is outlined in great detail in the SSP (refer to Annexure 1). Important sector profile and skills priority sections of this document have been included in Section 5.1. Detail on the strategic-oriented goals and programmes to address challenges emanating from the performance environment are described in the relevant sections of this document. Also outlined in this section is the organisational environment as well as the strategic planning process undertaken, which culminates in the development of the SP and APP, is also described.

5.1 Performance Environment

The Fasset sector, currently employs about 140 000 people, contributes approximately 1% of the employment opportunities in South Africa and about 6% of the jobs in the Finance, Real Estate and Business Services Sector. Approximately 80% of the workforce is employed in the medium and large organisations in the sector while the rest are employed in small organisations – mainly professional practices. Although the sector has made some progress in terms of transformation, the under-representation of African Black and Coloured workers in specific provinces, especially

at professional and managerial level, remains an issue that needs to be taken into consideration in skills planning.

The Fasset sector is a highly regulated sector and changes in legislation and in the regulatory environment are affecting the skills situation in the sector. The most important changes are the implementation of the Companies Act, 71 of 2008 which introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors. Other changes include the expanding regulatory and governance requirements that follow on the introduction of the King Codes, changes in the tax environment, changes in the regulation of the financial markets, changes in the registration requirements for auditors and the imminent regulation of the accountancy professions.

Fasset's planning is to a very large extent influenced by national policies and strategies, especially the NDP and the White Paper for PSET. Consideration was also given to the requirements of the Strategic Integrated Projects (SIPs).

The four most important skills issues that Fasset needs to contend with and that need to be addressed in its priority setting are:

- The need for a long-term and holistic view of the skills pipeline
- Ensuring that new entrants reach professional status
- Strengthening the capacity of the TVET Colleges and improving the absorption of TVET learners in the labour market and
- Supporting the population group transformation of the sector.

The supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. Skills shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African Black and Coloured graduates in specific provinces delivered by the education and training sector. The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline and consequently, in the setting of skills development priorities, the Board took into consideration the skills formation process as it spans the lifetimes of individuals. This process is illustrated in Figure 1. The formation of skills already starts at school level. It then continues through post-school education to the point where a person enters the labour market for the first time. Two very important transitional moments in this process are the transition from school to post-school education and from post-school education to the labour market. Once established in the labour market, people need to continue with the development of skills in order to progress in their careers and in order to stay abreast with changes in the world of work. In the conceptualisation of skills development priorities and interventions for the SETA, Fasset attempts to address the full spectrum of the pipeline to varying extents.

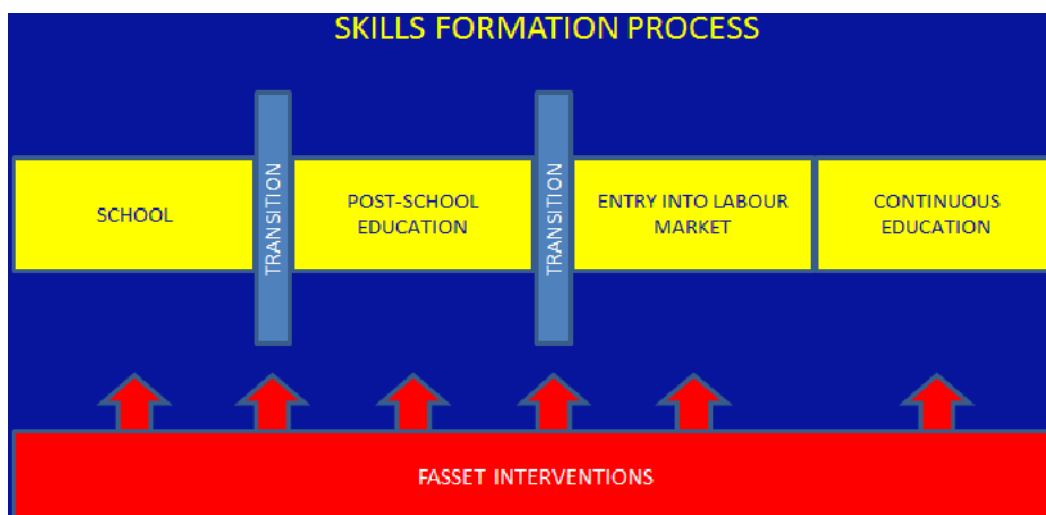


Figure 1: Education and skills formation pipeline and Fasset's interventions

Fasset shares the responsibility of skills formation with many other role players, including Government, the PSET system, professional bodies and employers. In its strategic decision-making, Fasset's Board also had to consider the SETA's responsibilities and available resources in relation to the responsibilities and resources of other role players. Partnerships are entered into where possible and where required.

After considering the situation of the sector, the requirements of the Fasset sector as well as certain national imperatives and cross-cutting objectives emanating from Government's national strategies and policies and the skills needs of the broader economy, three skills development priorities were identified and are described below. These are:

- 1) Increasing the flow of new finance and accountancy entrants to employment,
- 2) Developing and growing the skills required in the sector, and
- 3) Facilitating transformation of the Finance and Accounting Services Sector.

Specific priorities were set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in this SP.

5.2 Governance

Fasset's organisational environment is underpinned by corporate governance principles and practices. We comply with the PFMA and the King III Code of Corporate Governance, and have also noted the developments around the King IV Code, which is currently out for public comment. An implementation plan has also been crafted in preparation for full compliance with the Protection for Personal Information (POPI) Act while from the Information Technology (IT) governance perspective, preparation is underway for Phase 3 of the Department of Public Service and Administration (DPSA) ICT Governance Framework.

We recognise that good governance is at the heart of creating sustainable organisations. This enables us to manage stakeholder concerns, build commitment within and outside the organisation, and to focus on delivery. As such, we have compiled a legislative compliance reporting framework, which enables us to track key pieces of legislation that are introduced or revised to enable

us to align accordingly. We also track our level of compliance related to all supply chain management standards and practice notes and also report accordingly to the National Treasury periodically.

A comprehensive set of policies and procedures is also in place in accordance with Fasset's Constitution and in support of the SSP and the SP. Our Board and other governance structures such as the Executive Committee (Exco), Finance Committee (Finco), Audit and Risk Committee (ARC) and Board Procurement Committee (BPC) will continue to ensure that internal controls are implemented and monitored adequately to provide reasonable assurance. Management Committees are also in place, which includes the Fasset manager's committee (MANCO), the Risk Management Committee (RMC) and the IT Steering Committee. An integrated quality management system has been institutionalised, which is updated regularly in line with changing business practice and legislative requirements.

Quality assurance is no longer provided in line with the approved Quality Assurance Partner (QAP) model. All previously approved Fasset QAPs have become QAPs of the QCTO. In terms of the QCTO QAP model, sector Professional Bodies are responsible for quality assuring most qualifications in the Fasset sector as directly delegated to them by the QCTO and any new accreditation requests for qualifications that fall in the scope of the Professional Body QAPs will not be performed by Fasset. Fasset remains responsible for certification of all qualifications, which was previously the domain of Professional Bodies, and now delegated to the SETA by the QCTO.

5.3 Organisational Environment

Internally, our human capital consists of individual employees' knowledge, skills, competencies and their ability to understand and implement the Fasset strategy. Our staff complement has grown to 30 people to address growing operational requirements. The appointment of a Human Resources (HR) manager was finalised in 2017, and Fasset is in the process of recruiting a Chief Financial Officer (CFO) to boost the team in this functional area.

Other key human resource matters are dealt with as follows:

5.3.1 Recruitment and Selection

Fasset has a Recruitment and Selection Policy and an Employment Equity Plan (EEP) that drives Human Resources Management (HRM). An EEP is also compiled and reported on periodically under the oversight of the Employment Equity (EE) Forum and as reported to the Remuneration Committee (Remco).

Non-core functions relevant to the organisation, such as Internal Audit, Information Technology (IT), the SETA's Call Centre and Finance function are currently outsourced, and additional expertise is procured as and when required (for example in the field of research). The approach to outsourcing non-core functions to specific companies, within the parameters of the SDA, has enabled us to consistently deliver on our mandate. This is currently being reviewed with a view to adopting a delivery plan that is best suited to the SETA's business model. To ensure we remain focussed on the recruitment and retention of talented staff at Fasset, as well as ensuring we transform our workforce, we have a Recruitment and Selection Policy and an Employment Equity Plan (EEP).

5.3.2 Training and Development

We rely on the knowledge and training of our employees to fulfil the obligations of our mandate. Through our Education and Training Policy, we ensure that our staff is upskilled on an ongoing basis to meet their development potential and are capacitated to deliver on Fasset's strategic priorities.

We prepare and submit the Mandatory Grant (containing a Workplace Skills Plan (WSP) and Annual Training Report (ATR)). This document outlines our annual training and development plans to be undertaken for our employees and the training conducted in the preceding period.

In alignment with this approach, we have a Recruitment and Selection Policy and an EEP that drives human resources management. An EEP is also compiled and reported on periodically under the oversight of the EE Forum and as reported to the Remco.

5.3.3 Talent Management and Succession Planning

Despite the SETAs re-establishment until 31 March 2020, there is still very real risk that employees may leave the employment of Fasset at any time, particularly during key periods of delivery. A succession and transitional plan as well as retrenchments and retention policies have been revised and are in place. The reality of staff implementing their own exit strategies remains, despite Fasset initiatives, and this risk will be managed accordingly should it materialise.

5.3.4 Measuring Our People Practices

We are an Investors in People (IiP) organisation. The IiP standard provides a well-respected benchmark against which to align our people development initiatives. It also allows all staff to keep people development at top of mind and to be directly involved in improving our standards at the same time. It also enables us to benchmark against other best-practice organisations and learn from their experiences.

5.3.5 Recognition and Reward

An integrated performance management system is in place, which includes individual performance contracts, personal learning and development plans and three performance reviews per annum. The performance management system and incentive scheme with a maximum value of 14% of the annual remuneration package are also in place aimed at rewarding exceptional performance. These are aligned to and support the attainment of the strategic priorities, goals and outcomes outlined in the SP and APP. The incentive scheme exists and certain incentives are paid (including but not limited to an annual performance bonus) at Exco and Remco's discretion.

5.3.6 Employee Wellness

The success of any organisation depends heavily on the productivity and work performance of its human resources. The welfare of employees therefore needs to be taken into account focused on maximising individuals' potential for functioning properly within a particular work environment.

Fasset boasts a Wellness Programme aimed at increasing employee morale, engagement and productivity whilst at the same time reducing absenteeism and organisational health risk exposure.

An employee forum was also established in 2015 as a platform to facilitate communication between certain levels of staff and management, and to provide employees with an opportunity to participate and contribute constructively to the operations of the organisation. The forum is comprised of all staff members below management level.

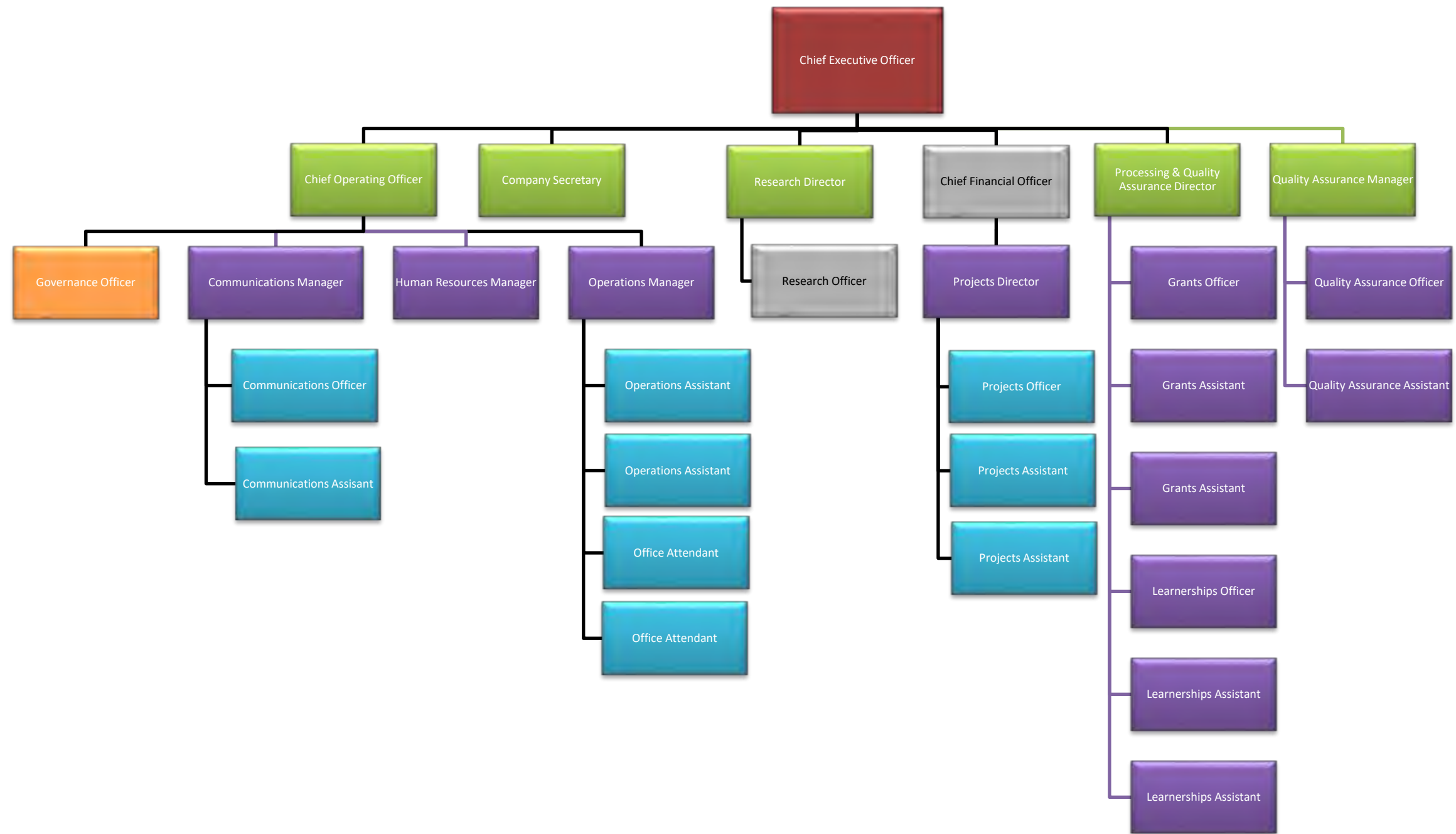
5.3.7 Staff Capacity

At the time of preparation of this plan Fasset is fully staffed with two vacancies present. The position of Research Specialist and CFO, as depicted in the organogram in Figure 2.

Staff turnover may occur from time to time, however the SETA's talent management and succession planning approach attempts to guard against a negative impact of losses.

The full staff complement will enable the SETA to deliver on its mandate.

Figure 2: Fasset Organogram



5.4 Strategic Planning Process

Fasset's strategic planning process outcomes (as outlined in Figure 3) is informed by the regulatory environment, policy imperatives as well as research detailed in the SSP. This process is conducted annually and commences eight months before the start of the incoming financial year which commences on 1 April.

An integrated approach to strategic planning is adopted, which considers strategic, financial and performance information. The Fasset management team, working committees as well as the Fasset Board generally have an opportunity to provide input in the form of proposals, which culminates in a two-day strategic session. At this session decisions are typically made that inform the strategic direction to be embarked upon in the upcoming financial year. Based on these decisions, programmes are approved and funding is allocated to meet the performance targets that are aligned to the NSDS III goals, outcomes and outputs.

The SP is drafted after the strategic planning session, and submitted to the DHET and National Treasury in accordance with requirements and set deadlines. Once approved by DHET, the performance targets and agreed deliverables aligned to NSDS III form the basis for the Service Level Agreement (SLA) entered into between the SETA and DHET.

Subsequent to the Board's strategic planning meeting, the Fasset management team meets to review targets and ensure that appropriate resources are available to enable the achievement of performance targets. Performance against targets is then monitored regularly by way of internal performance management tools, as well as being reported quarterly to the Board and its sub-committees. External monitoring of targets consists of regular reporting to the DHET and National Treasury.

The SETA follows National Treasury's planning and budgeting guidelines. In addition, the Government-wide planning and the MTSF inform and align the SETA's plans on three levels of planning, namely:

- 1) Five-year Strategic Plan
- 2) APPs and MTEF targets, and
- 3) Operational plans of business units and divisions and individual performance agreements.

For the planning period 2018/2019, as expected by statutory requirement for the MTEF, Fasset reviewed and amended the strategic goals and objectives considering the relevance and appropriateness of these, as well as taking into account the DHET proposed budget programmes for SETAs.

The SP and APP draws on research and monitoring of trends in Fasset's sector. Preliminary drafts of the SP and APP are sent to the Fasset sector as part of a consultation processes, where these documents are tabled at the Fasset Annual General Meeting (AGM). Ultimately the Board, as the final consultative forum for the sector, approves the SSP, SP and APP, as is their mandate.

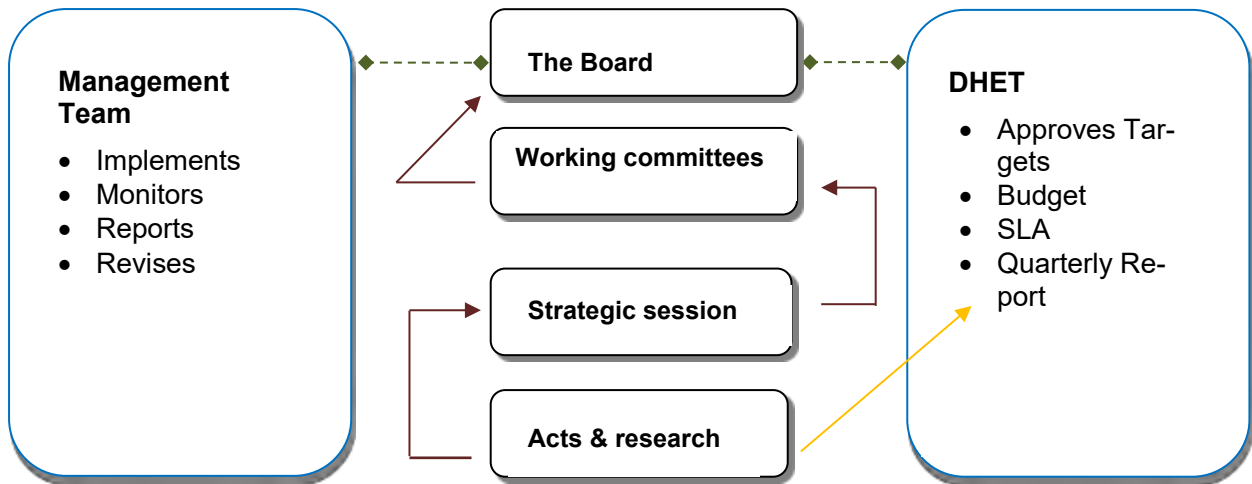


Figure 3: Fasset Strategic Planning Process

6 Strategic Outcome-Orientated Goals of the SETA: 2015/16 – 2019/20

In developing the strategic outcome-oriented goals for the five-year period, we have taken into account the needs of the sector as outlined in our SSP, as well as the objectives set by the NSDS III, MTSF, HRDS-SA, NDP, IPAP, NGP and NSA. Furthermore, we not only considered the needs of our own sector, but also the financial needs of the rest of the economy in fulfilment of Fasset's role as the incubator sector for finance and accountancy skills.

Emphasis was also placed on addressing the skills formation process as it spans the lifetime of individuals with a view to overcoming the challenges at every point of the skills formation pipeline as well as ensuring that Fasset, as an organisation, is operating at a high level of efficiency and effectiveness.

Strategic Outcome-Oriented Goal 1	Increased functional efficacy of Fasset
Goal Statement	<p>The goal is to ensure that Fasset is fully-established, appropriately resourced and delivering the best services to its stakeholders in fulfilment of its legislative and sector mandate. This goal will be monitored annually through the following:</p> <ul style="list-style-type: none"> • Implementation of effective policies, strategies, plans and internal controls that comply with national and sector legislation and related regulations, codes of professional practice (where applicable) and good corporate governance. • Effective and efficient financial, physical and asset planning, human resource planning and the allocation of resources appropriately. • Meeting and exceeding outcomes for the SETA and ensuring that targets are met in the most impactful manner.

Strategic Outcome-Oriented Goal 2	National need in relation to skills development is researched, documented and communicated to enable effective planning in the sector.
Goal Statement	<p>The goal is to ensure that appropriate skills-related research is conducted to strengthen evidenced-based decision-making in the Fasset sector in response to its training requirements and transformation strategy. Appropriate and quality research improves the effectiveness and efficiency of the skills delivery system through the better allocation of financial and human resources. The implementation of the research agenda ensures the following is achieved:</p> <ul style="list-style-type: none"> • Strengthening evidence-based decision-making in the strategic and operational areas of Fasset. • Developing and disseminating information on skills development opportunities in the sector through paper-based and electronic communication channels, participation in forums and discussion groups, career awareness events and advertising campaigns. • Building strong stakeholder relationships to facilitate information sharing opportunities including working committee participation, provincial and regional forums and professional body partnerships.

	<ul style="list-style-type: none"> • Ensuring a comprehensive data and information repository at the conclusion of the present SETA license.
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Strategic Outcome-Oriented Goal 3	Identify and address middle-level and high level skills needs through work-ready graduates from educational institutions.
Goal Statement	<p>The goal is to ensure that learning programmes and projects culminate in a skilled and transformed workforce that improves the competitiveness of the sector and livelihood of its workforce. The key role of Fasset is ensuring an adequate of employees in identified scarce skills in the finance and accounting sector. The relationship between post-school education institutions (HEIs, professional bodies, TVET colleges) and workplaces will be strengthened through a range of programmes, projects, incentives and other forms of support to address the following skills priority areas:</p> <ul style="list-style-type: none"> • Increase the flow of new finance and accountancy entrants into employment • Develop and grow the skills required in the sector • Facilitate transformation of the finance and accountancy sector <p>The following programmes, projects, incentives and other forms of support to address the following skills priority areas will be implemented in the financial period:</p> <ul style="list-style-type: none"> • Collaborations with HETs, TVETs, DHET and Other SETAs to enhance the employability prospects of new finance and accountancy entrants. • Lifelong Learning (LL) and Learner Professional Development (LPD) interventions being offered to employees of organisations that fall in the Fasset sector, both SDL-paying and NLPs. • Mandatory Grants being paid back to firms who train in accordance with their WSPs. • Provide Career Awareness information and position Fasset as the sector of career choice nationally, with a particular focus on rural areas and townships. • Strengthen the financial skills base of the public sector and making the public sector a training space in skills development through payment of a portion of the SDL, submission of Mandatory Grants (which includes WSPs and ATRs), and participation in Fasset initiatives such as LL, LPD, Bursary Grant and the facilitation of workplace accreditation for professional qualifications. • The availability of a Disability Toolkit to assist employers when employing people with disabilities. • The availability of the Bridging Programme for the completion of a qualification or designation offered by Universities and Professional Bodies (PIVOTAL and non-PIVOTAL). • The availability of the Learner Employment Grant (LEG) and Bursary Grant to employers who employ previously unemployed African Black people, Coloured learners in the Western and Northern Cape and/or entrants with disabilities on learnerships, or who offer bursaries to previously unemployed Black African people, Coloured people in the Western and Northern Cape and/or learners with disabilities to study at

	<p>recognised tertiary institutions or professional bodies. This will fund PIVOTAL and non-PIVOTAL programmes.</p> <ul style="list-style-type: none"> • The availability of the TVET Colleges Workplace-Based Experience (WBE) programme to employers, both SDL-paying and Non Levy Payers (NLP), who take on new Black African people, Coloured people in the Western and Northern Cape and/or learners with disabilities onto learnerships. • The identification of PIVOTAL programmes to address skills shortages and provide access for new entrants into the sector. This will be funded through the Bursary Grant for programmes leading to full or part-qualifications, which are aligned to scarce skills needs in the sector. • The participation of Black African people, Coloured learners in the Western and Northern Cape and/or entrants with disabilities in Bridging Programmes for the completion of qualifications/ professional body qualifications and access into the Fasset bursary scheme and the TVET WBE programme.
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Strategic Outcome-Oriented Goal 4	Increase access to the finance and accounting training through the provision of quality-assured occupational qualifications and part-qualifications.
Goal Statement	The increased focus on delivering PIVOTAL programmes in terms of the mandated spend of at least 80% of discretionary funding means that the SETA must ensure that an infrastructure of accredited training providers as well as registered qualifications exists, to enable learners to be educated and trained on PIVOTAL qualifications.

PART B: STRATEGIC OBJECTIVES

Fasset's strategic objectives are aligned to NSDS III goals, outcomes and outputs as indicated in Table 3 below and described at an aggregated programme level. Specific targets per learning programme at sub-programme level are included in the implementation plan as contained in the Annual Performance Plan (APP).

Based on the research underpinning the Fasset SSP, it is evident that the focus of skills development strategies within the sector should be on the full spectrum of the skills formation process across the PSET. This, as well as Fasset's incubator role and the transformation requirement of the sector, have been taken into account in identifying interventions to be funded by Fasset for the 2017 – 2018 financial year.

Programmes, sub-programmes and performance targets have been identified to address the above strategic objectives and NSDS III goals, outcomes and outputs. These programmes and targets are reviewed annually as part of the annual strategic planning process to ensure relevance and take into account the current dynamics in our operating landscape.

7 Budget Programmes

Strategic programmes have been identified and will be supported through the Mandatory Grant and discretionary funded programmes. Under the theme of #LastingLegacy, the SETA's focus on facilitating the development of finance and accounting skills needed by the sector and the broader economy through a pipeline approach will be sharpened to ensure impactful delivery during the SETA's re-establishment period. This entails a deliberate focus on the following two key strategic programmes:

1. Facilitating learner placements and enhancing the employability prospects for sustained employment.
2. Supporting the academic achievement of learners on PIVOTAL programmes.

The focus on these two programmes will be pursued with the intention of ensuring that a high success rate of programmes funded is achieved. Furthermore, non-PIVOTAL programmes will also be supported to include career awareness, the provision of LL and LPD, and continued support of TVET College learners. This will be underpinned by a robust stakeholder engagement programme, enterprise risk management and continued research for the purposes of tracking, monitoring and measuring the impact of Fasset-funded programmes. The core funding principles as previously approved by the Board will be maintained to address the transformation strategy through the continued focus on funding programmes directed at African Black learners, Coloured people in Western and Northern Cape and all people with disabilities, and aligned to the scarce skills imperative.

The strategic programmes will be implemented with the objective of increasing the flow of new finance and accountancy entrants into the South African economy, developing and growing the skills required in the sector and facilitating transformation of the demographic profile of the finance and accountancy sector.

7.1 Programme 1: Administration

7.1.1 Programme Purpose

The purpose of this programme is to instil a culture of effective and efficient management, operations, governance and risk awareness within Fasset.

This programme relates to Fasset's finance, Supply Chain Management (SCM) and procurement, Information Technology (IT), communications and marketing, HRM, risk management and facilities management of the SETA.

Fasset is further expanding its skills development and training programme in order to support a learning culture within the SETA. Like employers in the sector Fasset facilitates skills development initiatives for, Fasset annually engages in a skills planning process by submitting a Mandatory Grant to the relevant SETA, applying for discretionary grants and reinvesting Mandatory Grants into its learning and development programme.

The specific personnel supporting this programme include:

- Chief Executive Officer
- Chief Operating Officer
- Chief Financial Officer
- Quality Assurance Manager
- Operations Manager
- Human Resources Manager

7.1.2 Strategic Objectives

Three Strategic Objectives that have been detailed within this Strategic Outcome-Oriented Goal, and is detailed below.

Table 2: Programme 1 Administration Strategic Objectives

Strategic Objective 1	Improved financial and procurement management
Objective Statement	<ul style="list-style-type: none"> • In order to achieve efficient and effective financial, infrastructure and financial resource planning and management, it is essential that the spending of the funds allocated are spent in line with objectives detailed in the SP and APP, and that funds are accounted for to stakeholders. • This objective will ensure effective resource planning and contract management as well as the implementation of internal controls which support the financial stability and operational efficiency of Fasset. • It will further ensure adherence to policies and legislative frameworks and compliance with relevant legislation.
Baseline	<ul style="list-style-type: none"> • Unqualified audit for the 2016/17 financial year
Strategic Objective 2	Improved quality of organisational planning, performance monitoring and reporting
Objective Statement	<ul style="list-style-type: none"> • This objective concerns organisational planning and ensuring that performance monitoring, reporting and evaluation is done in line with the Fasset M&E Framework and the National Treasury Framework for Managing Programme Performance Information (FMPPi).

Strategic Objective 1	Improved financial and procurement management
	<ul style="list-style-type: none"> • A robust M&E Framework will ensure programme interventions are relevant, quality and impactful. • Improved reporting of performance information will be in compliance with the applicable performance management frameworks and related legislation as articulated in the FMPPI.
Baseline	<ul style="list-style-type: none"> • Unqualified audit for the 2016/17 financial year • Minimum of 70% of project beneficiaries successfully complete their funded programmes.
Strategic Objective 3	Training and Development Plan implemented across all divisions of Fasset
Objective Statement	<ul style="list-style-type: none"> • This objective concerns a culture of training and development institutionalised and cross-functional process. • This includes the process of training plan development and reporting on training that will allow Fasset to develop a highly educated and skilled workforce to be a leading SETA in the skills development sector.
Baseline	<ul style="list-style-type: none"> • Training and Development Policy • Individual Training Plans • Departmental Training Plans • Mandatory Grant Approval 2016/2017

7.1.3 Risk Management

Key risks are identified in Table 3 below.

Table 3: Programme 1 – Risks

Strategic Objective	Risk	Risk Description	Risk Mitigation
1	Non-conformance to administrative, procurement and financial management policies, legislation and procedures.	<ul style="list-style-type: none"> • SCM legislation, policies and procedures not complied with • Delays in the procurement process, impacting negatively on the Fasset's implementation • Irregular and wasteful expenditure • Qualified audit • Products and services not being procured at optimal value 	<ul style="list-style-type: none"> • Strict adherence to SCM policies and procedures • Regular procurement audits
2	Ineffective contract management	<ul style="list-style-type: none"> • Payments made outside of approved contract periods • Contract extensions not appropriately accounted for • Incorrect commitment disclosures 	<ul style="list-style-type: none"> • Regular review of the contract management schedule • Regular review of the commitments register

Strategic Objective	Risk	Risk Description	Risk Mitigation
			<ul style="list-style-type: none"> • Contracts are legally vetted and include provisions for project delays and/ or poor/ non-performance
3	Poor implementation of organisation-wide M&E Framework	<ul style="list-style-type: none"> • Lack of commitment to implementation processes • Lack of capacity in the implementation of the M&E framework • Non-adherence to FMPPPI 	<ul style="list-style-type: none"> • Provide capacity building on monitoring and evaluation • Report on non-compliance to M&E activities • Report on non-compliance to FMPPPI
4	Poor implementation of staff training and development	<ul style="list-style-type: none"> • Poor knowledge sharing culture 	<ul style="list-style-type: none"> • Staff development budget and individual development plans • Encourage personal development and team-building • Succession planning (critical positions) • Regular performance appraisals

7.1.4 Resource Considerations

7.1.4.1 Financial Resources

The main source of revenue for the period is the SDL (1% of the payroll of the business) which is paid by employers, in accordance with the SDLA. Additional levy contributions are received from Government Departments falling within the Fasset sector in line with a directive from the DPSA that 30% of 1% of payroll of Government Departments should be allocated to SETAs for skills development programmes. The funding received is then channelled towards the following funding streams as depicted in Figure 4.

The strategic direction and principle decisions adopted by the Board are as follows:

- Mandatory Grants aimed at supporting skills development initiatives in the workplace.
- Discretionary Grants, aimed at increasing access to occupationally-directed programmes in needed areas, as well as to expand the availability of skills. A transformation focus has been included as a key imperative.
- Policy imperatives that keep Fasset at the cutting-edge through interventions such as research. Such imperatives inform strategic decisions and communications initiatives that advocate the Fasset brand and position the sector as the sector career of choice
- Direct interventions that include well-received projects such as LL, LPD and the TVET WBE project.

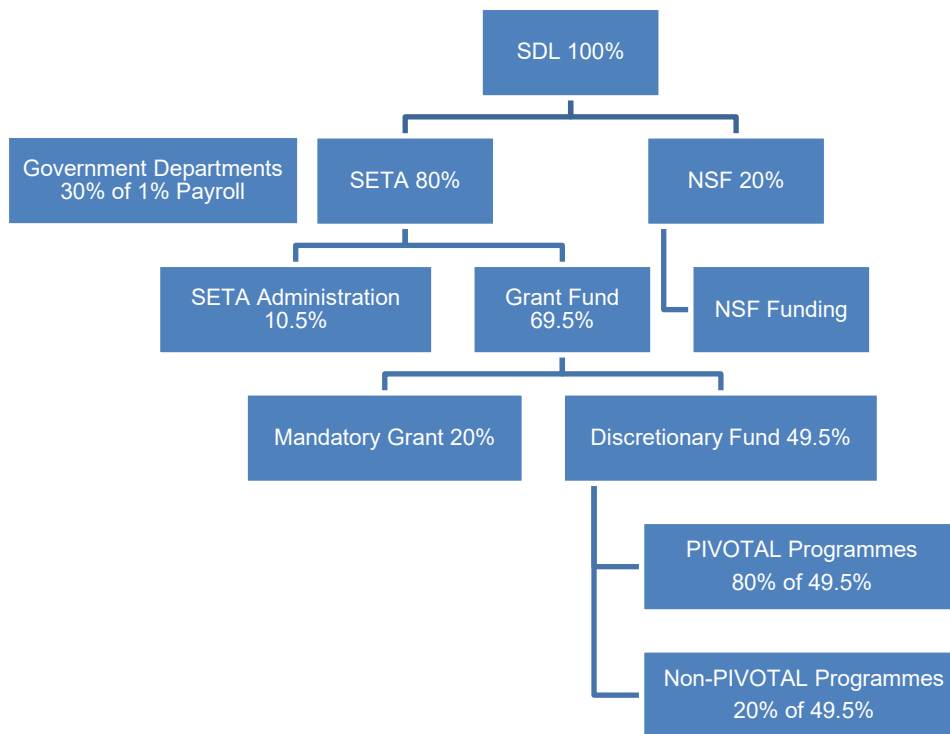


Figure 4: Funding 2018/19

Sufficient financial resources have been budgeted to ensure that good governance and innovative leadership within Fasset is not compromised. Fasset's SDL income dropped by 5% in the 2017/18 financial year over the prior year, and has decreased to R 490 million. Levy income is expected to remain constant, despite the economic downturn.

To be completed in next draft

Table 4: Programme 1 Financial Resources

Pro-gramme					Current		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's
TBA	TBA						
TBA							
TBA							
Total							

7.1.4.2 Human Resources

The Fasset HR Strategy is aligned to the SETA's overall strategy. The SETA is focussed on achieving targets and performing in terms of its values referred to in Section 3. The Fasset staff complement at the end of the past financial year was 28 of which 26 people were permanent staff members, two people were on contract and three staff were working in internship positions. The staff turnover rate was 0% in 2016/17 financial year%.

7.2 Programme 2: Skills Planning

7.2.1 Programme Purpose

The purpose of this programme is to establish an effective mechanism for ensuring that sector planning and research occurs. The functions of this programme encompass research and planning. It is responsible for researching skills needs within the sector, developing the SSP for submission to DHET and conducting monitoring, evaluation and impact assessments of SETA-funded programmes.

Through the SETA Research Strategy and annual Research Plan, research is conducted that enables relevant research questions to be investigated. This differs from year to year, and is aligned to the SETA strategy for the upcoming financial year. A focus of this programme is the implementation of evaluation studies which will inform the SETA of its successes and challenges, so as to influence decisions regarding strategic interventions.

Fasset produces a SSP, together with a sector analysis, to enable effective skills planning for the sector. The SSP is produced within the framework of the NSDS in line with guidelines from DHET and forms the core of our research agenda. It is developed for a five-year period and updated annually as a 'rolling' plan to include a forward-looking view for a five-year period. The SSP is informed by research, which analyses the sector and establishes baselines for employment in the sector in terms of equity concerns, i.e. class, race, gender, age, disability and HIV/AIDS status. Sectoral skills development needs are also taken into account, together with the prevailing national skills development imperatives as reflected in various government plans such as the MTSF, the HRDS-SA and the NDP.

Consultations are also held with representatives of the sector such as employers, professional institutes, learners and educational institutions on skills needs, changes taking place in the sector and various other labour market issues. Through this extensive process, the assessment of skills required for the Fasset sector is conducted. This includes the identification of scarce and critical skills, the identification of skills development priorities and suggests the manner in which they will be addressed. The detailed analysis emanating from this process is included in the SSP as Annexure 1 of this SP. We also participate in and contribute to the development of provincial skills development strategies and programmes in conjunction with provincial government through the various provincial SETA Cluster forums.

Stakeholder expectations are also researched through the SETA's regular Sector Survey² research process, which confirmed the vastly varying expectations from Fasset – not all of them falling within our SETA mandate. These expectations span the following areas: policy development regarding skills development, skills development at school level, PSET, learnerships, the transition between education and the world of work, and communication with the sector.

Part of the analysis and assessment of skills required in the sector is the identification of scarce skills. Scarce skills are those positions that remain unfilled for prolonged periods of time, i.e. insufficient number of qualified people to fill the. Many of the skills that are in short supply are not sector-specific, but are to be found generally in businesses throughout South Africa. To address the skills needs of the sector, the Fasset sector has to ensure a sufficient number of new entrants into the

² Conducted in 2012.

labour market to fill new employment vacancies as well as to replace workers who leave the labour market or the sector, address skills shortage, prevent skills gaps from occurring, drive transformation of the sector to reflect the demographics of the country, absorb more of the unemployed youth, and increase the number of employed people with disabilities.

Integral to the process of addressing sector skills needs, we track progress and assess potential challenges hindering the successful completion of training in the sector. This is included as part of our research agenda, as detailed in the attached SSP, which informs our range of skills development interventions to address the identified obstacles. Our approach to encouraging the completion of training is factored into our strategic planning and is taken into account in our Mandatory and Discretionary Grant funding allocation as described in this SP.

7.2.2 Strategic Objectives

One Strategic Objective has been detailed within this Strategic Outcome-Oriented Goal, and is detailed in Table 5 below.

Table 5: Programme 2 Skills Planning Strategic Objectives

Strategic Objective 4	Implement strategic research to ensure sector planning is appropriate
Objective Statement	<ul style="list-style-type: none"> • Produce research, such as the SSP and the annual grant analysis that is professionally researched, provides a sound analysis of the sector and articulates an agreed sector strategy to address skills needs. • Conduct research to strengthen decision-making in all functional areas of the SETA and ensure the Board have evidence-based information for strategic decision-making. • Focus on identifying scarce skills and the development of the SETA's PIVOTAL list. • Implementing evaluation studies (including impact studies) to determine the successes and challenges of Fasset interventions.
Baseline	<ul style="list-style-type: none"> • DHET approves SSP. • SSP is professionally researched, provides a sound analysis of the sector and articulates an agreed sector strategy to address skills needs. • SETA completes 10 research projects.

7.2.3 Risk Management

Key risks are identified in Table 6 below.

Table 6: Programme 2 – Risks

Strategic Objective	Risk	Risk Description	Risk Mitigation
4	Limited re-search capacity	<ul style="list-style-type: none"> • Uninformed decision-making • Lack of internal research capacity for high level research • Lack of research outputs • Lack of application of re-search findings 	<ul style="list-style-type: none"> • Interaction with Finance Cluster concerning SSP • Outsourcing of technical and large-scale research projects • Employment of staff, should research agenda grow.

Strategic Objective	Risk	Risk Description	Risk Mitigation
			<ul style="list-style-type: none"> Regular monitoring and evaluation of research outputs and reporting Development of Research Strategy and annual Research Plan

7.2.4 Resource Considerations

7.2.4.1 Financial Resources

Research is a core activity of SETA and this is reflected in an annual budget allocated to research activities.

To be completed in next draft

Table 7: Programme 2 Financial Resources

Pro-gramme	Current						
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's
TBA	TBA						
TBA							
TBA							
Total							

7.2.4.2 Human Resources

Fasset employs a Director of Research which enables the SETA to complete a large number of research projects in-house, using Fasset staff. Where projects are technical or large in nature, such projects will be tendered for, and appropriate service providers will be contracted with.

7.3 Programme 3: Learning Programmes and Projects

7.3.1 Programme Purpose

This programme is one in which the SETA invests the bulk of its resources and energy, and is most aligned to the goals, objectives and performance indicators of NSDS III as well as the SETA's mission (indicated in Section 1) and vision (indicated in Section 2).

The goal of this programme is to ensure that learning programmes and projects culminate in a skilled and transformed workforce that improves the competitiveness of the sector and livelihood of its workforce. The key role of Fasset is ensuring an adequate of employees in identified scarce skills in the finance and accounting sector. The relationship between post-school education institutions (HEIs, professional bodies, TVET colleges) and workplaces will be strengthened through a range of programmes, projects, incentives and other forms of support to address the following skills priority areas:

- Increase the flow of new finance and accountancy entrants into employment
- Develop and grow the skills required in the sector

- Facilitate transformation of the finance and accountancy sector

Through this programme Fasset will be ensuring that:

- There is a continuous upgrading of skills in the workforce, to help ensure a measurable increase in the middle- and high-level skills set
- Middle- and high-level skilled individuals will be introduced into the workplace from both HEIs and TVET colleges as well as through internships and learnerships being offered by Fasset workplaces
- SMMEs and the public sector particularly will be supported to offer opportunities to unemployed learners
- Innovative skills development solutions will be implemented through various partnerships (with organisations such as HEIs, employers, other SETAs etc ...) to address skills challenges
- Scarce skills will be addressed. This programme implements PIVOTAL programmes to address skills shortages detailed on Fasset's Scarce Skills and PIVOTAL List.

Fasset is committed to bringing talented youth into the dynamic finance and accounting sector through career and vocational guidance. The purpose of this programme is to position the Fasset sector as an attractive pathway for personal and career development for young people and workers. Fasset has initiated a number of partnerships with various institutions and professional bodies in the area of career development.

7.3.1.1 Scarce Skills

The term 'scarce skill' refers to a shortage of people to fill positions in a specific occupation. Scarce skills are, therefore, linked to or expressed in terms of occupations classified on the Organising Framework for Occupations (OFO). In the analysis of skills shortages, it is important not to apply a simplistic and mechanistic approach. Occupations cannot be viewed in isolation as many of the occupations on the OFO draw skills from the same pool or from the same supply pipeline. In many instances the skills sets required in different occupations are similar and transportable. For this reason, occupations that were identified as areas in which shortages are experienced have been grouped according to these considerations. The ten most important skills groups are listed in Table 4 below.

7.3.1.2 Critical Skills

The 'critical skills' or skills areas in which the current workforce needs training is reflected in the WSPs that employers submit annually. Generally speaking, employees in the Fasset sector need additional training in:

- Specialist Financial Skills
- Information Technology Skills
- Client Service Skills
- Management & Leadership Skills
- Support & Administrative Skills
- Legal Knowledge and Skills
- Productivity & Efficiency
- Insurance-related Knowledge and Skills
- Soft skills
- Sales and Marketing Skills

7.3.1.3 PIVOTAL List

Fasset's PIVOTAL list is based on the scarce skills list described above and is reflected in Table 10. The occupational groups identified as in short supply form the basis of the list. The training interventions that are best suited to provide the skills required in those occupations are added to the list. The training interventions consist of the educational qualifications that are generally required in the sector and for the specific occupations as well as the learnerships used in the sector. Information from the projects for which educational institutions and Professional Bodies apply for funding is also considered in the development of the PIVOTAL list. The numerical values in the list are based on the number of people that employers report that they need.

Scarce and critical skills will be addressed through Mandatory Grants, which include the submission of WSPs, ATRs and a PIVOTAL Plan and Report, which outline the extent to which employers train and develop their workers, and discretionary-funded programmes, which include the funding of a number of strategic programmes to address middle and high level skills needs in the sector. The discretionary grants and programmes are awarded at the Board's discretion and are aimed at achieving sector strategies as informed by the SSP. These will have a core focus on the following strategic programmes as described in the sections that follow:

These programmes and targets that will address the scarce and critical skills are included in Table 10.

7.3.1.4 Learnerships

The implementation of learnerships will assist in addressing the existence of scarce skills. There are 32 learnerships that are available within the Fasset scope as indicated in Annexure 2. Targets related to the number of learners to be trained on learnerships to address scarce skills are included in the APP. It must be noted that all learners on learnerships must be employed; this is a requirement for learners to register on Fasset learnerships. The reason for this is to ensure that learners derive maximum benefit from the structured learning component and receive much-needed workplace experience and mentorship from the employers. As such, a 100% placement rate in employment is achieved for learners on Fasset learnerships.

7.3.1.5 Placements

Placement is defined broadly to incorporate direct placement into employment, learnerships and internships aimed at incentivising employers to open up their workplaces for training and nurture a workplace culture of skills development whilst increasing the participation of African Black, Coloured people in the Western and Northern Cape and all people with disabilities in the sector. Without employers as implementation agents for grants, learners would not have access to on-the-job training to take-up learnership and internship opportunities. This approach will continue to be supported and will consist of three sub-programmes:

1. LEG, which will be implemented together with the LPD Programme
2. Non-PIVOTAL Learner Placement Grant
3. TVET WBE Programme

7.3.1.6 Making the Public Sector a Training Space

Our initiatives aimed at strengthening the financial skills base of the public sector will include the following:

- Conduct and include an analysis on the provision of education and training within the public sector in the SSP.
- Government departments and public entities will be encouraged to participate in skills development through payment of the 30% of the SDL, submit WSPs and ATRs, and participate in Fasset initiatives such as LL and LPD.
- Placement of Bridging Project learners and learners on learnerships into the public sector.
- The Auditor-General of South Africa (AGSA), National Treasury and the South African Revenue Services (SARS) are accredited workplace providers for South African Institute of Chartered Accountants (SAICA), Chartered Institute for Management Accountants (CIMA) and Association of Chartered Certified Accountants (ACCA) learnership programmes.
- Work with National Treasury on rolling out the Association of Accounting Technicians (AAT) and the Internal Audit project funded through the NSF.

We also provide learnerships and qualifications for the public sector such as the Certificate and Diploma in Public Accounting specifically designed for Accounts Administrators and Accounting Technicians in the public sector who realise the importance of completing a professional qualification that will equip them with the necessary skills to cope effectively with the demands of their changing environment.

Table 8: Detail on Programmes and Sub-Programmes for Funding

1	PIVOTAL Programmes
A	PLACEMENT
	Placements is defined broadly to incorporate direct placement into employment, learnerships and internships aimed at incentivising employers to open up their workplaces for training and nurture a workplace culture of skills development whilst increasing the participation of African Black, Coloured people in the Western and Northern Cape and all people with disabilities.
	Placement Grant/ Learner Employment Grant
	<p>This grant is aimed at directly incentivising employers for placing learners into learnerships as the vehicle through which learners will be upskilled to meet the needs of the employer. This will include:</p> <ul style="list-style-type: none"> • For small employers and NLPs in the sector, up to R 90,000 can be claimed per learner, which will be paid in tranches of R 30,000 per year that the learner remains on the learnership. This is to ensure that the employer has the funds to support the interventions needed on an annual basis as the learner progresses to completion. • For large and medium-sized employers, they will be able to claim for their learners up to a maximum of 49.5% of their levy contribution. The grant will be split into 2 components namely: <ul style="list-style-type: none"> - 29.5% for previously unemployed undergraduates that the employer takes onto learnerships - 20% for all previously unemployed graduates (including postgraduates) that the employer takes onto learnerships - They will be able to claim for each year that the learner remains on the learnership. <p>This intervention will have the following minimum requirements:</p> <ul style="list-style-type: none"> • The learners supported must be previously unemployed. • The learners must be on a learnership linked to a scarce skill in the Fasset sector. • The learnership must be at NQF level 6 or above. • The learners should be supported for each year that they remain on the learnership, to a maximum of 3 years. • African Black and learners with disabilities will be eligible for the grant in all 9 provinces and Coloured learners working in the Western and Northern Cape regions. • Learners who receive the LEG and, who are employed in by small firms or NLPs will be required to attend at least 3 LPD interventions per year (1 in 2016). If they do not attend the minimum number of events in a specific calendar year, the employer will not qualify for the LEG for that learner. The LPD intervention will include the option of attending a webinar, the enrolment of which can be accessed via the internet by the employer. • No limit to the number of learners that can be claimed in the grant.
	Special Project: National Treasury - Public Sector Management Accounting (new project)
	<p>Public sector Management Accounting is a new project focusing on the public sector. Fasset has 6 public sector organisations that regularly submit their Mandatory Grant (MG) to Fasset. These include large organisations such as the Auditor General South Africa and the South African Revenue Service (SARS). These two organisations participate in the normal discretionary grants, but are subject to the levy cap in the same way as other large organisations in Fasset's sector. Some of the public sector organisation in the Fasset sector, such as the National Treasury, do not participate in the discretionary grant process, but typically prefer to put in requests, directly to the Board for funding consideration.</p> <p>The Public sector management is introduced to address such needs in the public sector as an important partner in skills development. Public sector Management Accounting also follows DHET initiatives aimed at strengthening the financial skills base of the public sector.</p>
	TVET WBE
	<p>Fasset's first strategic-oriented goal is to ensure a steady increase in the flow of new entrants to the sector and into the financial divisions in organisations in the rest of the economy. This increase should be large enough to provide for the systematic eradication of the skills shortages that are currently experienced, for the expected growth of the economy, and for the replacement demand that exists in the sector. New entrants should possess the professional and technical qualifications required by the sector and should increasingly reflect the demographic composition of the South African population. Our interventions start at TVET College level and continue through to full professional levels.</p> <p>The Fasset TVET WBE Programme provides (NATED) TVET College learners with 18 months of practical work experience, enabling them to complete their National Diploma. This initiative not only capacitates the learners, it also adds value to Fasset employers who now have an additional pool of learners from which to source skills. Having completed their internships these learners are available to employers in the broader economy.</p> <p>Leading by example and in response to the call by our Minister to make every workplace a training space, Fasset will also provide TVET learners with internship opportunities at the Fasset office as part of this WBE programme. We will also provide career awareness information to students at TVET Colleges as part of our National Career Guidance</p>

	Campaign. In terms of this campaign, a variety of interventions are therefore included in this initiative such as career exhibitions, presentations, advertising and sponsorships as well as the development of communication material.
B	ACADEMIC SUPPORT
	Other mechanisms employed by Fasset to address scarce skills in the sector is through providing academic support to learners at universities and those learners completing academic qualifications through Professional Bodies. We will also support academic achievement of PIVOTAL programmes through the funding of bursaries in terms of the Bursary Grant, the NSFAS Loan Repayment Grant as well as a new comprehensive full-cost Fasset bursary scheme. These sub-programmes are described as follows:
	Bridging programme for the completion of academic qualifications/ designations
	This Bridging Programme focuses on providing unemployed learners and graduates with an opportunity to complete scarce skill occupationally-directed qualifications and professional designations. Two offerings will be provided through this window to cater for university and Professional Body offerings.
	a) Universities
	<p>University offering: to increase the throughput rate - where there is normally a high failure rate and 'at risk' learners are unable to pass the examinations and/or progress to the next level of the qualification.</p> <p>In terms of this offering, Coloured learners studying at institutions in the Western Cape and Northern Cape are eligible in addition to African Black and learners with disabilities. Other criteria include:</p> <ul style="list-style-type: none"> • Registered on the NQF at level 6 and above • To be linked to the Fasset top 10 scarce skills • Extra lessons to be included • Academic mentoring on courses to be included • Study skills to be included • No tuition included • Unemployed or employed learners eligible • Learners entering 1st year and above eligible • A minimum of 70% of learners on the project must pass the course • R 40 000 per head per learner • The procurement of delivery partners will be done through an open tender and the principles of the draft PPPFA will be applied.
	b) Professional Bodies
	<p>Professional Body offering: the objective of this offering is to increase the number of learners acquiring a professional designation where learners do not have the resources to study and where there is normally a high failure rate and learners are unable to pass the examinations and become professionally registered. Coloured learners studying at institutions in the Western Cape and Northern Cape are eligible in addition to African Black and disabled learners. Other criteria include:</p> <ul style="list-style-type: none"> • Registered on the NQF at level 6 and above • To be linked to the Fasset top 10 scarce skills • Academic mentoring on courses to be included • Tuition included (which includes course registration, examination fees, books and professional body fees) • Unemployed or employed learners are eligible • 70% pass rate • Final part or qualifying examination eligible • The procurement of delivery partners will be done through an open tender and the principles of the draft PPPFA will be applied • R 60 000 per head per learner
	Bursary Grant
	The Bursary Grant is made available to support the education and training of Black African learners and Coloured learners in the Western and Northern Cape for the completion of part or full qualifications registered on the NQF. Employers who remain committed to this process will be able to claim grants to off-set the costs that they are incurring for the education and training of learners.
	Fasset Bursary Scheme

	<p>The Fasset comprehensive bursary scheme introduced for the first time in 2016 – 2017 to provide end-to-end support to the ‘missing middle’ – the category of learners who are currently above the salary threshold/ means test applied by NSFAS but is unfortunately not eligible to qualify for bank loans to fund tertiary studies. The Fasset comprehensive bursary still continues into the 2018/19 financial year.</p> <p>The bursary provides full-cost funding for tuition, accommodation, academic support courses and coaching/mentorship, all of which is designed to support the learner fully and provides an enabling environment for the learner to successfully complete their studies. The bursary scheme is open to second, third year and postgraduate students at Universities and Universities of Technology who are pursuing studies linked to Fasset’s scarce skills. Coloured learners studying at institutions in the Western and Northern Cape are also eligible to apply in addition to African Black and people with disabilities. The full-cost funding include the pay-back of outstanding learner university fees by Fasset to ensure that learners can register for the following academic year of study, which will be reviewed on a case-by-case basis. This is to ensure that as many learners as possible are supported.</p>
	NSFAS Loan Repayment Grant
	<p>The NSFAS Loan Repayment Grant (NLRG) is aimed at assisting Black African learners, Coloured people in the Western and Northern Cape and all people with disabilities who have completed their studies and are currently completing learnerships as part of their professional qualifications, with the payment of their NSFAS loans. The grant has a dual objective of not only assisting the learners to pay off their loans; it is used as a retention tool to enable employers to retain learners in their employ thus benefiting both the learner and the sector.</p> <p>The NLRG enables applicants to claim as a grant, the tuition costs of individuals who are currently registered on Fasset learnerships with employers in the Fasset sector. This grant is predominantly geared towards assisting learners becoming financially independent of their debt. The secondary goal is to improve retention rates in the sector, especially in smaller firms that generally pay lower salaries as compared with larger firms.</p>
	NSFAS Bursary Scheme
	The NSFAS bursary scheme will continue to be supported to provide funding support for the cohort of learners who are currently being funded to complete their studies. Since this funding is for learners who were approved for funding in prior years, Coloured learners studying at institutions in the Western Cape and Northern Cape will not be eligible to be funded as per the Board decision that came into effect from the 2016/2017 financial year.
2	Non-PIVOTAL Programmes
	Non-PIVOTAL Programmes aimed at improving the skills levels of employed learners will be delivered through these sub-programmes: LL offering as well as Strategic Communications, which incorporates career awareness and stakeholder engagement.
	Lifelong Learning (including Learner Professional Development)
	<p>The LL Programme is aimed at improving the general productivity of member organisations and their employees in the Fasset sector. It assists employees in remaining upskilled in a range of subject areas that complements CPD requirements through the provision of quality training interventions. These will continue to be supported as one of Fasset’s most popular projects and will remain open to all employees within the sector, including learners.</p> <p>The LPD will be offered to learners to provide them with the entry-level soft skills necessary to be competent in the occupation of their choice. It will then be followed by CPD which Fasset supports through the LL intervention. This intervention will follow the same approach as the current LL intervention, which Fasset has historically delivered for workers in the sector. The LPD will be facilitated by Fasset and all learners and employees within the sector who are in need of developing the skills identified will be able to attend.</p> <p>The topics to be covered in the courses will be identified from the research conducted into identifying areas that learners struggle with at the workplace such as communication skills, decision-making skills and life skills. At least 6 interventions will be offered by Fasset per year (2 in 2016/17, 6 in 2017/2018). The intervention will be credit-bearing and linked to a PIVOTAL programme. Learners who receive the LEG and, who are employed in small firms and NLPs will be required to attend the minimum number of interventions per year. Failure to do so will disqualify the employer from receiving the LEG in the following year. This is to ensure that learners in the workplace benefit from not only the technical aspects covered in the learnership through the support of the employer but that the soft skills are also received to complement the full package of WBE. The procurement of delivery partners to offer the LPD will be done through an open tender and the principles of the draft PPPFA will be applied.</p>
	Stakeholder Engagement
	<p>The National Career Guidance Campaign will be complemented by a stakeholder engagement programme aimed at promoting and encouraging a stakeholder-centred collaborative approach to skills development.</p> <p>A further focus will be on informing stakeholders about the Fasset strategic programmes and how the SETA is already contributing to these as well as proactively entrench our visibility and image so as to become more recognisable and understandable to all our stakeholders.</p> <p>As part of this campaign, we will develop and implement a provincial strategy aimed at deepening our footprint nationally, particularly in rural areas and townships. In terms of this strategy, collaborative initiatives will be entered into with other SETAs. This will include attending provincial SETA forums, where possible, and aligning our reporting to provide data on province-specific uptake of our skills development initiatives.</p>
	Career Awareness

	<p>The need for motivational career guidance at learner level, particularly in the scarce skills areas and other critical areas of the economy, is urgent. Fasset's National Career Guidance Campaign is therefore provided to address this need in line with NSDS III and in support of the MHET's National Career Guidance imperative aimed at providing career awareness in the scarce skills areas to a greater number of learners. The need for a regional and national approach is therefore emphasised, which prompted the Minister's call for SETAs to open career awareness offices at TVET Colleges.</p> <p>The Fasset career awareness programme currently consists of the development and distribution of a Career Guide at career events as well as the placement of learner advertisements in the mainstream media and publications put out by educational and career guidance entities to communicate career path information. In reviewing the gaps that currently exist with the career awareness intervention, a need has been identified to adopt a stakeholder-centred approach comprising of learners, parents, teachers, students and the media to play an active role in assisting learners with career planning.</p> <p>Focus will therefore be placed on subject choice selection and promoting the Fasset sector as a sector of career choice. This will be done through a number of platforms that include the development of a career portal, career booklets and advertisements on the various careers in the sector as well as introducing a Fasset Alumni programme for past and current Fasset beneficiaries to 'pay it forward' by giving talks and coaching/ mentoring a young learner. Career events will continue to be supported focusing on 15 core events. To ensure greater reach and impact of our campaign, we partner with a number of stakeholders such as SAQA, the NQF Communications Forum and other SETAs to provide a collaborative effort to expand our regional footprint, enable access and improve advice given to learners on careers and learning opportunities in various sectors.</p>
	<p>Non-PIVOTAL Learner Employment Grant</p>
	<p>This grant has been introduced in the past financial year and is eligible to be claimed directly by employers for placing unemployed or under-employed graduates into either full time employment or onto internships. It will be used to facilitate upskilling opportunities in employers who are not current able to offer learnerships but who are committed to upskilling learners to meet their skills needs. It will target the non-accounting occupations that do not have learnerships available in those disciplines. The intervention will be of a non-PIVOTAL nature as defined by the grant regulations but will still meet the scarce skills needs of the Fasset sector at large.</p> <p>The intervention will cover at least the following minimum criteria:</p> <ul style="list-style-type: none"> • The learners supported must be previously unemployed or under-employed • The learners must be employed full-time or placed on at least a 1 year internship • The learners must have at least an NQF 6 qualification aligned to a scarce skills area • African Black and learners with disabilities will be eligible for the programme in all 9 provinces and Coloured learners in the Western and Northern Cape regions. <p>The Non-PIVOTAL Placement Grant will be open to employers to enable them to upskilling learners internally. This will include:</p> <ul style="list-style-type: none"> • A R 30,000 grant per learner when the employer employs them on a full-time basis or signs them on to an internship • For large and medium-sized employers, they will be able to claim for their learners up to a maximum of 49.5% of their levy contribution as this is the amount of the discretionary portion of the levy that the employer contributes and should therefore be available to support learners. • Employers who claim the LEG will not be able to claim this grant as well. Rather, a combination of the 2 grants will be limited to the maximum 49.5% in total.
	<p>Non-PIVOTAL Bridging programme for the completion of academic qualifications/ designation</p>
	<p>This intervention will have exactly the same criteria as the current Bridging for Qualifications and Professional Body designations but will be open for qualifications and professional designations that are not PIVOTAL i.e. not registered on the NQF.</p>
	<p>Rural development (new project)</p>
	<p>Previously Fasset has taken an integrated and centrally co-ordinated rural development strategy that viable and viable for the country. We are currently in the process of reviewing the approach previously adopted and keen to explore new initiatives especially targeting rural areas. Further details on this initiative will emerge in our second draft submission.</p>

Table 9: Scarce Skills (Occupational Shortages) 2017/18

Rank	Fasset Occupation Group	OFO Code	Occupation	Number needed	Total needed	Organisations that identified need
1	Accountants and Auditors	121101	Finance Manager	669	3 479	9
		121102	Payroll Manager	12		4
		121103	Credit Manager	3		1
		241101	Accountant (General)	1 049		130
		241102	Management Accountant	51		3
		241103	Tax Professional	115		27
		241104	External Auditor	1 135		59
		241106	Accountant in Practice	389		16
		241106	Management Accountant	13		1
		241107	Financial Accountant	9		5
		241108	Forensic Accountant	14		3
		242204	Corporate Treasurer	2		1
		331302	Accounting Technician	15		3
		331303	Tax Technician	4		1
2	ICT Professionals	121905	Programme or Project Manager	18	576	6
		133101	Chief Information Officer	4		2
		133102	ICT Project Manager	27		4
		133103	Data Management Manager	1		1
		133105	Information Technology Manager	22		5
		216603	Multimedia Designer	12		2
		243403	ICT Sales Representative	124		11
		251101	ICT Systems Analyst	57		10
		251201	Software Developer	102		16
		251202	Programmer Analyst	10		5
		251203	Developer Programmer	11		4
		251301	Multimedia Specialist	6		1

Rank	Fasset Occupation Group	OFO Code	Occupation	Number needed	Total needed	Organisations that identified need
		251302	Web Developer	38		11
		251401	Applications Programmer	15		5
		252101	Database Designer and Administrator	56		14
		252201	Systems Administrator	28		5
		252301	Computer Network and Systems Engineer	7		2
		252302	Network Analyst	13		1
		252901	ICT Security Specialist	23		6
		252902	Technical (ICT) Support Services Manager	1		1
		351301	Computer Network Technician	3		2
3	Management consultants	242101	Management Consultant	296	311	32
		242102	Organisation and Methods Analyst	1		2
		242202	Policy Analyst	14		2
4	Financial Markets Professionals	134603	Financial Markets Business Manager	35	301	3
		241201	Investment Analyst	41		9
		241202	Investment Manager	24		9
		241203	Investment Advisor	63		17
		241301	Financial Investment Advisor	121		18
		242207	Compliance Officer	16		4
		332401	Commodities Trader	1		1
5	Internal auditors and risk managers	121104	Internal Audit Manager	45	195	7
		242203	Company Secretary	3		2
		242208	Organisational Risk Manager	40		16
		242211	Internal Auditor	108		6
6	Actuaries and statisticians	212101	Actuary	135	135	12
7	Bookkeepers, accounting technicians and clerks	331201	Credit or Loans Officer	5	93	1
		331301	Bookkeeper	26		2
		431101	Accounts Clerk	63		7

Rank	Fasset Occupation Group	OFO Code	Occupation	Number needed	Total needed	Organisations that identified need
8	Human Resources and related Professionals	121201	Personnel / Human Resource Manager	8	56	2
		121204	Recruitment Manager	2		1
		121205	Employee Wellness Manager	1		1
		242302	Skills Development Facilitator / Practitioner	8		3
		242303	Human Resource Advisor	4		2
		242401	Training and Development Professional	20		1
		242402	Occupational Instructor / Trainer	13		2
9	Sales and Marketing Professionals	122101	Sales and Marketing Manager	7	55	5
		122103	Director of Marketing	7		2
		243103	Marketing Practitioner	10		2
		122102	Sales Manager	3		1
		122105	Customer Service Manager	23		1
		333903	Sales Representative (Business Services)	5		2
10	Economists	263101	Economist	41	41	11

Source: Fasset data system 2017

Table 10: Draft PIVOTAL Skills and Related Interventions 2018/19³

Rank	Fasset Scarce Skill Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need	Intervention	Target
1	Accountants and Auditors	241101	Accountant (General)	2 530	3 425	195	Employed/Unemployed learners entering learnerships (middle-level)	700
		241104	External Auditor	366		25	Employed/Unemployed learners entering learnerships (high-level)	3 330
		121101	Finance Manager	265		12	Leaners funded on learnerships via Learner Employment Grant	3 800
							Lifelong Learning – Mid-level	4 000
		241103	Tax Professional	147		18	Lifelong Learning – High level	6 500
		241106	Accountant in Practice	36		4	Learners entering bridging programme for the completion of a qualification – Universities	1 500
		331302	Accounting Technician	24		4	Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
		241102	Management Accountant	19		5	Bursary Grant	500
		241107	Financial Accountant	17		4	NSFAS Loan Repayment Grant	200
		331303	Tax Technician	13		3	Fasset Bursary Scheme	330
							3	Learners entering bridging qualification / designations support (Non-PIVOTAL)
						Learners funded via Non-PIVOTAL Learner Employment Grant	300	
						Learner Professional Development	6000	
Subtotal							27 620	
2	ICT Professionals	251202	Programmer Analyst	290	960	4	Employed/Unemployed learners entering learnerships (mid-level)	700
		251101	ICT Systems Analyst	138		7	Employed/Unemployed learners entering learnerships (high-level)	3 330
		252101	Database Designer and Administrator	133		6	Leaners funded on learnerships via Learner Employment Grant	3 800
		251203	Developer Programmer	64		6	Learners entering bridging programme for the completion of a qualification – Universities	1 500
		133102	ICT Project Manager	60		2	Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
		251201	Software Developer	59		5	Bursary Grant	500
		121905	Programme or Project Manager	55		8	NSFAS Loan Repayment Grant	200
		252201	Systems Administrator	38		4	Fasset Bursary Scheme	330
		133101	Chief Information Officer	30		6	Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
		243403	ICT Sales Representative	24		1	Learners funded via Non-PIVOTAL Learner Employment Grant	300
		252901	ICT Security Specialist	18		3	Learner Professional Development	6000
		216603	Multimedia Designer	13		1		
		251401	Applications Programmer	12		3		
		252301	Computer Network and Systems Engineer	8		2		
		235601	ICT Trainer	6		1		
		133105	Information Technology Manager	6		1		
351301	Computer Network Technician	5	3					
Subtotal							17 150	
3	Management	242102	Organisation and Methods Analyst	281	515	2	Employed/Unemployed learners entering learnerships (mid-level)	700

³ To be updated in further SP submission.

Rank	Fasset Scarce Skill Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need	Intervention	Target
	consultants	242101	Management Consultant	172		19		
		242202	Policy Analyst	62		7	Employed/Unemployed learners entering learnerships (high-level)	3 330
							Leaners funded on learnerships via Learner Employment Grant	3 800
							Lifelong Learning – Middle level	4 000
							Lifelong Learning – High level	6 500
							Learners entering bridging programme for the completion of a qualification – Universities	1 500
							Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
							Bursary Grant	500
							NSFAS Loan Repayment Grant	200
							Fasset Bursary Scheme	330
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
							Learners funded via Non-PIVOTAL Learner Employment Grant	300
							Learner Professional Development	6000
							Subtotal	27 650
4	Financial Markets Professionals	241301	Financial Investment Advisor	177	510	21	Employed/Unemployed learners entering learnerships (mid-level)	700
		241202	Investment Manager	112		14	Employed/Unemployed learners entering learnerships (high-level)	3 330
		241201	Investment Analyst	88		17	Leaners funded on learnerships via Learner Employment Grant	3 800
		241203	Investment Advisor	33		4	Lifelong Learning – Middle level	4 000
		331101	Securities Dealer	33		9	Lifelong Learning – High level	6 500
		241204	Financial Markets Practitioner	32		6	Learners entering bridging programme for the completion of a qualification – Universities	1 500
		242207	Compliance Officer	13		7	Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
		134603	Financial Markets Business Manager	11		1	Bursary Grant	500
		332401	Commodities Trader	10		2	NSFAS Loan Repayment Grant	200
							Fasset Bursary Scheme	330
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
							Learners funded via Non-PIVOTAL Learner Grant	300
							Learner Professional Development	6000
							Subtotal	27 650
5	Bookkeepers, accounting technicians and clerks	431101	Accounts Clerk	123	209	14	Employed/Unemployed learners entering learnerships (mid-level)	700
		331301	Bookkeeper	44		14	Leaners funded on learnerships via Learner Employment Grant	3 800
							Lifelong Learning – High-level	6 500
		331201	Credit or Loans Officer	21		7	Lifelong Learning – Middle level	4 000
		431301	Payroll Clerk	21		2	TVET graduates placed in-in-service training)	480
							Learners entering bridging programme for the completion of a qualification – Universities	1 500
							Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330

Rank	Fasset Scarce Skill Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need	Intervention	Target		
							Bursary Grant	500		
							NSFAS Loan Repayment Grant	200		
							Fasset Bursary Scheme	330		
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160		
							Learners funded via Non-PIVOTAL Learner Employment Grant	300		
							Learner Professional Development	6000		
							Subtotal	25 500		
6	Internal auditors and risk managers	121104	Internal Audit Manager	84	181	5	Employed/Unemployed learners entering learnerships (mid-level)	700		
		242211	Internal Auditor	78		6	Employed/Unemployed learners entering learnerships (high-level)	3 330		
		242208	Organisational Risk Manager				19	6	Learners funded on learnerships via Learner Employment Grant	3 800
									Lifelong Learning – Middle level	4 000
									Lifelong Learning – High level	6 500
									Learners entering bridging programme for the completion of a qualification – Universities	1 500
									Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
									Bursary Grant	500
									NSFAS Loan Repayment Grant	200
									Fasset Bursary Scheme	330
									Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
									Learners funded via Non-PIVOTAL Learner Employment Grant	300
		Learner Professional Development	6000							
						Subtotal	27 650			
7	Actuaries and statisticians	212101	Actuary	111	119	9	Employed/Unemployed learners entering learnerships (high-level)	3 330		
		212103	Statistician	8		3				
									Learners funded on learnerships via Learner Employment Grant	3 800
									Lifelong Learning – Middle level	4 000
									Lifelong Learning – High level	6 500
									Learners entering bridging programme for the completion of a qualification – Universities	1 500
									Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
									Bursary Grant	500
									NSFAS Loan Repayment Grant	200
									Fasset Bursary Scheme	330
									Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
									Learners funded via Non-PIVOTAL Learner Grant	300
Learner Professional Development	6000									
						Subtotal	26 950			
8		421401	Debt Collector	102	102	7	Employed/Unemployed learners entering learnerships (mid-level)	700		

Rank	Fasset Scarce Skill Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need	Intervention	Target
	Debt Collectors						Learners funded on learnerships via Learner Employment Grant	3 800
							Lifelong Learning – Middle level	4 000
							Lifelong Learning – High level	6 500
							Learners entering bridging programme for the completion of a qualification – Universities	1 500
							Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
							Bursary Grant	500
							NSFAS Loan Repayment Grant	200
							Fasset Bursary Scheme	330
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
							Learners funded via Non-PIVOTAL Learner Employment Grant	300
							Learner Professional Development	6000
							Subtotal	24 320
9	Marketing Professionals	243103	Marketing Practitioner	55	79	4	Employed/Unemployed learners entering learnerships (mid-level)	700
		122105	Customer Service Manager	14		5	Learners funded on learnerships via Learner Employment Grant	3 800
		122101	Sales and Marketing Manager	6		3	Lifelong Learning – Middle level	4 000
		122103	Director of Marketing	5		2	Lifelong Learning – High level	6 500
							Learners entering bridging programme for the completion of a qualification – Universities	1 500
							Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
							Bursary Grant	500
							NSFAS Loan Repayment Grant	200
							Fasset Bursary Scheme	330
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
						Learners funded via Non-PIVOTAL Learner Grant	300	
						Learner Professional Development	6000	
						TVET graduates placed in-in-service training)	480	
						Subtotal	24 800	
10	Economists	263101	Economist	61	61	5	Employed/Unemployed learners entering learnerships (mid-level)	700
							Employed/Unemployed learners entering learnerships (high-level)	3 330
							Learners funded on learnerships via Learner Employment Grant	3 800
							Lifelong Learning – Middle level	4 000
							Lifelong Learning – High level	6 500
							Learners entering bridging programme for the completion of a qualification – Universities	1 500
							Learners entering bridging programme for the completion of a qualification/ designation – Professional Body	330
							Bursary Grant	500
NSFAS Loan Repayment Grant	200							

Rank	Fasset Scarce Skill Group Name	OFO Code	Occupation Name	Number Needed	Total Need	Organisations that Identified need	Intervention	Target
							Fasset Bursary Scheme	330
							Learners entering bridging qualification / designations support (Non-PIVOTAL)	160
							Learners funded via Non-PIVOTAL Learner Grant	300
							Learner Professional Development	6000
							Subtotal	27 650

7.3.2 Strategic Objectives

Strategic Objectives have been detailed within this Strategic Outcome-Oriented Goal, and is detailed in Table 11 below.

Table 11: Programme 3 Skills Planning Strategic Objectives

Strategic Objective 5	Conduct research, establish projects and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public TVET Colleges and universities of technology working in partnership with employers providing workplace-based training
Objective Statement	Identify and address middle-level skills needs.
Baseline	14 355 Learners registered and 13 982 Learners completed on learnerships, Assessor and Moderator training, LL and TVET WBE
Strategic Objective 6	Conduct research, establish projects, identify high-level skills needs in the sector and put in place strategies to address the high-level scarce skills gaps
Objective Statement	High-level national scarce skills needs are being addressed by work-ready graduates from higher education institutions.
Baseline	17 002 Learners registered and 12 911 learners completed on learnerships, LL, Bridging Programmes for Work Readiness and for Academic Support and Professional Designations, PIVOTAL Grant (bursaries and learnerships), National Students Financial Aid Scheme (NSFAS) Grants and NSFAS Bursary Programme.
Strategic Objective 7	Increase the capacity of TVET College learners and lecturers to address the skills needs in the sector as informed by the SSP
Objective Statement	This objective will contribute towards positioning TVET Colleges as a credible alternative that provides access into the Fasset sector.
Baseline	Placement of 132 TVET WBE learners
Strategic Objective 8	Training of employed workers addresses critical skills, enabling improved productivity, economic growth and the ability of the work force to adapt to change in the labour market
Objective Statement	SETA stakeholders agree on the provision of substantial quality programmes for employed workers and report on the impact of the training.
Baseline	61 large firms and 89 medium firms submit Mandatory Grants and attended LL
Strategic Objective 9	Co-operatives, small firms and NLPs supported with skills training and development, expand and contribute to sector economic and employment growth
Objective Statement	SETA identifies in the skills planning research, established and emergent cooperatives and their skills needs; Sector projects are established by sector stakeholders.
Baseline	849 small firms and 304 non-levy-paying firms participate in skills development (Mandatory Grants and attended LL)
Strategic Objective 10	Conduct an analysis and reflection on achievements and challenges for public sector training
Objective Statement	Plans and funding arrangements are agreed between the relevant departments/entities and the SETA, and are reported on.

	A thorough analysis and reflection is conducted on provision of education and training within the public sector and the contribution of the various role players.
Baseline	5 Government Departments are encouraged to participate in skills development through the payment of the 30% portion of the SDL, submission of grant applications and deriving benefit from Fasset initiatives.
Strategic Objective 11	Career paths are mapped to qualifications in the sector and sub-sectors, and communicated effectively, contributing to improved relevance of training and greater mobility and progression
Objective Statement	Career guides are developed with labour market information from the SETA, addressing sub-sectors within the sector.
Baseline	Career guide is developed and updated annually.
Strategic Objective 12	Sector stakeholders are engaged and programmes are adjusted to meet the skills and qualification needs to promote comprehensive career development
Objective Statement	A stakeholder engagement programme is in place supported through various communication platforms such as print, online advertisements, website and social media.
Baseline	Career guide is developed and updated annually. A stakeholder engagement programme is in place supported through various communication platforms such as print, online advertisements, website and social media

7.3.3 Risk Management

Key risks are identified in Table 12 below.

Table 12: Programme 3 – Risks

Link to Strategic Objectives	Risk	Risk Description	Risk Mitigation
5, 6, 7, 8	Low impact in closing the scarce skills gap in the Fasset sector	<ul style="list-style-type: none"> • Lack of adequate information to determine the impact made in addressing the scarce and critical skills within the sector as a result of weak monitoring and evaluation of projects undertaken 	<ul style="list-style-type: none"> • Identify and conduct different types of evaluation studies to determine the impact of the learning programmes in closing the scarce and critical skills gap in the sector.
5, 6, 7, 8, 9, 10	Nomination of projects which do not serve the sector requirements	<ul style="list-style-type: none"> • Weak research evidence • Ad hoc decisions taken during strategic planning process 	<ul style="list-style-type: none"> • Decision on programmes and projects funded through discretionary funding to be based on research-based evidence and scarce skills
5, 7	Non-responsiveness by PSET institutions	<ul style="list-style-type: none"> • TVETs curriculum not aligned to sector needs resulting in PSET institutions delivering programmes not relevant to sector 	<ul style="list-style-type: none"> • Facilitating engagements between sector stakeholders and post schooling education institutions so as to get the institutions to offering sector relevant/responsive programmes
7, 9, 12	Low to no impact outcomes from partnerships	<ul style="list-style-type: none"> • Ill-conceived partnerships that are not aligned to strategic priorities of SETA stakeholders Lack of positive outcomes • Lack of sufficient partnerships, particularly in rural areas 	<ul style="list-style-type: none"> • Process and procedures for conceptualising partnerships to be in alignment with strategy • Dedicated staff to support the conceptualisation of partnerships and manage implementation including monitoring, regular reporting and evaluation, as well as managing risks

7.3.4 Resource Considerations

7.3.4.1 Financial Resources

Discretionary grant disbursements have shown a marked increase in previous years mainly attributed to the legislated increase in discretionary levies from 20% to 50%. Furthermore, any surplus monies are allocated for programmes and projects.

Additional funding is also leveraged through partnerships whereby learning programmes and projects are co-funded through employer mandatory grants and the funding contributions of partner institutions and other organs of state.

To be completed in next draft

Table 13: Programme 3 Financial Resources

Pro-gramme					Current		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's
TBA	TBA						
TBA							
TBA							
Total							

7.3.4.2 Human Resources

The Chief Executive Officer, supported by the following individuals in management, are the main drivers of this programme.

- Director of Processing and Quality Assurance (Employers, Registration of Learnerships, Bursary Grants)
- Director of Research (LL)
- Projects Director (TVET WBE, NSFAS, Bursaries)
- Quality Assurance Manager

7.4 Programme 4: Quality Assurance

7.4.1 Programme Purpose

The purpose of the quality assurance programme is to develop, implement and monitor learning programmes (qualifications, learnerships, internships etc...). Quality assurance further ensures that national standards for quality delivery are acceptable through proper accreditation of skills development providers, monitoring and auditing of delivery, certification of successful learners and reviewing the quality cycle to ensure continuous improvement to Fasset processes and procedures.

The quality assurance functions are executed as a delegated functions by the QCTO either as a Development Quality Partner (DQP) or Assessment Quality Partner (AQP). These delegated functions include but may not be limited to the development of curriculum of the occupational qualification or part-qualifications, support for the accreditation and quality management of training and workplace providers, registration of assessors and moderators, supporting the assessment and moderation process (including certification of learners as proof of successful completion of qualifications) in respect of qualifications within the Fasset scope.

7.4.2 Strategic Objectives

One Strategic Objective has been detailed within this Strategic Outcome-Oriented Goal, and is detailed in Table 14 below.

Table 14: Programme 4 Skills Planning Strategic Objectives

Strategic Objective 13	Increased access to the finance and accounting training through the provision of occupational qualifications and part-qualifications
Objective Statement	<ul style="list-style-type: none"> Fasset facilitates the assessment of developed qualifications via the QCTO and professional bodies.
Baseline	<ul style="list-style-type: none"> 32 registered qualifications

7.4.3 Risk Management

Key risks are identified in Table 15 below.

Table 15: Programme 4 – Risks

Strategic Objective	Risk	Risk Description	Risk Mitigation
13	Slow throughput of learners on occupational programmes.	<ul style="list-style-type: none"> Learners not having access to NQF-registered qualifications as a result of the QCTO changing policies, making stakeholders reluctant to implement new occupational qualifications. 	<ul style="list-style-type: none"> Influencing QCTO policies based on research evidence and best practice models. Capacity building, supporting training and workplace providers on QCTO processes.
13	Slow process for updating occupational qualifications and part-qualifications relevant to the Fasset sector.	<ul style="list-style-type: none"> QCTO delays in processing qualifications submitted for registration, discourages stakeholders. 	<ul style="list-style-type: none"> Participate in QCTO structures to influence QCTO policies based on research evidence and best practice models.

7.4.4 Resource Considerations

7.4.4.1 Financial Resources

The QCTO has delegated certain quality assurance functions to Fasset and the SETA's budgeting process takes these into account.

Table 16: Programme 4 Financial Resources

To be completed in next draft

Programme	2013/14	2014/15	2015/16	2016/17	Current	2018/19	2019/20
	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's	R 000's
	TBA	TBA					
TBA							
TBA							
Total							

7.4.4.2 Human Resources

Quality Assurance of learning continues to be a core function of the work of the PQA department, which is focussed on the implementation of quality assurance functions. In addition to the in-house capacity, Fasset also draws on external expert capacity and professional bodies for qualification and curriculum development, assessment and moderation.

7.5 Rural Development

It is our understanding that rural development is, by its very nature, multi-dimensional and much broader than poverty alleviation (through social programmes and transfers). Rather, it is about placing emphasis on changing environments, improving opportunities and the well-being of people in rural areas to realise their own potential and contribute more fully to their own and the country's future.

Fasset is of the view that an integrated, sustainable and centrally co-ordinated rural development strategy that is applicable and viable for the entire country should be put in place. Such a strategy should build on existing programmes and will enable Fasset to contribute in a structured manner to ensure meaningful impact. This will be done as part of our alignment with the HRDS-SA at a national and provincial level. To this end, we will participate in and contribute to the development of provincial skills development strategies and programmes in conjunction with provincial government through the various provincial SETA Cluster forums.

In the interim, we will continue with the implementation of our programmes and interventions at national level and will increase our regional presence through programmes such as the LL seminars delivered across South Africa as well as Bridging Projects that will be implemented across all 9 provinces in the country.

7.6 SIPS

It is our understanding that a full five-year implementation plan for Strategic Integrated Projects (SIPS) is being developed and rolled out by the relevant SIPS secretariats. Of specific relevance to all SETAs are two SIP projects:

- Project 13: National school build programme; and
- Project 14: SIP 14: Higher Education Infrastructure

Fasset's role in the various SIPs will be rolled out over time, and once the project plans for these SIPs are clearly outlined to SETAs, Fasset will engage in developing relevant and appropriate skills to address the needs to the projects in line with our sector skills planning role. It is anticipated that the main responsibility of Fasset will be an 'incubator' role in providing accountants to the broader economy. At this point, 20 Finance Managers (Financial Accountants) have been indicated as required, which the public sector must work closely with the CIMA to develop. Fasset will support this process by providing the quality assurance function.

7.7 Summary

Table 17 tabulates the NSDS Objectives, Strategic Outcome-Oriented Objectives, Objective Statements, Baseline and Target Audience.

Table 17: NSDS Objectives and Fasset Interventions

#	NSDS Objective	#	Objective	Objective Statement	Baseline ⁴	Target Audience
1	Establish a credible institutional mechanism for skills planning	1.1	National need in relation to skills development is researched, documented and communicated to enable effective planning in the sector.	Produce research, such as the SSP and the annual grant analysis that is professionally researched, provides a sound analysis of the sector and articulates an agreed sector strategy to address skills needs.	SSP is professionally researched, provides a sound analysis of the sector and articulates an agreed sector strategy to address skills needs.	This objective will contribute towards establishing a credible institutional mechanism for skills planning in the sector and beyond in Fasset's capacity as the incubator sector for finance and accounting skills.
2	Increasing access to occupationally-directed programmes middle-level skills	2.1	Conduct research, establish projects and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public TVET Colleges and universities of technology working in partnership with employers providing workplace-based training.	Identify and address middle-level skills needs.	14 355 Learners registered and 13 982 Learners completed on learnerships, Assessor and Moderator training, LL and TVET WBE	This objective will enable the increase of new entrants into the Fasset sector and beyond, and address scarce skills as identified in the SSP.
3	Increasing access to occupationally-directed programmes high-level skills	3.1	Conduct research, establish projects, identify high-level skills needs in the sector and put in place strategies to address the high-level scarce skills gaps.	High-level national scarce skills needs are being addressed by work-ready graduates from higher education institutions.	17 002 Learners registered and 12 911 learners completed on learnerships, LL, Bridging Programmes for Work Readiness and for Academic Support and Professional Designations, PIVOTAL Grant (bursaries and learnerships), National Students Financial Aid Scheme (NSFAS) Grants and NSFAS Bursary Programme.	This objective will enable the development and maintaining the skills base of the current workforce within the sector and beyond as well as address the development of specialist skills needs as identified in the SSP.
4	Engage with TVET Colleges.	4.1	Increase the capacity of TVET College learners and lecturers to address the skills needs in the sector as informed by the SSP.	This objective will contribute towards positioning TVET Colleges as a credible alternative that provides access into the Fasset sector.	Placement of 132 TVET WBE learners	Fasset will increase partnerships through funding learner placements and bridging projects.
5	Encourage better use of workplace-based skills development.	5.1	SETA stakeholders agree on the provision of substantial quality programmes for employed workers and report on the impact of the training.	Training of employed workers addresses critical skills, enabling improved productivity, economic growth and the ability of the workforce to adapt to change in the labour market.	61 large firms and 89 medium firms submit Mandatory Grants and attended LL	Employers will be supported through the Mandatory Grant, various grant schemes and accessing of Fasset benefits aimed at the training of employed workers in the sector.
6	Encourage and support cooperatives, small enterprises, worker initiated, NGO and community training initiatives.	6.1	SETA identifies in the skills planning research, established and emergent cooperatives and their skills needs; Sector projects are established by sector stakeholders.	Co-operatives, small firms and NLPs supported with skills training and development, expand and contribute to sector economic and employment growth.	849 small firms and 304 non-levy-paying firms participate in skills development (Mandatory Grants and attended LL)	Employers will be supported through various grant schemes and accessing of Fasset benefits aimed at the training of employed workers in the sector and the upskilling of small firms and non-levy-payers in the sector.
7	Increase public sector capacity for improved service delivery and supporting the building of a developmental state.	7.1	Conduct and analysis and reflection on achievements and challenges for public sector training. Plans and funding arrangements are agreed between the relevant departments/entities and the SETA, and are reported on.	A thorough analysis and reflection is conducted on provision of education and training within the public sector and the contribution of the various role players.	5 Government Departments are encouraged to participate in skills development through the payment of the 30% portion of the SDL, submission of grant applications and deriving benefit from Fasset initiatives.	This objective will contribute towards making the public space a training space.
8	Building career and vocational guidance.	8.1	Career guides are developed with labour market information from the SETA, addressing sub-sectors within the sector.	Career paths are mapped to qualifications in the sector and sub-sectors, and communicated effectively, contributing to improved relevance of training and greater mobility and progression.	Career guide is developed and updated annually.	Career guidance campaign is embarked upon aimed at positioning Fasset as the sector of career choice.

⁴ Based on the 2015/2016 targets as reported in the 2015/2016 Annual Report. These figures will be updated in the subsequent SP submission.

#	NSDS Objective	#	Objective	Objective Statement	Baseline ⁴	Target Audience
		8.2	Sector stakeholders are engaged and programmes are adjusted to meet the skills and qualification needs to promote comprehensive career development.	Sector stakeholders will be invited to participate in programmes to meet the skills and qualification needs of the sector through comprehensive career development.	A stakeholder engagement programme is in place supported through various communication platforms such as print, online advertisements, website and social media.	Stakeholders are engaged in Fasset processes and projects.

7.8 Resource Considerations

Fasset's primary responsibility remains the assurance and maintenance of fully functional operational systems that include the necessary governance and quality assurance mechanisms. This provides a sound platform for Fasset to play a meaningful role in supporting all our stakeholders in the enhancement of skills development within the sector. The resource considerations that will be put in place to realise the strategic objectives of Fasset, over and above budget requirements, are listed below, together with expenditure trends, their link to NSDS III goals and implementation departments. Full detail on budget requirements is included in the APP. For ease, the NSDS Goals, Outputs, Outcomes and Indicators (referred to in the Link to NSDS III Goal column) have been included in Annexure 6.

7.8.1 Funding

7.8.2 Financial Considerations

Fasset receives monthly SDL from employers who pay SDL based on 1% of their payroll for that month. The levy contribution is dependent on the number of employees who are employed by the SDL contributors. As a SETA, we are allocated 80% of the levies of employers registered with Fasset (in line with the Standard Industrial Classification (SIC) Codes that belong to Fasset). An additional maximum of 30% of levy can be received from Government Departments falling within the Fasset sector in line with a directive from the DPSA that 30% of the 1% payroll of Government Departments should be allocated to SETAs for skills development.

In terms of the new SETA grant regulations, funding allocations have been amended from 10% of the levies used for administration costs to 10.5%. This allocation is used to run Fasset. The additional 0.5% is to be set aside for the QCTO. We ensure that we remain within the administration budget at any given time. Any savings or surplus administrative money is transferred to the discretionary fund pool. These funds are then used for strategic projects such as Bridging Programmes, grants and bursaries.

The remainder of the funding allocation has been revised is in line with the December 2012 funding regulations:

- 20% is paid out in terms of the legislated Mandatory Grants.
- Any unclaimed Mandatory Grants are also transferred to the discretionary fund.
- 80% is allocated to discretionary funds and will be used primarily for PIVOTAL programmes as well as other strategic interventions as detailed in the SP. We have aligned our definition of PIVOTAL programmes to be in line with the December 2012 funding regulations. Programmes will be linked to the Learning Programmes Matrix (LPM) as gazetted in the B-BBEE Codes of Practice and will include learnerships, internships, professional qualifications and academic programmes, leading to a full or part-qualifications registered on the NQF.
- Of the contribution received from Government Departments, 10% will be allocated to the administration budget and the remaining funds to the SETA's discretionary fund.
- Any additional income received is allocated to discretionary projects.

The funding allocation for the 2018/19 financial year has been approved by the Fasset Board as depicted in Table 18 below.

Table 18: Programme Implementation and Allocation of Funds for 2017/18 and 2018/19

	Project Name	2017/18		2018/19		Discretionary Grant Budget
		R'000	#	R'000	#	R'000
1	PIVOTAL Programmes	296,525	7,190	331,239	5,431	323,572
a	PLACEMENT	156,525	4,330	126,777	2,060	
	Placement Grant/ Learner Employment Grant	114,500	3,800	73,055	1,460	
	Special Project: NT - Public Sector Management Accounting (new project)			8,000	20	
	Special Project: Limpopo Provincial Treasury - IIA(SA) (new project)			672		
	Employment Agencies Placement Grant (new project)	2,025	50	5,050	100	
	Academic Support	40,000	480	40,000	480	
b	ACADEMIC SUPPORT	140,000	2,860	204,462	3,371	
	Bridging programme for the completion of academic qualifications/ designations					
	a) Universities	60,000	1,500	25,000	1,500	
	b) Professional Bodies	20,000	330	20,000	330	
	Employer Bursary Grant	20,000	500	25,000	500	
	Fasset Bursary Scheme	40,000	330	105,400	625	
	Public Sector Grant (new project)			5,062	16	
	NSFAS Loan Repayment Grant	4,000	200	24,000	400	82%
2	Non-PIVOTAL Programmes	36,900	10,960	73,226	29,854	80,893
	Lifelong Learning (including Learner Professional Development)	9,000	10,500	26,000	29,200	
	Stakeholder Engagement	500	0	100	0	
	Stakeholder Communications	4,000	0	2,580	0	
	Career Awareness	0	0	2,280	0	
	Non-PIVOTAL Learner Employment Grant	10,000	300	20,000	400	
	Non-PIVOTAL Bridging programme for the completion of academic qualifications/ designation	10,000	160	15,000	250	
	Fasset Skills Advisors (new project)	2,500		3,000	0	
	Public Sector Grant (new project)			1,266	4	
	Lecturer development programme (new project)			1,000		
	Rural development (new project)			1,000		
	Development Projects (internal project administration and M&E)	900		1,000	0	18%
	TOTAL	333,425		404,465		404,465

Notes:

1. The allocation of funds has been prepared based on the current grant regulations. Should any changes transpire as a result of the BUSA court cases, Fasset reserves the right to revise the budget and amend this allocation of funds accordingly.

The Medium Term Expenditure Framework (MTEF) budget estimates included as Annexure 3 have been prepared and exclude the expenditure ceiling for the 2018/19 financial year. The administration costs relating to major items such as salaries, external audit fees, internal audit fees and the outsourced finance, supply chain and IT functions as well as implementation budgets by departments are included in the APP. Table 7 below provides an indication of the implementation departments within Fasset that are responsible for the various performance indicators and resource considerations.

Table 19: Implementation Departments, Performance Indicators and Resource Considerations

#	Fasset department	Link to NSDS III Goal	Key Performance Indicators	Expenditure Trends	Risks	Mitigating Actions
1	Processing and Quality Assurance (PQA)	Goal 2, 3, 4, 5, 6, 7	<ul style="list-style-type: none"> Administration of all grants (Mandatory and Discretionary) and NSFAS programmes Manage, monitor and update current learnerships, qualifications and part-qualifications Monitor and evaluate the registration of learners Manage the quality assurance function Implement strategic partnerships with Professional Bodies and stakeholders such as the QCTO Manage and maintain the Quality Management System (QMS) including policy development and implementation 	<ul style="list-style-type: none"> The administration of grants is expected to continue in line with legislative requirements The strategic budget for PQA is expected to remain constant over the five year period and increase proportionally in line with inflationary increases Administration costs will continue to be managed within the 10.5% budget. New learnerships may be required, depending on sector needs 	<ul style="list-style-type: none"> Employers in the sector may not continue to offer learning opportunities to learners. The supply of Black African learners is insufficient. Inadequate subscription to grants and learnerships. Grant application forms and systems are not available for employers. The drop in the grant payment percentage may affect uptake rate. An insufficient number of non-levy-payers choose to register with Fasset. Support and cooperation of government departments and public entities is not in place. Refer to Section 7.9 for broad explanation. 	<ul style="list-style-type: none"> Publicise the grants scheme and other Fasset benefits e.g. LL. Publicise learnerships and encourage employers to recruit learners. Publicise learnership benefits including the tax deduction and B-BBEE scorecard points that can be earned, as well as the availability of learners through bridging projects. An increased tariff will encourage uptake. Government departments and public entities are proactively advised of the DPSA directive for government departments to allocate funding. LL topics are linked to employer skills needs. Refer to Section 7.9 for broad explanation.
2	Research	Goal 1	<ul style="list-style-type: none"> Annual research Monitoring, tracking and impact assessment studies Manage the Customer Satisfaction Surveys (CSS) Implement the LPD programme Implement the LL programme 	<ul style="list-style-type: none"> Annual research remains a key input into ensuring that a credible institutional mechanism for skills planning is established and that relevant sector development plans are developed as a result. Continuous professional development as a concept will continue as an important element of professional development for the sector. The implementation of the LPD programme has therefore been introduced Continuous professional development as a concept will continue as an important element of professional development for the sector. The implementation of the LL programme is therefore expected to be maintained. 	<ul style="list-style-type: none"> Relevant research, within the Fasset research focus, is not available. Research conducted is not relevant to DHET research agenda. Refer to Section 7.9 for broad explanation. 	<ul style="list-style-type: none"> Where possible align DHET and Fasset research agenda. Ensure that research agenda is relevant to Fasset stakeholders. Refer to Section 7.9 for broad explanation.
3	Projects	Goal 1, 2, 3, 4, 5, 6, 7	<ul style="list-style-type: none"> Manage Bridging Programmes Manage the Fasset Bursary scheme Deliver on the TVET strategy and related projects 	<ul style="list-style-type: none"> The need for bridging programmes is informed by the SSP and national policy imperatives. It is therefore envisaged that these will continue to be implemented to address the skills shortage in the country. The strategic budget for Projects is expected to remain constant over the five year period and increase proportionally in line with inflationary increases. 	<ul style="list-style-type: none"> Employers in the sector may not make use of Fasset LL events. Projects appointed, fail to recruit required number of learners. High drop-out rates and low pass rates. The supply of Black African learners is insufficient. Failure to place 70% of the learners. The employers fail to provide employment opportunities to the learners. NSFAS administration system is not able to accommodate Fasset payments. Ensure forms and systems are available at NSFAS. A low pass rate affects progression to the next year. 	<ul style="list-style-type: none"> Publicise LL events. Encourage in-house training events. Introduce new technology (such as webinars) to encourage participation. Projects are monitored according to monthly deliverables in the SLA. Fasset will take corrective action as soon as a deliverable is not met. Recruitment is linked to a payment. Placement is linked to a payment. Failure to meet the deliverable will result in non-payment. Ensure that learners are upskilled in scarce skills areas. Manage placement into alternative routes of study.

#	Fasset department	Link to NSDS III Goal	Key Performance Indicators	Expenditure Trends	Risks	Mitigating Actions
					<ul style="list-style-type: none"> Lower completion rates due to resignations and/or dismissals. Refer to Section 7.9 for broad explanation. 	<ul style="list-style-type: none"> Employers are incentivised by the grant and incentive scheme. Fasset to establish closer link to the learners being funded. Expanding the college base to ensure wider pool for recruitment; roadshows; regular employer meetings and increased employer interest in the programme will address possible risk of programme not being fully subscribed. Engage with NSFAS on an ongoing basis. Refer to Section 7.9 for broad explanation.
4	Marketing and Communications	Goal 8	<ul style="list-style-type: none"> Manage the National Career Guidance Campaign including the provincial imperative, which includes the campus brand ambassador campaign and the regional presence in rural areas and townships Produce all publicity and communication material and manage related functions and exhibitions Call centre and website management 	<ul style="list-style-type: none"> Activities aimed at strategically positioning the SETA and enhancing the Fasset brand will continue to be undertaken. This will include a stakeholder engagement component and career guidance campaign consisting of a regional presence in rural areas and townships. The strategic budget for marketing and communications is expected to remain constant over the five year period and increase proportionally in line with inflationary increases. Administration costs will continue to be managed within the 10.5% budget. 	<ul style="list-style-type: none"> Not all occupations are listed in the career guide. Information listed in the guide is outdated. Negative publicity, print, online and social media. Resources for effective engagement with TVETs and universities in the various provinces does not materialise. Resources for effective engagement with TVET colleges, universities and professional institutes in the various provinces does not materialise. Support and co-operation from TVET colleges, universities and professional institutes is not in place. Database is not up-to-date. Refer to Section 7.9 for broad explanation. 	<ul style="list-style-type: none"> In-depth research into careers in the Fasset sector is undertaken. Draft brochure is distributed to Fasset Working Committee members for input. Publicity plan and programme implemented and monitored. Return on Investment (ROI) measurement tools in place. New relationships will be developed through lead SETAs at institutions and through existing projects. New relationships will be developed through networking. Mailing list rules will be developed and monitored on a quarterly basis. New relationships will be developed through lead SETAs at institutions and through existing projects. New relationships will be developed through networking. Refer to Section 7.9 for broad explanation.
5	Operations	No direct outputs linked to NSDS III	<ul style="list-style-type: none"> Manage the Supply Chain Management function Manage office infrastructure 	<ul style="list-style-type: none"> Office infrastructure and the governance function will continue to be performed for the overall effectiveness of Fasset. The Administration Budget for Operations is expected to remain constant over the 5-year period and increase proportionally in line with inflationary increases. There is no strategic budget for this function. 	Refer to Section 7.9 for broad explanation.	Refer to Section 7.9 for broad explanation.
6	Executive Office	No direct outputs linked to NSDS III	<ul style="list-style-type: none"> Manage statutory requirements HR, IT, Finance, External and Internal Audit function Perform the Company Secretarial function Strategic management 	<ul style="list-style-type: none"> Overall SETA management will continued to be performed in line with the set performance indicators. Inflationary increases over the 5-year period have also been effected into our budgeting for the period. There is no strategic budget for this function. 	Refer to Section 7.9 for broad explanation.	Refer to Section 7.9 for broad explanation.

#	Fasset de- partment	Link to NSDS III Goal	Key Performance Indicators	Expenditure Trends	Risks	Mitigating Actions
			<ul style="list-style-type: none"> Overall SETA management 	<ul style="list-style-type: none"> Administration costs will be managed within the 10.5% budget. 		

7.9 Risk Management

Fasset is accountable to a variety of stakeholders and the environment in which we operate is subject to a wide range of risks. We recognise that risk is dynamic and is inherent in all external and internal operating environments. As such, we are committed to the optimal management of all risks associated with the performance of functions and delivery of services in order to achieve our vision, mission, objectives and strategic plans. To meet this commitment, the management of risk is integrated into Fasset's existing strategy, planning, budgeting and operational process and is fully recognised in funding and reporting processes on the basis of the evaluation of the level of risk and Fasset's exposure. An enterprise-wide risk management framework is therefore in place to provide direction and guidance to Fasset towards an integrated, corporate and systematic approach that ensures that all entity-wide risks that could affect people, reputation, business processes and systems, financial and environmental performance are identified, assessed and appropriately treated to an acceptable level to address unfavourable impacts, and to also benefit current and future opportunities.

We do this by:

- Incorporating a systematic and consistent approach to risk management into the culture and strategic planning processes of Fasset, supporting the setting of priorities and making of decisions at all levels.
- Applying a systematic and consistent approach to risk response and control activities to support Fasset's governance responsibilities for innovation and responsible risk-taking, policy development, programmes and objectives. In all cases, appropriate measures are put in place to address unfavourable impacts from risks and favourable benefits from opportunities.
- Managing a transparent approach to risk through formal and informal communication and monitoring of all key risks, balancing the cost of managing the risk with the anticipated benefit. Risk management practices are adapted to encompass best practices, specific circumstances and mandate.

An independent risk management process is in place to enable the Fasset management team to effectively identify, evaluate and assess risk. It is the Internal Auditor's responsibility to monitor the prescribed procedures. In compliance with Treasury requirements, the Internal Auditors have direct access to the Chief Executive Officer (CEO), ARC and the Board. Fasset's Code of Conduct ensures that ethical standards are adhered to at all times. The details of the Risk Management Plan are contained in the following documents:

- Risk Management Framework
- Risk Management Policy
- Risk Management Committee Terms of Reference
- Risk Appetite
- Risk Register

The Board has oversight of the risk management function and provides guidance and support to the CEO on Risk Management-related Strategy and Policies. This function has been delegated to the ARC on behalf of the Board to ensure that a risk management programme is in place, is adequate and effective, and provides a realistic view of the key risks facing the organisation. A RMC has been established as a sub-committee of the ARC, chaired by the Chief Risk Officer (CRO), to monitor the performance of risk management.

All significant risks facing Fasset have been identified following an annual assessment and are included in the risk register with an indication of the impact and likelihood rating for each risk. Significant risks with the highest residual risk rating have also been identified. These are monitored on a bi-monthly basis by the RMC. The full suite of risks as contained in the risk register is reviewed quarterly in accordance with the risk monitoring process.

7.10 Process for Achieving Strategic Objectives

Fasset's objective is to monitor trends and changing needs in the sector and, wherever possible, to measure and assess the impact of its interventions on a regular basis. The importance of monitoring, evaluation and the measurement of the impact of funded interventions is strategically relevant within the SETA environment. The general public perception concerning SETA effectiveness has been a consistent issue vexing the SETAs existence since 2000.

In addition to the public perception, the questioning of effectiveness by the Portfolio Committee on Higher Education and Training Portfolio Committee (PCHET), the ongoing demands for proof of effectiveness from opposition parties and the DHET, means that SETAs need to ensure that interventions funded need to be linked to an assessment of efficiency and effectiveness.

At an organisational level, the assessment of impact can assist in the optimisation of operations and functioning, and the utilisation of internal resources. Furthermore, audit requirements to measure the impact of SETA interventions as required by the NSDS can also be fulfilled. It is therefore essential that Fasset is in a position to measure and quantify the impact of its skills development interventions.

There is a need to measure the effectiveness of these interventions to ensure that scarce SETA resources are well-spent. Over the financial year the SETA will continue to focus the attention of its research agenda on the measurement and evaluation of impact of Mandatory and Discretionary Grants and funded interventions.

Fasset's objective is to monitor trends and changing needs in the sector and, wherever possible, to measure and assess the impact of its interventions on a regular basis will be done in the manner outlined below.

7.10.1 Assessment of Critical Skills and Skills Shortages

Fasset will assess skills shortages in the sector on an annual basis, as part of the update to the SSP and via the annual grants analysis. Every five years, the SETA conducts a sector survey to provide insight into changes in the sector from one period to another and enable us to engage in effective skills planning to address sector needs.

7.10.2 Assessment of Impact of Interventions

Fasset has a declared objective to measure the impact and effectiveness of interventions entered into. We have developed a framework, policy and rules document that guides the evaluation and the measurement of the impact of all our interventions.

Our general approach to impact assessment is to integrate it, as far as possible, as an important part of the normal activities of Fasset and to limit the time and resources spent on additional impact

assessment interventions to the minimum. Impact assessments for special projects may however be undertaken, from time to time, to measure the effectiveness of specific interventions.

Indicators of impact are formulated to realistically reflect the work of Fasset. Ideally indicators will be limited to areas over which Fasset has direct control. However, this is not always possible and in the interpretation of information certain contextual issues will be taken into consideration; for example, the uptake of learnerships by employers may be affected by economic conditions – something outside the control of Fasset.

The activities used to monitor impact will consist of three tiers. First, impact will be monitored in Fasset's own system on a regular basis by using data that is collected for other purposes and as part of the execution of Fasset's normal functions. Second, regular studies undertaken by Fasset for other purposes will be utilised to monitor impact – for example, CSSs and LEG monitoring visits – and third, ad hoc and additional projects to measure impact will be undertaken from time to time.

For the five-year period, specific activities aimed at assessing the impact of interventions include:

- All project funding applications will be required to outline the expected impact of the project and to identify impact indicators. Where possible, the projects themselves will include an impact assessment phase.
- In the 2016 – 2021 period, an impact measurement study will be conducted to measure the impact of our range of programmes across a broad number of indicators, which will be used to inform the impact of programmes and the progress made in the attainment of NSDS III objectives.

7.10.3 Continuous Process Improvement Following Audits

Fasset's participation in a variety of checks and audits provides opportunities for analysis of the Fasset SETA systems and processes and for feedback that could be used for continuous improvement.

All reporting as per the SLA is to be developed with the DHET for the 2015-2020 period and will be audited, usually quarterly. Continuous process improvements flowing from these audits will be integrated into future quality management systems.

To continually improve Fasset processes, a Quality Assurance department will continue to play a critical role in identifying areas for improvement, across the entire SETA's functioning, and put in place improved processes and controls.

External and internal audits as required and implemented by Fasset will also suggest areas where improvements to the Fasset system can be undertaken.

7.10.4 Accountability and Governance

The Fasset Board is accountable for strategic and funding decisions made. As such, research conducted by the SETA must be robust enough to support such decision-making. Ensuring that sound strategic decisions are made is the main function of the Fasset Board.

Research conducted points to two main themes. Firstly, transformation of the sector in terms of the employment, education and training of Black African people, Coloured people in the Western

and Northern Cape and people with disabilities is relevant. Secondly, the main skills shortages in the sector lie between NQF levels 6 and 8, and skills development interventions must fall into this educational level, or lead into it.

Notwithstanding the main research findings in the Fasset sector and the needs of the Fasset sector, it is important that the SETA aligns its strategic implementation plan to national policy and cross-sectoral needs, such as the importance of TVET Colleges and the Fasset sector as an incubator of skills for the South African economy.

7.10.5 Partnerships

Relationships and partnerships will be forged in the delivery of our skills development programmes with a range of stakeholders including:

Universities, Universities of Technology (UoTs) and TVET Colleges are the main providers of education in the sector. Entry into the sector is primarily provided by Universities and UoTs at NQF levels 6 to 8, through diplomas and degrees. We will engage extensively with these institutions particularly around the delivery of PIVOTAL programmes aimed at strengthening interventions related to academic programmes that lead to the completion of scarce skill qualifications and/or professional designations.

Offerings by TVET Colleges that are relevant to the Fasset sector are at the lower NQF levels with most TVET Colleges offering National Certificate (Vocational) (NCV) in Finance, Economics and Accounting. The NC(V) offers learners a vocational alternative to an academic Grade 10 to 12 by providing specialised training on NQF levels 2-4. Most of the TVET Colleges also offer National Programmes (NATED) at NQF levels 4 to 6 in either Financial Management or Business Management or both. Graduates obtain certificates or a national diploma. At this stage there is limited articulation from TVET Colleges into the university system. Learners qualifying at these colleges are however able to progress into careers and designations offered by professional bodies, offered outside the university system. Fasset may however engage with TVET Colleges to explore opportunities for collaboration to address skills priorities in line with the Fasset Board-approved TVET College strategy.

Through Fasset's Bridging Programmes delivery partners, partnerships will be forged with public and private providers appointed through a tendering process, to engage and direct funding towards public providers in particular.

Through the LL and LPD programmes, partnerships with Professional Bodies are in place to enable the delivery of training interventions that meet CPD purposes in line with professional body requirements. Learnerships will also continue to be provided in line with professional body requirements. We will also continue to work with the QCTO in line with the Memorandum of Understanding (MoU) that is in place. Furthermore, engagements with professional bodies will continue to be undertaken in support of Fasset's role as an incubator sector.

We will continue to work with other SETAs to identify opportunities for collaboration for the greater benefit of skills development in our country.

PART C: LINK TO OTHER PLANS

Fasset is cognisant that the economy remains constrained by a lack of skills and that significant inroads still need to be made in skills development. In the development of this SP, Fasset has therefore taken into account not only the needs of its own sector but also the financial needs of the rest of the economy.

9. Medium-Term Strategic Framework (MTSF)

The delivery of our programmes is aligned to the MTSF, in terms of economic growth and development, including the creation of decent work on a large scale and investment in quality education and skills development, being at the centre of Government's approach. Of the ten MTSF strategic priorities, Fasset is in a position to directly contribute to Priority 4 and 5, which is focused on strengthening the skills and human resource base as this relates directly to our mandate as a SETA.

Table 20: MTSF Priority and Corresponding Fasset Contribution

#	MTSF Strategic Priority	Fasset Contribution
1	Priority 3: All people in South Africa are and feel safe	<ul style="list-style-type: none"> • The codes of conduct applied to the members of professional institutes in the sector. • Ethics courses offered to employees of our member organisations who attend LL and LPD seminars as well as all registered learners on Fasset Bridging Programmes.
2	Priority 4: Decent employment through inclusive growth	<ul style="list-style-type: none"> • Providing training opportunities that will enable learners to become more employable and obtain decent work. • Provision of grants to employers who train learners.
3	Priority 5: A skilled and capable workforce to support an inclusive growth path	<ul style="list-style-type: none"> • Ensuring the flow of finance and accounting skills into the labour market through a variety of programmes such as learnerships, grant schemes and Bridging Projects. • Providing LL and LPD opportunities to employees in the sector • Provision of grants to employers who train learners.
4	Priority 6: An efficient, competitive and responsive economic infrastructure network	<ul style="list-style-type: none"> • Accounting standards are aligned to international standards. • Several Professional Bodies are members of international bodies and involved in the development of professionals in other African countries.
5	Priority 9: Responsive, accountable, effective and efficient local government	<ul style="list-style-type: none"> • Fasset works closely with the following institutions in the sector to strengthen their capacity. <ul style="list-style-type: none"> - National Treasury - AGSA - SARS - Provincial Treasuries

10. National Development Plan (NDP)

In addition to the NSDS, the NDP forms an important government policy against which SETAs should align their strategies. As mentioned in Section 4.3, the NDP is one of the key policy documents that influenced Fasset's skills planning as reflected in this SSP update. Various aspects of the NDP were considered, the most important of which are the following:

- The NDP states that 'South Africa needs a post-school system that provides a range of accessible options for younger and older people. The system should be capable of adapting to changes in technology, industry, population dynamics and global trends. Accelerating economic growth requires science, technology, vocational and technical skills, and they need to be produced quickly. To promote LL, post-school institutions should accept students who are academically less prepared and provide them with targeted support.' Fasset's skills development programmes provide targeted support to students and learners across the total skills formation pipeline – i.e. Younger and older people.
- The NDP requires the post-school education and training system to respond to the skills needs of all sectors of society, including business, industry and government. Fasset's skills interventions are specifically designed to reach beyond its own sector to develop financial skills for all sectors of the economy.
- The NDP emphasises the need to raise education and training levels to produce highly skilled professionals and technicians. It specifically mentions the need for financial management and chartered accountancy skills. Fasset's main focus is the development of highly skilled professionals and technicians in the financial field.
- The NDP places a high premium on the provision of LL to a wide range of candidates. Fasset contributes by providing LL and LPD opportunities to individuals working in its sector.
- The NDP also requires the post-school system to develop partnership to play a strong role in national and regional initiatives. Fasset has built (and continues to build) partnerships with a network of educational institutions, professional bodies and employers to develop financial skills for the South African economy.
- It stands to reason that the availability of sufficient numbers and quality financial professionals are crucial to the success of most of the development initiatives proposed by the NDP. The infrastructure development initiatives are, for example dependent on financial management skills. Corruption can only be contained in the presence of strong financial management and auditing skills and with financial professionals who are bound to ethical behaviour. Similarly, the National Health Insurance System and the improvement of the health and social welfare sectors are critically dependent on financial skills. It is with all these development objectives in mind that Fasset is focusing on increasing the numbers of financial skills developed at all levels, improving the quality of education and training, and on increasing the throughput rates throughout the educational pipeline.

11. President's Outcomes Approach to Planning Government's Work (Outcome 5)

Fasset supports the President's Outcomes Approach to Planning Government's Work. Of the ten outcomes, Outcome 5, 'a Skilled and Capable Workforce to Support an Inclusive Growth Path', relates directly to the MHET's outcomes. Fasset will contribute towards achieving this outcome (as aligned to NSDS III) which are aligned to the Minister's outputs.

12. Fasset's Contribution to the Performance Management and Evaluation (PME) Targets

Fasset supports the MHET's outcomes to build 'a Skilled and Capable Workforce to Support an Inclusive Growth Path'. Any Performance Monitoring and Evaluation (PME) targets to be included over and above those approved by the Fasset Board in July 2017 are subject to negotiation as well as Fasset's ability to support these given limited resources.

Annexure 1: Fasset Sector Skills Plan Update 2018/19

2nd Draft Fasset SSP
1 Apr 2018 to 31 Mar 2023
1 August 2017



Sign-Off



SIGN-OFF

This second SSP draft for submission on 1 August 2017 is submitted by Fasset, the Finance and Accounting Services SETA.

This is prepared in conjunction with the requirements of the DHET and includes research that culminates in the strategic priority areas for the SETA, which will inform the Strategic Plan (SP) and the Annual Performance Plan (APP).

It is signed-off as follows:

Acting Fasset Chairman:


Shahied Daniels

Signature: 

Date: _____

Acting Chief Executive Officer:

Lesego Lebuso

Signature: 

Date: _____

Cover Letter





Ms Weziwe Sikaka
Sector Skills Plans
Department of Higher Education and Training
123 Francis Baard Street
Pretoria, 0001
Tel: (012) 312-5173
email: sikaka.w@dhet.gov.za

1 August 2017

Per hand and email

Dear Ms Sikaka,

SUBMISSION OF 2nd DRAFT FASSET SECTOR SKILLS PLAN 2017 TO 2022, 1 AUGUST 2017

We have pleasure in presenting to the Department of Higher Education and Training (DHET), the 2nd draft of the Fasset Sector Skills Plan (SSP) for the period 1 April 2018 to 31 March 2023.

The submission of this SSP includes this foreword, a Covering Letter, Executive Summary, an updated Continuous Improvement Plan (CIP), the draft list of Pivotal Skills and the 2nd version of the SSP.

The SSP has been aligned to the updated DHET guideline for completing SSPs and takes into consideration the feedback received from DHET on 13 July 2017.

Further updates have been made to the SSP, which is being submitted along with the Annual Performance Plan (APP) and Strategic Plan (SP), and has taken into account the strategic deliberations which the Fasset Board undertook in July 2017 and will continue with.

Non-material and editorial changes were made to this SSP draft, in line with feedback from DHET. Changes to the PIVOTAL list will be made and submitted to DHET after discussion of the Board.

Should you have any questions with regards to the SSP please do not hesitate to contact us at Fasset. We look forward to the DHET's feedback on this submission.

Yours in skills development,

Shahled Daniels
Acting Chairman

Lesego Lebuso
Acting CEO



Executive Summary



EXECUTIVE SUMMARY

- The need to retain a long-term and holistic view of the skills pipeline and to address the key challenges that occur in the pipeline;
- Ensuring that new entrants reach professional status;
- Strengthening the capacity of the TVET colleges and improving the absorption of TVET learners in the labour market and
- Supporting the transformation of the sector.

The analysis presented in this SSP clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. The skills shortages are persistent – as the fact that the same occupations are identified by employers year after year illustrates.

Chapter 3 of this SSP describes the occupational shortages and skills gaps in the Fasset sector. Occupational shortages are reflected in vacancies that are hard to fill and are mainly the result of blockages in the skills pipelines. Fasset monitors occupational shortages on an annual basis through employers' mandatory grant applications. These shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of Black graduates delivered by the education and training sector with the specific qualifications required in the sector and by more Black graduates progressing to full professional status. There is an increasing need for most professionals in the sector to have a strong combination of skills including technical, business and soft skills, as well as the abilities to think strategically and lead a company, division or group of people. It is particularly challenging to find candidates with these combination skills early in their careers.

At this stage there is little statistical information available on the role of emigration in the creation of occupational shortages. However, organisations in the sector employ foreign nationals especially in professional positions. This does, to some extent, help to relieve shortages.

New employees enter the sector through different pathways or pipelines. A key aspect in these pipelines is the number of learners who obtain the National Senior Certificate with Maths and Accounting as subjects. These figures have varied substantially in the last few years. Output from the public TVET colleges is still relatively small and pass rates are low. There was an increase in the number of graduates with NQF Level 3 qualifications in Accounting over the last five years – especially female graduates.

The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline. The table below summarises the challenges that are experienced at each key point in the pipeline.

Key challenges in skills formation in Fasset's sector

KEY POINT IN PIPELINE		KEY CHALLENGES
FET LEVEL	School	Maths passes
		Career Guidance
	TVET Colleges	Content of N Courses
		Lecturer capacity
		Infrastructure
	Work placements (N Diploma)	

KEY POINT IN PIPELINE		KEY CHALLENGES
	Professional body qualifications	Qualifications in demand outside Fasset's sector Work experience needed for completion of qualifications
HET Level	Students - First degrees and diplomas	Need for financial assistance Low throughput rates
	Students - Post graduate degrees	Low pass rate on CTA
	Professional body qualifications	Insufficient learners progress to professional status Slower transformation at this level Drop-out from learnerships before completion
Work-place	Job seekers	Work readiness and ability to find employment
	Ownership of firms	Slow transformation
	Employees	Scarcities remain in certain occupations
		Transformation of sector profile
		Career development - challenging for small firms
	Need for high-level specialisation remains	

Fasset has, since its inception, developed long-standing partnerships with professional bodies and higher education institutions. These partnerships have become a crucial area of the SETA's interventions in the skills pipeline and consist mainly of professional bodies and educational institutions participating in Fasset's structures and projects initiated by professional bodies and education institutions through a dedicated funding window. Individual projects are monitored throughout and Fasset adapts its criteria for funding from time to time in order to give preference to the most successful intervention types. Placement in further education programmes and employment remains an important criterion for all these projects.

Professional bodies also perform certain functions in terms of the promotion and administration of their own qualifications and learnerships. This arrangement has enabled Fasset to remain a lean and effective organisation.

Historically the public TVET college sector has not been a major contributor of skills to the Fasset sector and Fasset has not been involved with TVET colleges. However, about four years ago Fasset started to engage with TVET colleges on a pilot basis. Based on the pilot results Fasset came to the conclusion that the best point of intervention is the placement of N6 learners for work experience. This intervention is continuing and has so far proved successful.

In the setting of skills development priorities, the Fasset Board first took into consideration the skills formation process as it spans the lifetimes of individuals. Fasset attempts to address the full spectrum of the pipeline to varying extents. Emphasis is placed on overcoming the challenges at every point in the skills formation pipeline

The three broad areas covered by the skills development priorities are:

- Increasing the flow of new finance and accountancy entrants into employment,
- Developing and growing the skills required in the sector, and
- Facilitating transformation of the Finance and Accountancy Services Sector.

Specific priorities are set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in the Strategic Plan.

Sector Skills Plan



SSP 2018/2019 Update Draft 2 – 31 July 2017

**FASSET
SECTOR SKILLS
PLAN UPDATE FOR
THE PERIOD 1 APRIL
2018 TO 31 MARCH
2023**

31 July 2017
Draft 2
2017



FOREWORD

This annual SSP provides essential knowledge for the SETA Board to make decisions concerning the allocation of funding and interventions needed to meet both sectoral and national priorities.

The following national strategies were identified as important to the Fasset strategic plan: the National Skills Development Strategy III, the National Development Plan, the White Paper for Post-School Education and Training, the Companies Act, 71 of 2008 and the King Codes. Important policies include the sectoral Black Economic Empowerment Charters and the Employment Equity Act.

This SSP identifies skills priority areas by investigating the economic and labour market performance of the sector and the extent of skills mismatches within it, thus allowing the identification of the scarce skills required which are presented in a PIVOTAL skills list.

The allocation of funding for interventions required to address the PIVOTAL skills list was decided by the Fasset Board in July 2016. This includes discretionary grants and projects that will be utilised to address scarce and PIVOTAL skills.

Fasset has identified the following four strategic focus priorities for which relevant projects are to be implemented:

- The need for a long-term and holistic view of the skills pipeline;
- Ensuring that new entrants reach professional status;
- Strengthening the capacity of the Technical Vocational Education and Training (TVET) colleges and improving the absorption of TVET learners in the labour market and
- Supporting population group transformation of the sector.

This SSP will be useful to stakeholders such as employers, professional institutes, learners and education and training institutions in the sector, in that it identifies the skills required for the sector and can guide planning and implementation.

I am confident that Fasset will continue to conduct valuable research relevant to skills development in the sector, allowing for the implementation of appropriate interventions to meet the scarce skills, and education and training demands of the sector.

Thanking you,

Shahied Daniels

Acting Fasset Board Chairman

ABBREVIATIONS AND ACRONYMS

Abbreviation Acronym	Description
AAT (SA)	Association of Accounting Technicians
ACCA	Association of Chartered Certified Accountants
ACFESA	Association of Certified Fraud Examiners South Africa
AGSA	Auditor General of South Africa
ATR	Annual Training Report
B-BBEE	Broad-Based Black Economic Empowerment
CA(SA)	Chartered Accountant (South Africa)
CESM	Classification of Educational Subject Matter
CFE	Certified Fraud Examiner
CIMA	Chartered Institute of Management Accountants
CPD	Continuous Professional Development
CSSA	Chartered Secretaries Southern Africa
CTA	Certificate in the Theory of Accounting
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Administration
EEA	Employment Equity Act No. 55 of 1998
ETQA	Education and Training Quality Assurance Body
FET	Further Education and Training
FSB	Financial Services Board
GDP	Gross Domestic Product
GVA	Gross Value Added
HEI	Higher Education Institution
HEMIS	Higher Education Management Information System
HET	Higher Education and Training
IACSA	Institute of Accounting and Commerce
ICB	Institute of Certified Bookkeepers
ICBA	Institute of Certified Bookkeepers and Accountants
ICM	Institute of Credit Management
IDC	Industrial Development Corporation
IIASA	Institute of Internal Auditors of South Africa
IMFO	Institute of Municipal Finance Officers
IRBA	Independent Regulatory Board for Auditors
MoU	Memorandum of Understanding
NATED	National Programmes
NCV	National Certificate (Vocational)
NDP	National Development Plan
NLRG	National Student Financial Aid Scheme Loan Repayment Grant
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme

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Abbreviation Acronym	Description
OFO	Organising Framework for Occupations
PAO	Professional Accountancy Organizations
PFMA	Public Finance Management Act
PIVOTAL	Professional Vocational Technical and Academic
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
RA	Registered Auditor
SAIBA	Southern African Institute for Business Accountants
SAICA	South African Institute of Chartered Accountants
SAIGA	Southern African Institute of Government Auditors
SAIPA	South African Institute of Professional Accountants
SAIT	South African Institute of Tax Professionals
SARB	South African Reserve Bank
SARS	South African Revenue Service
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SMMEs	Small, Medium and Micro Enterprises
SSP	Sector Skills Plan
StatsSA	Statistics South Africa
TVET	Technical and Vocational Education and Training
VAT	Value Added Tax
WIL	Work Integrated Learning
WSP	Workplace Skills Plan

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EXECUTIVE SUMMARY

- The need to retain a long-term and holistic view of the skills pipeline and to address the key challenges that occur in the pipeline;
- Ensuring that new entrants reach professional status;
- Strengthening the capacity of the TVET colleges and improving the absorption of TVET learners in the labour market and
- Supporting the transformation of the sector.

The analysis presented in this SSP clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. The skills shortages are persistent – as the fact that the same occupations are identified by employers year after year illustrates.

Chapter 3 of this SSP describes the occupational shortages and skills gaps in the Fasset sector. Occupational shortages are reflected in vacancies that are hard to fill and are mainly the result of blockages in the skills pipelines. Fasset monitors occupational shortages on an annual basis through employers' mandatory grant applications. These shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of Black graduates delivered by the education and training sector with the specific qualifications required in the sector and by more Black graduates progressing to full professional status. There is an increasing need for most professionals in the sector to have a strong combination of skills including technical, business and soft skills, as well as the abilities to think strategically and lead a company, division or group of people. It is particularly challenging to find candidates with these combination skills early in their careers.

At this stage there is little statistical information available on the role of emigration in the creation of occupational shortages. However, organisations in the sector employ foreign nationals especially in professional positions. This does, to some extent, help to relieve shortages.

New employees enter the sector through different pathways or pipelines. A key aspect in these pipelines is the number of learners who obtain the National Senior Certificate with Maths and Accounting as subjects. These figures have varied substantially in the last few years. Output from the public TVET colleges is still relatively small and pass rates are low. There was an increase in the number of graduates with NQF Level 8 qualifications in Accounting over the last five years – especially female graduates.

The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline. The table below summarises the challenges that are experienced at each key point in the pipeline.

Key challenges in skills formation in Fasset's sector

KEY POINT IN PIPELINE		KEY CHALLENGES
FET LEVEL	School	Maths passes
		Career Guidance
	TVET Colleges	Content of N Courses
		Lecturer capacity
		Infrastructure
		Work placements (N Diploma)

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KEY POINT IN PIPELINE		KEY CHALLENGES
	Professional body qualifications	Qualifications in demand outside Fasset's sector Work experience needed for completion of qualifications
HET Level	Students - First degrees and diplomas	Need for financial assistance Low throughput rates
	Students - Post graduate degrees	Low pass rate on CTA
	Professional body qualifications	Insufficient learners progress to professional status Slower transformation at this level Drop-out from learnerships before completion
Work-place	Job seekers	Work readiness and ability to find employment
	Ownership of firms	Slow transformation
	Employees	Scarcities remain in certain occupations
		Transformation of sector profile
		Career development - challenging for small firms Need for high-level specialisation remains

Fasset has, since its inception, developed long-standing partnerships with professional bodies and higher education institutions. These partnerships have become a crucial area of the SETA's interventions in the skills pipeline and consist mainly of professional bodies and educational institutions participating in Fasset's structures and projects initiated by professional bodies and education institutions through a dedicated funding window. Individual projects are monitored throughout and Fasset adapts its criteria for funding from time to time in order to give preference to the most successful intervention types. Placement in further education programmes and employment remains an important criterion for all these projects.

Professional bodies also perform certain functions in terms of the promotion and administration of their own qualifications and learnerships. This arrangement has enabled Fasset to remain a lean and effective organisation.

Historically the public TVET college sector has not been a major contributor of skills to the Fasset sector and Fasset has not been involved with TVET colleges. However, about four years ago Fasset started to engage with TVET colleges on a pilot basis. Based on the pilot results Fasset came to the conclusion that the best point of intervention is the placement of N6 learners for work experience. This intervention is continuing and has so far proved successful.

In the setting of skills development priorities, the Fasset Board first took into consideration the skills formation process as it spans the lifetimes of individuals. Fasset attempts to address the full spectrum of the pipeline to varying extents. Emphasis is placed on overcoming the challenges at every point in the skills formation pipeline.

The three broad areas covered by the skills development priorities are:

- Increasing the flow of new finance and accountancy entrants into employment,
- Developing and growing the skills required in the sector, and
- Facilitating transformation of the Finance and Accountancy Services Sector.

Specific priorities are set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in the Strategic Plan.

RESEARCH PROCESS AND METHODS

The development and updating of the SSP is seen as a research project on its own. The process and methodology used is described in the section below.

In addition to the dedicated SSP research, Fasset conducts a comprehensive sector survey every five years. This survey serves as an opportunity for all role players in the sector to identify the skill needs experienced in the sector and to voice their concerns and provide insights into the skills situation in the sector.

Fasset also monitors trends in its sector on an on-going basis through various grant applications and other databases. The trends analysis is combined in an annual report. These two and other projects that feed into the SSP are summarised in the table below.

THE SSP RESEARCH PROCESS

Fasset's SSP is aimed at providing a comprehensive and up-to-date picture of the skills situation in the Finance and Accounting Services Sector. The topics included in the research are prescribed in the SSP Guidelines issued by the DHET and include: a profile of the sector, key skills issues faced by the sector and the SETA, occupational shortages and skills gaps and partnerships of the SETA. The research culminates in the skills development priorities set by Fasset.

The SSP aims to identify the skills needs of the sector and the skills needs emanating from government's economic and social development priorities, to evaluate the supply-side of the labour market and to identify the occupational shortages and skills gaps in the sectoral labour market.

The SSP research project consists mainly of desktop research. In this research process qualitative and quantitative information obtained from various data sources including databases, strategic plans, Workplace Skills Plan (WSP) submissions and research studies are combined.

Qualitative data to be used in the SSP updates are sought systematically – mainly through the interrogation of research reports and through internet searches. Statistical information on the profile of the sector and on occupational shortages is obtained from the WSPs submitted to Fasset. For this SSP update the information submitted by employers in April 2017 was analysed. The data was weighted in order to compensate for those organisations that did not submit grant applications.

The study spans Fasset's sector with all its subsectors. Cognisance is also taken of the financial skills needs of the total South African economy.

The data sources that are interrogated include (but are not limited to) the following:

1. Government's strategic plans and legislation.
2. Correspondence with and websites of professional bodies regarding membership numbers and other relevant information.
3. Department of Basic Education's website: EMIS - Education Management Information Systems for annual Grade 12 Senior Certificate output.

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4. Department of Higher Education and Training's website; HEMIS – Higher Education Management Information System for annual qualification output.
5. Department of Higher Education and Training, HETIS office, for TVET data.
6. Fasset 2017 mandatory grant submissions.
7. Fasset Sector Survey results
8. Fasset trends analyses
9. Other relevant publications

The SSP research starts in April of each year and continues until the last submission date.

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OTHER RESEARCH PROJECTS

Topic	Nature (Design) of the study	Objectives of Study	Data collection method	Source (s) of data	Use of data sources and databases	Time frame
Fasset Sector Survey 2016/2017	Quantitative and qualitative study	To obtain a comprehensive picture of the sector, including the following: <ul style="list-style-type: none"> • Employer organisations in the sector; • Employees working in the sector; • The professional bodies active in the sector; • Relevant education and training providers in the sector; and • Learners entering, and already in, the sector. • An analysis of the demand for and supply of labour to the sector, including an analysis of scarce skills and stakeholders' views on key issues relevant to skills planning in the sector; and • The overall labour demand and supply situation in the sector, with specific emphasis on skills shortages and mismatches in the demand and supply situation that need rectification. 	Semi-structured questionnaires used in personal and telephone interviews	Employers (sample size 780) Professional bodies (16 participated) Education and training providers (sample size 174) Learners (sample size 203)	Empirical research using Fasset levy payer dataset and learner database as sample frames	June 2016 – June 2017
Fasset Trends Analysis	Quantitative analysis of existing data sources	To track demand and supply-side figures over a period of ten years or more	Existing data sources are analysed	Organisations in the sector – 7 000	• Fasset database of levy-payers	2005 – 2017

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Topic	Nature (Design) of the study	Objectives of Study	Data collection method	Source (s) of data	Use of data sources and databases	Time frame
				Mandatory R 200 grant applications 90 000 employee records + 40 000 records	<ul style="list-style-type: none"> • Fasset mandatory grant applications • Fasset learnership database • Higher Education Management Information System (HEMIS) data; • Further Education and Training Management Information System (FETMIS) data; • SAICA's data system. 	
Fasset Tracer Study TVET project	Quantitative and qualitative study	<ul style="list-style-type: none"> • Evaluate all Fasset interventions as TVET colleges • To track TVET students placed for the 18 month work experience (to National Diploma) throughout their training period and after 	Semi-structured questionnaires completed on-line and through telephone interviews	~ 3600 students	Fasset Data System – all beneficiaries of TVET College intervention	Started in Nov 2013 and is still ongoing

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Topic	Nature (Design) of the study	Objectives of study	Data collection tool	Sample size and scope	Use of data sources and datasets	Time frame
			Personal interviews with employers and other stakeholders			

1. SECTOR PROFILE

1.1 INTRODUCTION

This first chapter of the Sector Skills Plan (SSP) provides a broad overview of the Financial and Accounting Services Sector – the sector served by Fasset. It starts with an explanation of the economic activities and organisations included in the sector and the way in which Fasset has grouped the different economic activities into subsectors. The chapter also provides an explanation of the key role players in the sector and their respective roles.

The labour market profile presented in Section 1.6 provides insight into the kind of skills that the sector employs and trends in employment as they were monitored by Fasset.

1.2 SCOPE OF COVERAGE

Fasset's sector includes 17 categories of the Standard Industrial Classification (SIC). Most of these categories fall within the main group "Finance, Real Estate and Business Services". Some of the economic activities described under the 17 SIC codes are similar and, in order to facilitate the meaningful analysis of data, organisations belonging to the sector have been re-categorised into seven subsectors.¹ The SIC categories and the subsectors to which each belongs are indicated in Table 1-1.

The subsector descriptions are generally self-explanatory. However, it should be noted that the development organisations belonging to the Financial and Accounting Services Sector include only those that provide financial assistance and (in some instances) business advice, such as the Industrial Development Corporation (IDC). Similarly, business and management consulting services encompass a wide range of activities and may also fall under other Sector Education and Training Authorities (SETAs). Only those organisations that choose to describe their main functions in terms of SIC code 88140 or 88142 are included in this subsector. Some of the accounting and auditing firms also provide business and management consulting services but, because accounting and auditing is their main business, they are classified in the subsector "Accounting, Bookkeeping, Auditing and Tax Services".

The subsector "Activities Auxiliary to Financial Intermediation" includes statutory bodies such as the Financial Services Board (FSB) and the Independent Regulatory Board for Auditors (IRBA), professional associations, as well as services not included in any of the other subsectors. Debt collection is an example of such a service.

Table 1-1 SIC and subsector descriptions

SIC Code	SIC Description	Subsector Name
81904	Investment Entities and Trusts	Investment Entities and Trusts and Company Secretary Services
88103	Company Secretary Services	
83110	Administration of Financial Markets	Stockbroking and Financial Markets
83120	Security Dealing Activities	
83121	Stockbroking	
88102	Asset Portfolio Management	
83180	Development Corporations and Organisations	Development Organisations
88101	Tax Services	Accounting, Bookkeeping, Auditing and

¹ This categorisation is used consistently throughout all of Fasset's research reports.

SIC Code	SIC Description	Subsector Name
88120	Accounting, Bookkeeping and Auditing Activities, Tax Consultancy	Tax Services
88121	Activities of Accountants and Auditors Registered in Terms of the Auditing Profession Act	
88122	Activities of Cost and Management Accountants	
88123	Bookkeeping Activities, including Relevant Data Processing and Tabulating Activities	
83190	Activities Auxiliary to Financial Intermediation	Activities Auxiliary to Financial Intermediation
88140	Business and Management Consulting Services	Business and Management Consulting Services
88142	Project Financial Management	
91108	South African Revenue Service (SARS)	SARS and Government Departments
9110E	National Treasury Provincial Treasuries	

1.3 KEY ROLE PLAYERS IN THE SECTOR

1.3.1 EMPLOYERS

In the 2016/2017 financial year a total of 7 101 organisations paid the Skills Development Levy (SDL) to Fasset (Fasset, 2017). Employers in the sector play a very important role in the development of skills for the sector and financial skills for the rest of the economy, especially in terms of the provision of work integrated learning.

Employers in the sector include a number of government institutions such as the South African Revenue Service (SARS), the National Treasury and the Office of the Auditor General of South Africa (AGSA).

1.3.2 PROFESSIONAL BODIES

The professional bodies set standards for education and training, set and maintain ethical codes and standards for professional conduct, investigate and deal with complaints of unprofessional conduct against their members, hold disciplinary enquiries and impose sanctions against practitioners who contravene the codes of professional conduct. Several professional bodies confer upon their members qualifications that are registered on the National Qualifications Framework (NQF). It is common practice that qualifications, professional designations and membership of the professional bodies are interlinked. Most of the qualifications that lead to professional designations require workplace experience in addition to academic training, and many are registered as learnerships with Fasset and other SETAs. Quality assurance of the majority of qualifications in the Fasset sector is managed by the professional bodies in partnership with Fasset, with Fasset retaining the responsibility of quality assuring workplaces offering learnerships to learners. Professional bodies are also active in the development of learnerships for the Fasset sector and for the broader economy. These learnerships serve as vital access routes to occupations as well as membership of the professional bodies and the designations conferred by the respective bodies. In addition, many professional bodies set

requirements for the Continuous Professional Development (CPD) that their members should meet in order to retain their membership and professional standing.

A number of professional bodies cooperate closely with SETAs to support a range of skills development initiatives within and outside the Fasset sector. Office-bearers and delegates of professional bodies are serving members of the Fasset Board, or have served as members. Representatives of professional bodies are also contributing to Fasset's working committees for professional bodies, employers and learners. In this manner stakeholders share their expertise, knowledge and resources for the greater benefit of the Fasset sector.

Table 1-2 lists the professional bodies that are active in the Fasset sector and that co-operate in various ways with Fasset. The table also shows their membership numbers over the period 2012 to 2017.

Table 1-2 Professional body membership: 2012 – 2017

Professional body	2012	2013	2014	2015	2016	2017
Association of Accounting Technicians (AAT (SA))	1 996	325	855	145	245	225
Association of Chartered Certified Accountants (ACCA)	422	463	499	575	*	611
Association of Certified Fraud Examiners South Africa (ACFESA)	2 800	3 500	3 900	4 021	6 213	*
Chartered Institute of Management Accountants (CIMA)	1 700	1 772	1 947	2 273	3 228	2 474*
Chartered Secretaries Southern Africa (CSSA)	2 407	2 436	2 371	2 553	*	2 321
Institute of Accounting and Commerce (IACSA)	807	770	702	944	985	*
Institute of Municipal Finance Officers (IMFO)	1 843	2 260	*	1 935	2 000	3 746
Institute of Certified Bookkeepers (ICB)**	3 358	4 216	*	*	*	*
Institute of Certified Bookkeepers and Accountants (ICBA)**	*	*	2 639	2 197	1 267	3 178
Institute of Credit Management (ICM)	938	938	1 132	2 080	*	*
Institute of Internal Auditors of South Africa (IIASA)	7 822	8 683	8 251	7 426	7 093	*
South African Institute of Chartered Accountants (SAICA)	34 603	35 393	36 749	37 923	40 318	41 557
South African Institute of Tax Professionals (SAIT)	4 180	*	10 301	11 219	12 534	7 552
South African Institute of Professional Accountants (SAIPA)	7 168	7 563	8 073	8 699	8 956	9 155
Southern African Institute of Government Auditors (SAIGA)	450	404	415	439	*	439
Southern African Institute for Business Accountants (SAIBA)	1 151	1 469	2 009	5 462	5 367	4 813

*No information received from these professional bodies in these particular years. In some instances professional bodies only release membership figures at the end of a calendar year. Their 2016 data is thus the most recent available data.

**In 2012 the professional body and training provider functions of the ICB were separated and a new professional body, the ICBA, was formed.

Source: Information provided by professional bodies in the years 2011 – 2017.

1.3.3 REGULATORS

Some of the employers in the Fasset sector are also regulators of components of the sector. SARS is the regulator of tax practitioners, IRBA is the regulatory body for auditors and the FSB is responsible for the regulation of financial service providers. These institutions work very

closely with the voluntary professional bodies and they play an important role in the setting of educational standards, standards of professional conduct and CPD requirements.

1.4 ECONOMIC PERFORMANCE OF THE SECTOR

The Fasset sector forms part of a broader sector in the national accounts – the Finance, Real Estate and Business Services Sector. The Fasset sector is demarcated in such a way that it is not possible to calculate its contribution to the total South African economy. However, it employs approximately 1% of the total South African workforce and 6% of the workers in the Finance, Real Estate and Business Services Sector.

As the Fasset sector forms a relatively small component of the total sector, the economic information does not provide a pure reflection of the economic performance of Fasset's sector uniquely. Nevertheless, it provides some insight into the economic factors that impact on employment and the demand for skills in the Fasset sector.

Gross value added (GVA) at basic prices (normally used in relation to a sector) or gross domestic product (GDP) (normally used in relation to a national economy) is defined as output less intermediate consumption. GVA (or GDP) is usually considered to be the best measurement of the activity within and performance of a sector (or economy). The changes in GVA between 2005 and 2016 of the Finance, Real Estate and Business Services sector can be seen in Figure 1-1. This sector outperformed the rest of the economy by a substantial margin over the period 2006 to 2009, and in 2009 when the South African economy went into recession, it still grew by 1.1%. In the period after the recession the sector's growth slowed down and was only marginally higher than that of the total economy. In 2016 growth of the sector stood at 1.8% while the total economy grew by 1.6%.

At this stage indications are that the South African economy and the sector will grow only moderately over the next three years. In the 2016 Budget Review the National Treasury projected GDP growth of 1.3%, 0.9% and 1.7% (National Treasury, 2016).

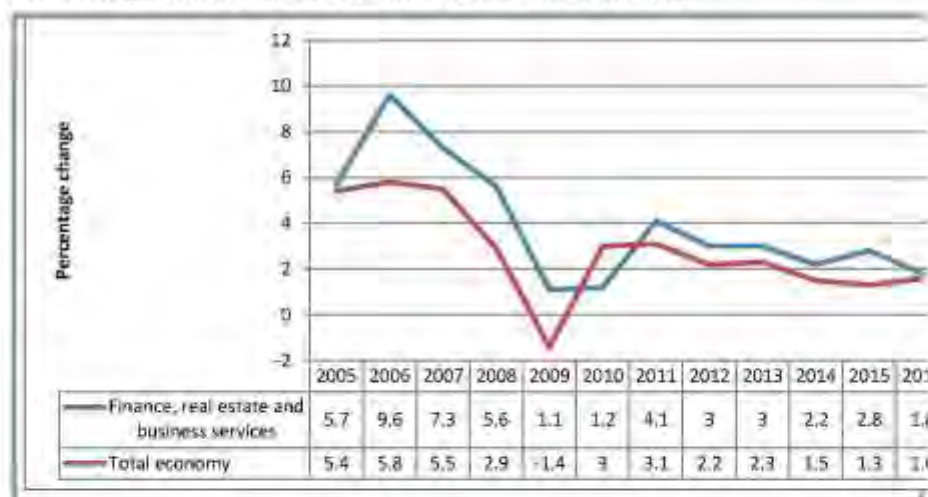


Figure 1-1 Changes in Gross Value Added: 2005-2016
Source: Statistics South Africa (StatsSA), PO141, Fourth Quarter 2016

1.5 EMPLOYER PROFILE

1.5.1 SUBSECTOR DISTRIBUTION

The distribution of levy-paying organisations in Fasset's sector across the seven subsectors can be seen in Figure 1-2. The largest percentage (41%) of organisations can be found in the subsector Accounting, Bookkeeping, Auditing and Tax Services. This subsector consists of a few large accounting and auditing firms and a large number of smaller accounting and auditing practices. Government departments do not pay skills development levies to SARS, but their contribution of 30% of 1% of their payrolls is received via a separate payment to the SETA.

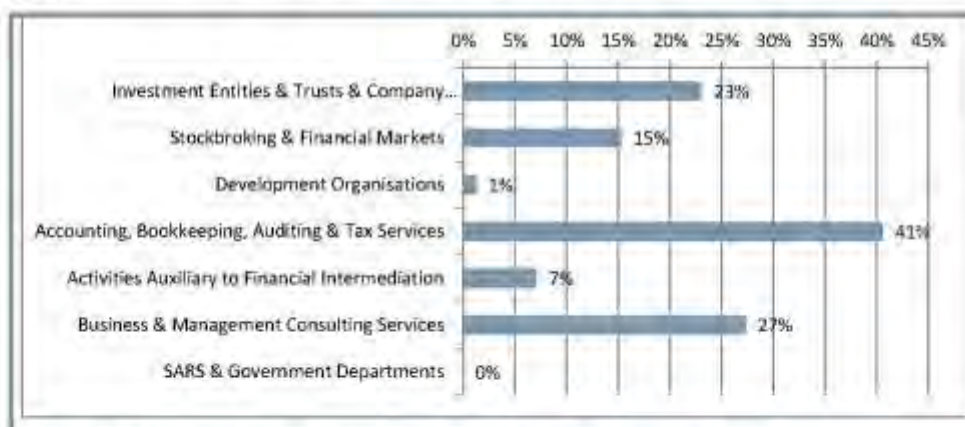


Figure 1-2 Subsectoral distribution of levy payers in the Fasset sector: 2017

Source: Fasset data system 2017

1.5.2 ORGANISATION SIZE

The majority of organisations in the Fasset sector are small (Figure 1-3). About 95% employ fewer than 50 people and just 5% of organisations employ 50 or more people.

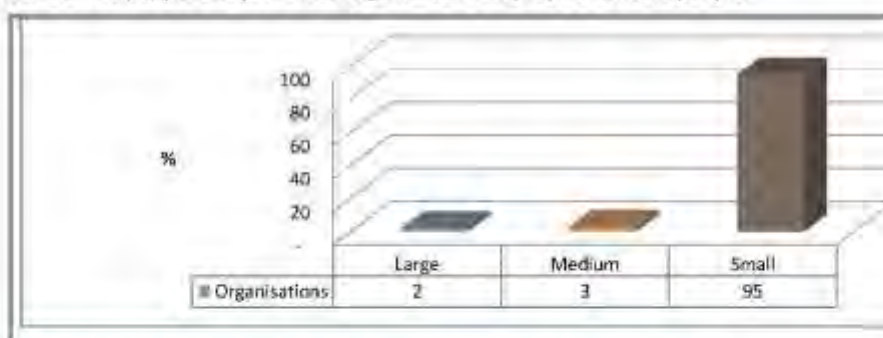


Figure 1-3 Organisations in the Fasset sector according to organisation size

Source: Fasset Sector Survey, 2017

1.6 LABOUR MARKET PROFILE

1.6.1 EMPLOYMENT TRENDS

Fasset's sector is demarcated in such a way that it does not correspond with the subsectors used in the national datasets. For this reason Fasset has developed its own estimates of employment in the sector and, by applying the methodology consistently over time, it has tracked employment in the sector. Employment estimates over the period 2008 to 2017 can be seen in Figure 1-4. While the sector grew from 2012 to 2016, employment dropped slightly in 2017.

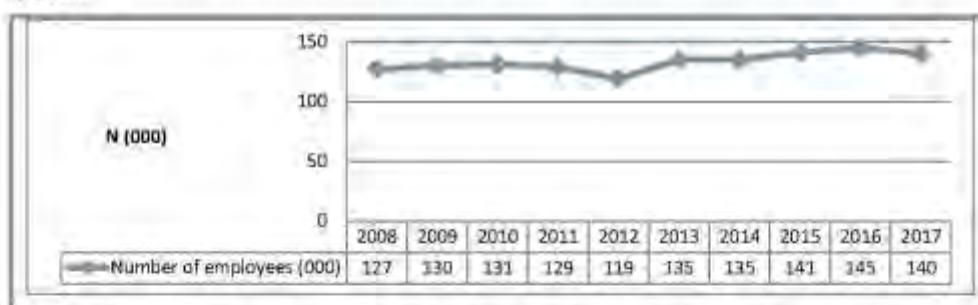


Figure 1-4 Estimates of total employment* in the Fasset sector: 2008 – 2017

*Due to rounding total employment figures may vary slightly through the report.
Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017.

The subsector Accounting, Bookkeeping, Auditing and Tax Services is by far the largest and in 2017 it employed 37% of the workers in the sector. The second largest subsector is Business and Management Consulting Services, followed by the subsector Stockbroking and Financial Markets (Table 1-33).

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Table 1-3 Subsector distribution of employees: 2013 - 2017

Subsector	2013		2014		2015		2016		2017	
	N	%	N	%	N	%	N	%	N	%
Investment Entities and Trusts and Company Secretary Services	7 828	8	11 189	8	12 924	9	11 984	8	13 885	10
Stockbroking and Financial Markets	12 467	9	12 080	9	17 362	12	16 739	12	18 389	13
Development Organisations	2 333	2	1 716	1	2 254	2	1 548	1	2 735	2
Accounting, Bookkeeping, Auditing and Tax Services	49 351	37	62 460	46	55 335	39	56 971	39	52 252	37
Activities Auxiliary to Financial Intermediation	19 648	15	11 022	8	12 201	9	15 497	11	14 788	11
Business and Management Consulting Services	26 258	19	22 354	17	23 497	17	27 341	19	21 010	15
SARS and Government Departments	17 306	13	14 247	11	17 391	12	14 692	10	16 684	12
Unknown									497	0
Total	121 101	100	136 508	100	140 954	100	144 771	100	140 280	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017.

1.6.2 PROVINCIAL DISTRIBUTION OF EMPLOYEES

Being the economical hub of South Africa, Gauteng is the province where most workers in the sector are employed. In 2017, 55% were based in Gauteng, 21% in the Western Cape and 8% in Kwazulu-Natal. Relatively small percentages of employees were located in the remaining six provinces (Table 1-44).

Table 1-4 Provincial distribution of employees: 2013 - 2017

Province	2013		2014		2015		2016		2017	
	N	%	N	%	N	%	N	%	N	%
Eastern Cape	6 372	5	5 007	4	5 921	4	5 623	4	5 271	4
Free State	4 334	3	2 531	2	3 169	2	2 686	2	2 825	2
Gauteng	71 227	53	70 368	52	80 455	57	83 859	58	77 588	55
KwaZulu-Natal	11 048	8	9 684	7	10 851	8	11 290	8	11 606	8
Limpopo	5 020	4	4 145	3	3 438	2	2 285	2	4 131	3
Mpumalanga	2 803	2	932	1	2 898	2	2 253	2	2 834	2
Northern Cape	2 784	2	2 380	2	3 161	2	3 530	2	2 510	2
North West	1 647	1	1 166	1	1 332	1	1 288	1	1 136	1
Western Cape	28 052	21	24 926	18	29 657	21	31 487	22	29 804	21
Unknown	1 903	1	13 929	10	81	0	472	0	2 535	2
Total	135 180	100	135 068	100	140 963	100	144 777	100	140 240	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017.

1.6.3 EMPLOYMENT PER OCCUPATIONAL GROUP

The distribution of employment in the Fasset sector according to the main occupational groups of the OFO can be seen in Table 1-55. The table shows that professionals are the largest group of workers in the sector, followed by clerical support workers. The relatively high percentage of managers can be ascribed to the large number of smaller organisations in the sector. The managers in this sector are mostly sourced from the pool of professionals and most of them are professionals with membership of professional bodies.

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Table 1-5 Employment per occupational group: 2013 - 2017

Occupational group	2013		2014		2015		2016		2017	
	N	%	N	%	N	%	N	%	N	%
Managers	25 754	19	19 814	15	24 802	18	22 639	16	21 338	15
Professionals	47 012	35	47 899	35	48 435	34	59 629	41	52 583	37
Technicians & Associate Professionals	15 722	12	23 765	16	19 596	14	16 187	11	14 913	11
Clerical Support Workers	33 181	25	36 103	27	37 888	27	36 592	25	32 427	23
Service & Sales Workers	8 204	6	4 541	3	5 341	4	4 071	3	6 854	5
Skilled Agricultural, Forestry, Fishery, Craft & Related Trades Workers	323	0	339	0	443	0	673	0	1 251	1
Plant & Machine Operators & Assemblers	759	1	932	1	717	1	902	1	1 119	1
Elementary occupations	3 622	3	3 674	3	3 731	3	3 224	2	4 713	3
Unknown	614	0	0	0	0	0	855	1	4 842	3
Total	145 191	100	141 967	100	140 982	100	144 771	100	146 190	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017.

1.6.4 EDUCATIONAL QUALIFICATIONS

A large proportion of records in Fasset's Sector Survey did not mention educational qualifications. The qualification levels of those that were submitted can be seen in Figure 1-5. The majority (64%) of employees had post-school qualifications. Less than 4% of the total workforce had qualifications below Grade 12.

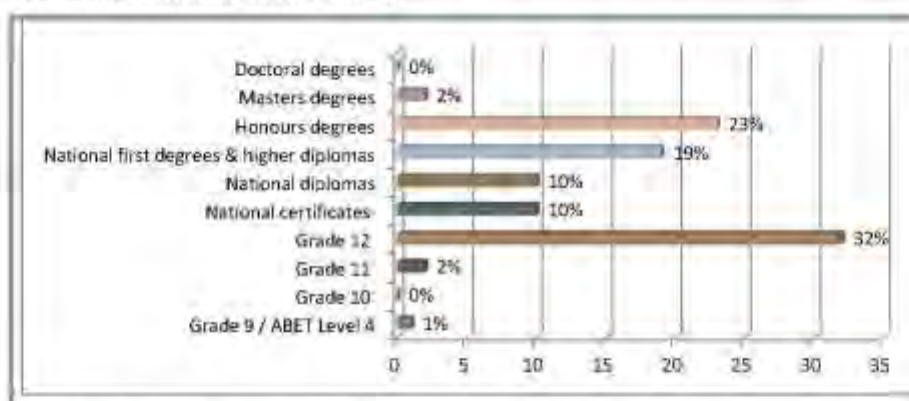


Figure 1-5 Highest qualifications of employees

Source: Fasset Sector Survey, 2017

1.6.5 POPULATION GROUP

In 2017, 42% of the workforce in the Fasset sector was African Black, 12% was coloured and 9% Indian. White people constituted 35% of the workforce in the sector and non-South Africans 2% (Table 1-66).

African Black people have traditionally lagged behind other population groups in the Fasset sector. Twenty seven per cent of the managers, 33% of professionals, 41% of the technicians and associated professionals and 52% of clerical support workers in the sector are African Black. From 2012 to 2017 black² employment increased from 57% to 63% of total employment in the sector (Fasset, 2017). Tables 1-7 and 1-8 provide further insights into the racial composition of employment in the sector and highlight some of the transformational issues that the sector is still grappling with. Table 1-7 shows the racial distribution of the occupational groups and compares this information with the total population of working age as measured by the Labour Force Survey of June 2017. While 74% of the labour force is African Black, only 42% of the workers in the sector belong to this population group. On the other hand, 35% of the workers in the sector are white while whites constitute only 12% of the total labour force. Table 1-7 compares the sector's population group distribution in each of the provinces with the population group distributions of the labour force in each province as found by the Census of 2011. In Gauteng, where the majority of Fasset's sector is located, African Blacks constitute 77% of the labour force, but they form only 46% of the workers in the sector. In the Western Cape Coloureds form 49% of the labour force, but only 33% of the workers in Fasset's sector. In KwaZulu-Natal Indians form 7% of the labour force but 38% of the workers in Fasset's sector.

² Black African, coloured and Indian.

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Table 1-6 Employees according to occupation and population group: 2017

Occupational Group	African Black		Coloured		Indian		White		Non-South African		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Managers	5 834	27	1 799	8	2 338	11	10 952	51	415	2	21 338	100
Professionals	17 564	33	4 859	9	6 483	12	22 311	42	1 357	3	52 583	100
Technicians and Associate Professionals	6 133	41	2 102	14	1 058	7	5 459	37	160	1	14 913	100
Clerical Support Workers	16 950	52	5 170	16	2 415	7	7 762	24	130	0	32 427	100
Service and Sales Workers	5 607	82	545	8	141	2	552	8	9	0	6 854	100
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	788	63	175	14	43	3	225	18	20	2	1 252	100
Plant and Machinery Operators and Assemblers	984	74	144	11	13	1	87	6	113	8	1 338	100
Elementary Occupations	3 967	85	502	11	18	0	144	3	63	1	4 694	100
Unknown	1 305	27	912	19	484	10	2 021	42	119	2	4 841	100
Total	57 134	83	14 227	13	11 993	8	44 513	31	2 184	2	1 461	100

Source: Fasset data system, 2017.

Table 1-7 Fasset Employees according to Occupation and Population Group: 2017 (Percentage) compared to Labour Force Survey (June 2017)

Occupational Group	African	Coloured	Indian	White	Foreign	Total
Managers	27	8	11	51	2	100
Professionals	33	9	12	42	3	100
Technicians and Associate Professionals	41	14	7	37	1	100
Clerical Support Workers	52	16	7	24	0	100
Service and Sales Workers	82	8	2	8	0	100
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Workers	63	14	3	18	2	100
Plant and Machinery Operators and Assemblers	74	11	1	6	8	100
Elementary Occupations	85	11	0	3	1	100
Total	83	13	9	35	2	100
Population of Working Age (15-64 years) (LFS)	74	10	3	12	-	100

Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017 and LFS (June 2017).

Table 1-8 Fasset Employees from Firms 50+ according to Province and Population Group: 2017 (Percentage) compared to 2011 Census

Population Group	Source	EC	FS	GP	ICZN	LP	MP	NC	NW	WC	SA
Black African	Census	86	88	77	87	97	91	50	90	33	80
	Fasset	34	38	46	40	93	57	67	37	23	42
Coloured	Census	8	3	4	1	0	1	40	2	49	9
	Fasset	18	8	6	4	0	6	4	20	33	12
Indian or Asian	Census	0	0	3	7	0	1	1	1	1	3
	Fasset	5	1	10	38	1	5	3	4	5	10
White	Census	5	8	16	4	3	8	7	7	16	9
	Fasset	42	52	35	17	6	24	25	38	37	33
Other	Census	0	0	1	0	0	0	2	0	2	1
Non-South African	Fasset	1	1	2	1	0	8	0	0	2	2
Total		100	100	100	100	100	100	100	100	100	100

* Rounded to 0 decimal percentage.

1.6.6 GENDER

Most of employees in the Fasset sector are women (Table 1-9). In 2017, 45% of managerial-, 52% of professional-, 58% of technician and associate professional- and 75% of clerical support worker positions were occupied by women.

1.6.7 AGE

In 2017, the majority (80%) of the employees in organisations that employ 50 or more people were younger than 46 years (Figure 1-6). Of these 11% were 25 years or younger, 41% were from 26 to 35 and 28% were from 36 to 45 years. The Fasset sector is generally regarded as a training sector with large numbers of learners on learnerships – especially on the Chartered Accountant ((CA)SA) and Professional Accountant learnerships. This is the main reason for the relatively youthful profile of the sector.

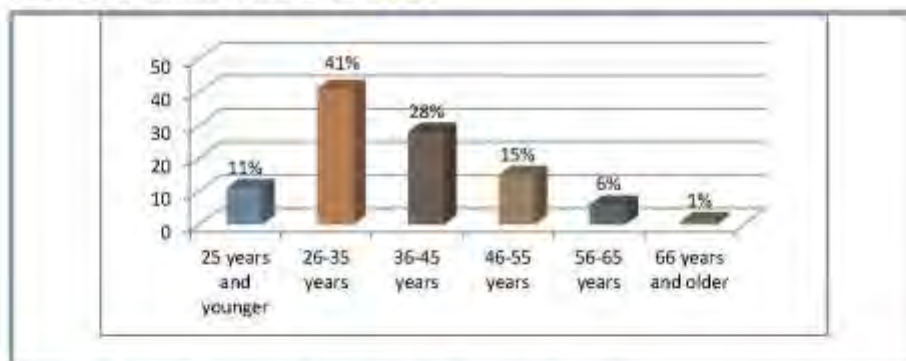


Figure 1-6 Age distribution of employees* in the sector, 2017

*Data only available for organisations that employ 50 and more people as this is the requested format in Annexure 2
Source: Calculated from Fasset data system, 2017

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Table 1-9 Gender according to occupation group-2013-2017

Occupation Group	2013			2014			2015			2016			2017		
	N	F%	M%	N	F%	M%	N	F%	M%	N	F%	M%	N	F%	M%
Managers	10 415	40	60	7 805	39	61	10 328	42	58	10 631	47	53	21 338	45	55
Professionals	23 896	51	49	23 956	50	50	25 400	52	48	31 482	53	47	52 583	52	48
Technicians & Associate Professionals	7 711	49	51	11 025	51	49	10 399	53	47	9 652	60	40	14 913	58	42
Clerical Support Workers	26 618	80	20	27 531	76	24	28 684	76	24	27 648	76	24	32 427	75	25
Service & Sales Workers	5 111	65	35	1 630	36	64	3 086	58	42	1 845	45	55	6 854	36	64
Skilled Agricultural, Forestry, Fishery, Craft & Related Trades Workers	16	5	95	61	18	82	88	20	80	136	20	80	1 251	7	93
Plant & Machine Operators & Assemblers	58	7	93	39	4	96	51	7	93	96	11	89	1 319	16	84
Elementary occupations	2 097	58	42	1 967	54	46	2 119	57	43	1 785	55	45	4 713	49	51
Unknown	109	47	53							566	66	34	4 642	57	43
Total employees	78 729	57	43	74 014	55	45	80 120	57	43	83 841	58	42	140 740	54	46

* Percentage of employees in that occupational group
Source: Fasset, Trends in Employment and Training in the Fasset Sector, 2017.

1.6.8 DISABILITY

In the 2017 mandatory grant applications employers reported 467 people with disabilities – less than 1% of total employment in the sector at the time. The largest number of disabled people (376) was employed in the occupation groups managers, professionals, technicians and associate professionals and clerical support workers (Table 1-10).

Table 1-10 Disabled workers according to occupation group: 2017

Occupation Group	Dis-abled work-ers	Total employment	% of employ-ment*
Managers	75	21 338	0.4
Professionals	126	52 583	0.2
Technicians and Associate Professionals	40	14 913	0.3
Clerical Support Workers	128	32 427	0.4
Service and Sales Workers	7	6 854	0.1
Skilled Agricultural, Forestry, Fishery, Craft and Related Trades Work-ers	3	1 251	0.2
Plant and Machinery Operators and Assemblers	30	1 319	2.2
Elementary Occupations	57	4 713	1.2
Unknown	2	4 842	0.0
Total	467	141 890	0.3

Source: Calculated from Fasset data system, 2017.

* Due to the small percentages, the percentages are not disaggregated further.

1.7 CONCLUSIONS

This chapter provides a high-level overview of the Fasset Sector. The sector falls within broader Finance, Real Estate and Business Services Sector but its demarcation does not allow for the tracking of its economic performance or for the comparison of its employment data with external sources. Fasset therefore relies on its own data system to track changes in the sector over time.

The sector served by Fasset is relatively small and consists mainly of micro- and small organisations, many of which are professional practices. However, about 82% of the employees in the sector work in the small number of large- and medium-sized organisations. Fasset is thus left with the challenge of balancing the needs and interests of small, medium and micro enterprises (SMMEs) as well as those of large organisations.

The organisations belonging to the sector are largely concentrated in the metropolitan areas of Gauteng, the Western Cape and KwaZulu-Natal. This limits Fasset's ability to reach out to rural areas and to roll out large-scale skills development interventions in rural areas.

The services rendered by organisations in the sector are mainly of a specialised and professional nature; consequently, the sector tends to employ large numbers of professionals and the majority of employees have post-school qualifications. These workers are supported by clerical and administrative staff, which also constitutes a substantial proportion of the employees in the sector.

A special feature of the sector is the presence and influence of a number of professional associations whose roles have become ingrained in the sector's qualification structure, in the organisation of education and training, and in the professional designations used in the sector. The professional bodies play a very important role in skills development in the sector.

The sector has been undergoing transformation over the last ten years and currently black people comprise 63% and African Blacks 42% of total employment. This can, in part be ascribed to the fact that few Black professionals have opened their own professional practices and small businesses in the sector. Transformation of the sector remains a priority that influences all Fasset's skills development interventions.

The 2017 data shows that management in the sector is no longer dominated by men and that almost half of the managers are women. Furthermore, most employees in the sector, including professionals from which managers are usually sourced, are women.

2 KEY SKILLS ISSUES

2.1 INTRODUCTION

This chapter explores the factors that drive changes in the demand for and supply of skills in the Fasset sector. The key drivers of change in the sector are identified in Fasset's five-yearly sector surveys. During these surveys the views of the different stakeholder groupings on different aspects of the skills situation in the sector are gauged and in the years in-between the surveys changes in these areas are monitored through the desk-top research and stakeholder engagements that form part of the SSP development. This SSP update reflects information obtained in the most recent Sector Survey (2017). It also reflects information obtained through the literature review undertaken as part of the preparation of the SSP update.

Fasset's sector is a highly regulated sector and currently it is subject to a spectrum of regulatory changes. Many of the regulatory changes are prompted by international trends in the regulation of financial services and are aimed at ensuring a stable and trustworthy financial system. The most eminent regulatory changes are discussed in this chapter along with the national policies and strategies that influence Fasset's planning and with which Fasset is aligning its skills planning. Other change drivers that are also considered are technological changes and the demand for financial skills in the rest of the economy. The chapter starts with these two change drivers.

2.2 CHANGE DRIVERS IN THE SECTOR

2.2.1 DEVELOPMENTS IN TECHNOLOGY

Developments in information and communication technology have had and continue to have a profound effect on the work of professionals in the Fasset sector. It has, in many respects, made their work easier – for example accounting software has simplified the work of accountants (Attolini and Thompson, 2014) and SARS's online tax platform has simplified the work of all tax practitioners. However, accountants, auditors and many other professionals in the financial field need to stay abreast of changing technology and the associated business risks. At the same time they need to advise their clients on how to manage the risks and apply new skills to use technology effectively.

The 2017 Sector Survey found that there may be a major growth in 'interaction jobs', despite increasing automation. These are jobs that cannot easily be outsourced or automated because people in these roles require high levels of analytical skills, reasoning and judgement. Therefore, the ability to manage non-routine tasks and creative problem-solving will become increasingly important to the sector. (Fasset, 2017.)

Data security is becoming a crucial issue and all businesses have to introduce additional measures and controls to safeguard data security and to ensure statutory compliance with the manner in which information is collected, stored, used and destroyed. This drives the need for information technology professionals and technicians in the sector.

2.2.2 CHANGES IN MARKET REQUIREMENTS AND PROFESSIONAL ROLES

The roles of most of the key professionals in the Fasset sector are changing rapidly. Some of these changes are brought about by technological changes while others are the result of regulatory changes. For example:

- Accountants' roles are shifting from interpreting historical and transactional information to strategic business decision making;
- Auditors' roles are evolving from monitoring and reporting, to a more proactive and insightful role in which business risks, corporate governance and business ethics issues are identified and addressed;
- The role of company secretaries is becoming increasingly outward focused, and they the need to be aware of the external environment within which the company operates, outside pressures and the wider implications of decision-making (Fasset, 2017).

These changing roles require changes to the curricula of education and training institutions. They also often leave the existing workforce with extensive skills gaps that need to be filled at a rapid pace.

2.2.3 THE DEMAND FOR FINANCIAL SKILLS IN THE REST OF THE ECONOMY

The demand for financial skills in the rest of the economy impacts on the Fasset sector as the sector has to compete with organisations from other sectors for the same supply pool of qualified financial professionals. If there is a shortage of these qualified professionals it drives up the cost of employment for the organisations in Fasset's sector. It is thus in the interest of Fasset's own organisations to ensure a sufficient supply of financial skills for the country – a role that the sector has been fulfilling over the years. Fasset's sector serves as an "incubator" or training sector for high-level financial skills for the country, and many of Fasset's learnership and other grants serve to develop financial skills for the country as a whole. Given this context, Fasset needs to take a broader (than its own sector) perspective with regard to skills development.

2.3 ALIGNMENT WITH NATIONAL POLICIES AND STRATEGIES

2.3.1 THE CHANGING REGULATORY ENVIRONMENT FOR FINANCIAL SERVICES

a) The Companies Act, 71 of 2008

When the Companies Act, 71 of 2008 came into operation on 1 May 2011, it introduced fundamental and comprehensive reform of company law which had been in existence for more than 30 years. New categories of companies were created, each with different rules and standards for reporting and governance. Notably, only prescribed categories of companies now have to undergo annual audits. The Act also introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors (Department of Trade and Industry, 2010).

As the new legislation is implemented, the demand for the services of registered auditors is dropping and the demand for financial service professionals who can act as independent reviewers is increasing. New occupations or specialisations such as *business rescue practitioners* are also arising. Similarly, this change in occupational demand is also reflected in the demand for learners on professional body learnerships. Employers tend to create more opportunities for learners in the accounting and tax functions than in the audit functions.

b) Expanding regulatory and governance requirements

Because of many factors, including globalisation, technological changes and an increase in white-collar crime and corruption, the business environment is becoming more regulated.

Investigations into the financial position of organisations and their operating systems are becoming more penetrating and comprehensive in order to provide corporate governance assurances. As a result of the increases in regulatory requirements, more skilled persons are needed and more is expected from professional accountants in terms of governance and oversight. At the same time higher international standards are set for auditing and financial reporting and regulators and standards-setting institutions require the accounting profession to adopt the new reporting standards and to communicate more effectively and comprehensively in corporate reports (Fasset, 2013).

The Independent Regulatory Board for Auditors (IRBA) adopted a new auditing report standard that was issued by the IAASB (International Auditing and Assurance Standards Board) in January 2015 (effective from December 2016). Auditors can no longer simply state that a report they have assessed is either qualified or unqualified. They must also disclose the procedures that were followed, the risks that were identified, in what way the risks were addressed in the auditing, and the discussions that were held with the auditing committee. This was done because, while users of the financial statements have signalled that the auditor's opinion on the financial statements is indeed valued, many have called for the auditor's report to be more informative and relevant (Fasset, 2017).

The King IV Report on Corporate Governance for South Africa 2016 was released on 1 November 2016 and it becomes effective for financial years commencing from 1 April 2017. King IV builds on King III and brings corporate governance requirements in line with international requirements and best practices.

The key concepts which form the cornerstone of King IV are: ethical leadership, the organisation in society, corporate citizenship, sustainable development, stakeholder inclusivity, integrated thinking and integrated reporting. These concepts are related to three paradigm shifts in the corporate world, namely:

- From financial capitalism to inclusive capitalism
- From short-term capital markets to long-term sustainable capital markets and
- From siloed reporting to integrated reporting (Institute of Directors, 2016)

The new King Codes take account of specific corporate governance developments in relation to effective governing bodies, increased compliance requirements, new governance structures (e.g. Social and Ethics Committee), emerging risks and opportunities from new technologies and new reporting and disclosure requirements e.g. Integrated Reporting (KPMG, 2017).

Furthermore, since the release of the King III, the Integrated Reporting Framework was released by the International Integrated Reporting Council and the concepts and principles introduced by this Council have been reaffirmed in the King IV Code while the philosophy of integrated thinking has been incorporated into King IV (Deloitte, 2016). Corporate governance officers and accounting professionals bear the brunt of ensuring that companies meet the required standards for integrated and sustainable reporting and the introduction of King IV is causing a need for the development of new skills sets.

c) Changes in the tax environment

A number of factors are driving the need for more tax practitioners and tax specialists. Among these are the effects of globalisation and the increasing complexity of business practices and the intricacies of tax systems. Since the South African economy opened up to global markets, tax legislation has become more complex in order to protect the fiscus. At the same time the

tax net is being widened and tax compliance requirements are becoming more stringent. These realities are driving the need for more tax professionals with knowledge of legal provisions both locally and in other jurisdictions.

Furthermore, the tax administration continues to pursue tax compliance and enforces more complex tax legislation. Tax laws, regulations and practices change constantly and this creates a need for ongoing skills development and training.

As of 2013, tax practitioners are required to register with a recognised controlling body (eight of which are professional bodies in the Fasset sector), and with SARS. This change provided a mechanism for taxpayers and SARS to address professional misconduct by tax professionals and a framework for the minimum qualifications needed (Fasset, 2017). That means that tax practitioners who don't meet the educational requirements of the professional bodies, need training in order to comply with the requirements and that the market demand is shifting towards higher qualified, professional tax practitioners.

d) Changes in the regulation of the financial markets

Over the last decade the Financial Markets Industry has experienced far-reaching changes – especially in terms of regulation. In 2011 Government proposed a “twin peaks” model of financial regulation for South Africa. Twin peaks means that the prudential supervision of the financial sector is separated from the market conduct supervision (Financial Regulatory Reform Steering Committee, 2013). Since then various pieces of draft legislation have seen the light. These include the Financial Sector Regulation Bill and the Banks Amendment Bill. According to the proposed new legislation, the South African Reserve Bank (SARB) will take responsibility for the prudential oversight of the Financial Sector, while the FSB will be re-structured and will take responsibility for market conduct supervision. The full impact that these regulatory changes will have on the skills needs of the sector is not yet clear. What is clear though is that the regulators will need specialised skills in order to give effect to their new functions. At the same time the regulators are expected to impose new skills requirements on industry. This will include requirements regarding professionalism and continuous professional development.

Other current and imminent changes in the financial markets include: the licensing of new exchanges (other than the JSE) by the Financial Services Board (FSB), the introduction of the Financial Intelligence Centre (FIC) Amendment Bill, proposed new “Fit-and-proper” requirements published by the FSB and many other legislative and regulatory changes. At the same time the local markets are set to be affected by international changes such as the introduction of Markets in Financial Instruments Directive (MiFID) II by the European Union. All these changes affect the regulated skills requirements and the skills sets needed by various practitioners in the financial markets.

e) Registration requirements for auditors

The re-defining of the respective roles and responsibilities of the Independent Board for Auditors (IRBA) and SAICA in respect of the training of Registered Auditors (RAs) will have a profound impact on the skills supply to the Fasset sector. As from 2014 the IRBA requires prospective public auditors to first demonstrate competence as professional accountants with an accredited professional accounting body before they are allowed into the training programme for auditors. After completion of this training programme they will undergo the IRBA's final assessment that will allow them to register as auditors (IRBA, 2014). That means

that South African Institute of Chartered Accountants (SAICA) assessments giving access to the designation Chartered Accountant (South Africa) (CA(SA)) and the IRBA's assessments will no longer be combined and these two bodies will in future function completely independently. It also means that the learning pathway for registered auditors will become substantially longer and more onerous – which in the long run may stifle the supply of registered auditors.

f) The regulation of the accountancy professions

In 2013 the Minister of Finance requested a review of accounting and auditing practices in South Africa by the World Bank. The report by the review team is generally referred to as the "ROSC Report" (World Bank, 2013). The report recommended the full regulation of accountants. One of the reasons for this recommendation is the fact that accountants have started to perform work that only external auditors were allowed to do in the past. While the services of professional bodies incorporate most regulatory functions such as educational as well as behavioural standards and disciplinary action, these apply only to their own members. Standards across professional bodies may differ and people who don't belong to professional bodies are not regulated in any way.

Stakeholders in favour of a "super regulator" argue that certain standards have to be met across the different accounting professions. This could include regulation of minimum education and CPD requirements. The introduction of a set of uniform minimum standards may affect numerous accounting professionals who will need to adapt to these or risk having their designations removed (Fasset, 2017).

While it is still uncertain what the entire range of implications will be if a super regulator is indeed introduced, full regulation of the accounting profession may also mean that all practitioners referring to themselves as accountants will need to become members of a professional body – currently they do not have to unless they want a particular designation. Since membership of a professional body requires proof of meeting minimum requirements, full regulation of the profession would necessitate broad action and adaptation by non-members, particularly where education, workplace experience and professional body qualifying exams are concerned (Fasset, 2017).

2.3.2 THE NATIONAL DEVELOPMENT PLAN (NDP)

The NDP forms the basis of all national policies and strategies. It also influences Fasset's skills planning as reflected in this SSP update. Various requirements for the skills development system which are set out in the NDP are considered, the most important of which are the following: adaptation to changes in technology, industry, population dynamics and global trends, the promotion of lifelong learning and targeted support to students who are academically less prepared; responsiveness to the skills needs of all sectors of society – especially the need for financial professionals; the development of partnerships in skills provision.

It stands to reason that the availability of sufficient numbers and quality financial professionals are crucial to the success of most of the development initiatives proposed by the NDP. The infrastructure development initiatives are, for example dependent on financial management skills. Corruption can only be contained in the presence of strong financial management and auditing skills and with financial professionals who are bound to ethical behaviour. Similarly, the National Health Insurance System and the improvement of the health and social welfare sectors are critically dependent on financial skills. It is with all these development

objectives in mind that Fasset is focussing on increasing the numbers of financial skills developed at all levels, improving the quality of education and training, and on increasing the throughput rates throughout the educational pipeline. Fasset also provides lifelong learning opportunities and targeted support to students in need.

2.3.3 THE WHITE PAPER FOR POST-SCHOOL EDUCATION AND TRAINING

The White Paper for Post-School Education and Training was approved by Cabinet on 20 November 2013. Fasset took cognisance of the general direction indicated by the White Paper and aligned its strategy accordingly. Specific areas that were considered are:

- The strengthening of the TVET College system. Traditionally the Fasset sector has not employed large numbers of TVET college graduates. However, Fasset has over the last two to three years developed a strong focus on the colleges and is currently focusing on work placements for students who have completed the N6 and the absorption of graduates from these colleges in the Financial and Accounting Services Sector and in the rest of the South African labour market.
- The White Paper states that the universities should seek to expand their partnerships with employers in order to secure work experience opportunities for students – especially in fields where work experience is necessary for professional registration. Fasset, the professional bodies in the sector and employers have long-standing arrangements for the provision of work experience for prospective financial professionals. Fasset is continuously busy with the identification of new areas where professional learnerships are needed and with the development of relevant learning programmes in collaboration with the universities, professional bodies and employers. Work placements are also incentivised through the grant scheme.
- Linking education and the workplace. The White Paper emphasises the importance of learnerships and internships in non-artisan fields and the role that SETAs have to play in the promotion of these forms of learning. Fasset has a clear focus on the skills pipeline and on the development of people in the workplace.
- Measuring the impact of education and training interventions. The White Paper stresses the importance of researching the levels of efficacy and efficiency being achieved in education and training and to identify where any blockages in the system may be emerging. Fasset has commenced with the development of a monitoring and evaluation and impact assessment framework. Impact assessments are integrated in most of its skills intervention projects and it has already completed a comprehensive tracer study, which followed the learners who benefited from its bridging programmes. In addition, an annual review of SETA performance in funded areas is conducted. This work needs to continue in the planning period covered by this SSP.

2.3.4 B-BBEE LEGISLATION

Transformation in the sector is driven by the B-BBEE legislation, the Financial Services Sector Charter and by the Department of Trade and Industry's B-BBEE Codes of Good Practice. Fasset's role is not only to stimulate and support the education and training of African Black and Coloured people in specific provinces for the sector. The SETA also strives to create an enabling environment for employers to access training programmes to train new African Black and Coloured learners and employees in specific provinces.

2.3.5 STRATEGIC INTEGRATED PROJECTS (SIPS)

Seventeen SIPS have been identified that cover a range of economic and social infrastructure needs, across all nine provinces in South Africa, with emphasis on poorer provinces. The DHET identified the skills needed to support the SIPS. The list of skills requirements includes 713 financial managers. Fasset will cooperate fully with the SIP processes, as and when required, should adequate budget be made available. This will require Fasset, as a public entity, to sign a performance contract to agree to specific responsibilities.

2.3.6 NSDS III

In the absence of a new National Skills Development Strategy (NSDS) Fasset aligns its strategy to NSDS III. The NSDS III framework outlines strategic focus areas that form part of Fasset's interventions. In the development of its skills priorities Fasset took into account the skills formation process as it spans the lifetimes of individuals, along the educational and career pipeline. It also took into consideration the skills needs of the sector, the objectives set by the framework and NSDS III cross-cutting objectives (race, class, disability, youth, HIV/AIDS, gender and province). This alignment is discussed in more detail in Chapter 5.

2.3.7 OTHER POLICIES AND PLANS

Throughout the years Fasset has considered various other Government policies and plans and has ensured that its general direction and focus are aligned to these policies and plans. These include: Government's Medium Term Strategic Framework (MTSF) objectives, The Human Resource Development Strategy (HRDS-SA), the New Growth Plan (NGP) and the National Skills Accord and The Minister of Higher Education and Training's Delivery Agreement with the President.

2.4 CONCLUSIONS

The main focus of this chapter is the identification of the key skills issues that Fasset needs to address in its plan for the next five years. Many of the government interventions and plans cited in this chapter require high-level financial skills in the public sector. Fasset's sector may play an important part in the production of these skills. The chapter also highlights numerous shifts in the regulatory environment and in technology that impact the responsibilities and skills requirements of professionals in the sector. The general trend is towards an increase in the level of skill required of professionals in the sector and the need for a combination of technical, strategic and interpersonal skills.

3 OCCUPATIONAL SHORTAGES AND SKILLS GAPS

The key focus of this chapter is occupational shortages and skills gaps experienced in the sectoral labour market. Occupational shortages are the result of a disjunction between the demand for and supply of skills and ultimately it manifest in hard-to-fill vacancies and in people who don't have the competencies required for their specific jobs. The two concepts that were previously used in SSPs to describe these two situations are "scarce" and "critical" skills. In this SSP update the term "scarce skills" is replaced with "occupational shortages" and "critical skills" is replaced with "skills gaps".

Fasset monitors the occupational shortages in the sector by asking employers to identify in the annual mandatory grant applications the occupations in which they experience shortages. Questions regarding various indicators of occupational shortages are also asked to employers, professional bodies and education and training providers in the five yearly sector surveys. The information obtained in the most recent grant applications and the 2016/17 Sector Survey is presented in this chapter.

3.1 OCCUPATIONAL SHORTAGES AND SKILLS GAPS

3.1.1 OCCUPATIONS THAT ARE HARD TO FILL

Fasset has, until 2013 collected information on "hard-to-fill" vacancies as part of the WSP submissions. However, this was stopped to bring the WSP guidelines in line with the grant regulations that require employers to stipulate the "number of people needed" in scarce skills occupations. It is not clear to what extent these numbers correlate with vacancies in the specific occupations. In the absence of any other information, the information submitted by employers in this format is presented in this section.

In the analysis of skills shortages, it is important not to apply a simplistic and mechanistic approach. Occupations cannot be viewed in isolation as many of the occupations on the OFO draw skills from the same pool or from the same supply pipeline. In many instances the skills sets required in different occupations are similar and transportable. For this reason, occupations that were identified as areas in which shortages are experienced have been grouped according to these considerations. The ten most important skills groups are listed in Table 3-1.¹

The table indicates which occupations in a specific group were identified by employers as occupations in which skills shortages are experienced. The table also indicates the number of people that employers said they needed, and the number of organisations that indicated that they experience a scarcity of skills in the particular occupation. The occupational groups are ranked according to the number of people needed in the total group.

¹ The 2017 amended SSP guidelines require SETAs to report on "hard-to-fill" vacancies and not on scarce skills occupations. However, Fasset does not have information on hard-to-fill vacancies available. For this reason Table 3-1 is titled "Occupations with shortages" and not "Hard-to-fill Vacancies".

Table 3-1 - Occupations with shortages in Fasset's sector: 2017

Rank	Talent Occupation Group	OPD Code	Occupation	Number needed	Total needed	Organisations that identify need
1	Accountants and Auditors	121101	Finance Manager	669	3 479	9
		121102	Payroll Manager	12		4
		121103	Credit Manager	3		1
		241101	Accountant (General)	1 049		130
		241102	Management Accountant	51		3
		241103	Tax Professional	115		27
		241104	External Auditor	1 135		39
		241106	Accountant in Practice	389		16
		241106	Management Accountant	13		1
		241107	Financial Accountant	9		5
		241108	Forensic Accountant	14		3
		242204	Corporate Treasurer	2		1
		331302	Accounting Technician	15		3
		331303	Tax Technician	4		1
		2	ICT Professionals	121905		Programme or Project Manager
133101	Chief Information Officer			4	2	
133102	ICT Project Manager			27	4	
133103	Data Management Manager			1	1	
133105	Information Technology Manager			22	5	
216603	Multimedia Designer			12	2	
243403	ICT Sales Representative			124	11	
251101	ICT Systems Analyst			57	10	
251201	Software Developer			102	16	
251202	Programmer Analyst			10	3	
251203	Developer Programmer			11	4	
251301	Multimedia Specialist			6	1	
251302	Web Developer			38	11	
251401	Applications Programmer			15	5	

Rank	Talent Occupation Group	OPD Code	Occupation	Number needed	Total needed	Organisations that identify need			
		252101	Database Designer and Administrator	56	301	14			
		252201	Systems Administrator	28		5			
		252301	Computer Network and Systems Engineer	7		2			
		252302	Network Analyst	13		1			
		252901	ICT Security Specialist	23		6			
		252902	Technical (ICT) Support Services Manager	1		1			
		351301	Computer Network Technician	3		2			
		3	Management consultants	242101		Management Consultant	296	311	32
				242102		Organisation and Methods Analyst	1		1
				242202		Policy Analyst	14		2
4	Financial Markets Professionals	134603	Financial Markets Business Manager	35	301	3			
		241201	Investment Analyst	41		9			
		241202	Investment Manager	24		9			
		241203	Investment Advisor	63		17			
		241301	Financial Investment Advisor	121		38			
		242207	Compliance Officer	16		4			
		332401	Commodities Trader	1		1			
5	Internal auditors and risk managers	121104	Internal Audit Manager	45	195	7			
		242203	Company Secretary	3		1			
		242208	Organisational Risk Manager	40		16			
		242211	Internal Auditor	106		6			
6	Actuaries and statisticians	212101	Actuary	135	135	12			
7	Bookkeepers, accounting technicians and clerks	331201	Credit or Loans Officer	5	93	1			
		331301	Bookkeeper	26		2			
		431101	Accounts Clerk	63		7			
8	Human Resources and related Professionals	121201	Personnel / Human Resource Manager	8	56	2			
		121204	Recruitment Manager	2		1			
		121205	Employee Wellness Manager	1		1			
		242302	Skills Development Facilitator / Practitioner	8		3			
		242303	Human Resource Advisor	4		2			

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Year	Level (Occupation Group)	DFO Code	Description	Number enrolled	Days enrolled	Days/Full-time equivalent enrolled
		242401	Training and Development Professional	20		1
		242402	Occupational Instructor / Trainer	13		2
8	Sales and Marketing Professionals	122101	Sales and Marketing Manager	7	55	3
		122103	Director of Marketing	7		2
		243303	Marketing Practitioner	10		7
		122302	Sales Manager	4		1
		122305	Customer Service Manager	23		1
		333803	Sales Representative (Business Services)	3		2
10	Economists	263101	Economist	41	41	11

Source: Fasset data system 2017

3.1.2 REASONS WHY OCCUPATIONS ARE HARD TO FILL

The professional bodies interviewed in Fasset's Sector Survey (2017) cited the following main reasons for skills shortages in the sector: poor quality teaching, low matric pass rates, poor Maths competency levels and a lack of adequate career guidance. The emigration of high-level professionals was also identified as an underlying cause of skills shortages in the sector.

Another factor contributing to unfilled vacancies is a shortage of Black people to take up positions in the sector. In the Sector Survey (Fasset, 2017) more than half of the employers reported that they find it difficult to find Black candidates to fill positions and to meet their employment equity targets. Almost 80% of the employers reported that they find it difficult to retain Black staff. The general shortage of appropriately qualified Black people in the market is the main underlying factor causing these difficulties. The overall shortage has led to Black candidates demanding exorbitant salaries which make their appointment unaffordable to employers.

3.1.3 MAJOR SKILLS GAPS IN THE SECTOR

The 2017 Sector Survey revealed major skills gaps in the sector. These gaps were identified by professional bodies as well as employers in the sector. The most important skills gaps were reported with regard to new entrants into the labour market. Generally speaking new entrants are found to be ill prepared for the world of work. They tend to lack:

- The ability to apply theoretical knowledge in practice and to think in an integrated manner;
- Critical thinking skills, also referred to as analytical or problem-solving skills;
- Work-readiness including business communication skills and the ability to dress and behave in a professional manner;
- Self-confidence which hampers an individual's ability to take initiative and even to ask for assistance when needed (Fasset, 2017).

The skills gaps found in specific professions are more wide-spread and are found in new entrants as well as people who have been in the labour market for some time.

a) Accountants

The changing roles of accountants were mentioned in Chapter 2. Accounting is evolving from a focus on the transactional and cost efficiency areas to strategy where finance professionals are now expected to have a considerable influence in business decisions and impact on business performance. Accountants are now expected to translate financial reports into important business signals and to explain their findings rather than just report them. Participants in the Sector Survey were of the opinion that most new entrants are not fully equipped to fulfil the more strategic roles required of them and that these new roles often leave people already in the labour market with substantial skills gaps. The most important skills gaps are the ability to think analytically and strategically, to forecast and to lead a company, advanced technological skills, soft skills and the ability to use non-financial information in fulfilling the new roles. Some of the professional bodies also believe that accountants often lack specialised knowledge in fields such as tax and commercial law. These fields change rapidly as legislation and regulations change and practitioners in these fields need to stay abreast with changes (Fasset, 2017).

b) External auditors

Similar to accounting, external auditing is evolving from its traditional function of monitoring and reporting, to a more proactive and insightful role of interpreting findings from a business perspective. Auditors also need deeper technical knowledge in areas such as governance, ethics and forensics, soft skills such as analytical, interpersonal and leadership skills, skills in data analytics and the use of data analytics software. With regard to data analytics, auditors must also be able to detect cues of possible abnormal or even fraudulent activity. It is thus imperative for an auditor to have strong data interrogation skills (Fasset, 2017).

c) Forensic practitioners

Forensic practitioners, especially new and inexperienced graduates often lack enquiring and analytical skills and the ability to think with a bigger picture in mind (Fasset, 2017).

d) Tax practitioners

While the regulation of the profession has succeeded in ensuring that tax practitioners are adequately qualified to provide tax consultative services and prepare tax returns, graduates and young professionals in particular lack analytical skills, as well as the ability to critically review information in order to form and motivate opinions (Fasset, 2017).

e) Company secretaries

As with some of the afore-mentioned professions, the role of company secretaries is becoming increasingly outward focused. Company secretaries need to be aware of the external environment within which the company operates, outside pressures and the wider implications of decision-making. Given the increased value placed globally on compliance and external audits, company secretaries require a combination of strong technical, business and soft skills as well as a thorough understanding of governance, ethics and legislative and regulatory compliance. This combination of skills is hard to find in the sector.

f) Internal auditors

Internal auditors provide oversight in terms of risks and internal controls in organisations. They also often make inputs into strategic planning, market analysis, compliance and change management. An internal auditor needs to have a combination of skills and a high level of competence in order to process and interrogate large amounts of information across various organisational functions. Besides technical skills, business acumen and an ability to think in an integrated way are extra requirements. Few young or new recruits present this combination of skills. Given the influential nature of the role, this is a key challenge in the profession as large companies are looking for candidates that require little to no training (Fasset, 2017).

Lastly, financial professionals with public sector knowledge are considered scarce. Given the size of the public sector and the dire need for sound financial management, stringent financial controls and curtailment of fraud and corruption in the public sector, the development of financial professionals with a thorough understanding of the public sector needs to receive serious attention.

3.2 EXTENT AND NATURE OF SUPPLY

3.2.1 ENTRY ROUTES INTO THE SECTOR

The formation of new skills for the sector takes many forms, and several routes are available

to those who want to work permanently in the sector. The six most typical entry routes (or skills development pipelines) are illustrated in Figure 3-1.

1) Direct entry with NQF Level 4 qualifications into the labour market

A relatively small proportion of the workers in the sector enter the labour market after school without any further education or training. The educational profile of the sector shows that very few workers have qualifications lower than Grade 12 or matric. These workers are employed mainly in elementary occupations.

Workers with Grade 12 are employed largely in clerical or administrative positions. Some public and private TVET colleges, as well as some of the professional bodies, offer qualifications relevant to the sector and that prepare learners specifically for positions in the Financial and Accounting Services Sector.

2) Entry after school via learnerships

Various learnerships in the sector have Grade 12 or matric as an entry-level requirement. These learnerships prepare workers for clerical and administrative positions.

3) Entry via the higher education system with professional qualifications

Several of the professional associations offer professional body qualifications, some of which are internationally recognised. Preparatory education for the qualifying assessments is offered by some of the public- as well as private higher education institutions, while the qualifying assessments are generally set by the professional bodies.

4) Entry via the higher education system with national qualifications

Many workers enter the sector after completion of a degree or diploma at a public- or private higher education institution. The qualifications gained along this route are the standard higher education qualifications (typically diplomas and degrees).

5) Entry via the higher education system with national qualifications, followed by a learnership and a professional body qualification

Some of the higher-level professional body qualifications can be obtained only after acquiring a national qualification or qualifications (e.g. a B.Com (Honours) degree), after the completion of a learnership, and after passing a qualifying assessment set by the professional body. This route is the one followed by specialised professionals such as CAs(SA) and professional accountants.

6) Entry from the TVET or the Higher Education and Training (HET) system followed by an internship

In certain components of Fasset's sector employers have developed their own internship programmes on which they train new entrants to the labour market. Some of these programmes are well-structured and contain highly sophisticated and expensive training modes – for example international exposure and experience. These programmes differ from learnerships in that they don't lead to a formal qualification that is registered on the NQF and that they are very focused on the specific needs of the employers. However, many of them are highly regarded in the sector and candidates who qualify on these internships are sought after in and outside the sector.

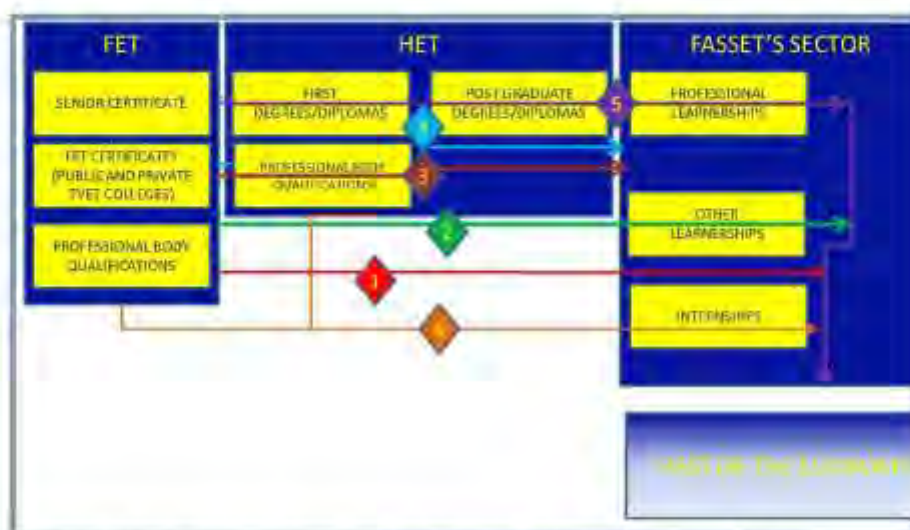


Figure 3-1 Typical entry routes (with formal qualifications) to the Fasset Sector

3.2.2 EDUCATION AND TRAINING AT FET LEVEL

The main groups of providers of education and training at entry level are the formal school system, public and private TVET institutions and professional bodies such as the ICB, the AAT and the IBM in collaboration with employers.

a) *Senior certificate*

The first factor playing a role in the supply of accounting and other professional skills is the Senior Certificate examination results, especially the pass rates in mathematics and accounting. Achieving grade 12 mathematics with 40% or more, is a prerequisite for tertiary studies in most of professional study fields in the labour market, while bookkeepers and accounting clerks could be drawn from Grade 12 learners with mathematics and accounting as subjects.

Table 3-2 summarises the grade 12 enrolments and passes from 2012 to 2016. The number of learners who wrote mathematics increased from 225 874 in 2012 to 265 912 in 2016. The number of maths passes with 40% or more increased from approximately 81 000 in 2012 to 89 000 in 2016. Overall, only around 15% of matriculants pass with maths at 40% or higher.

Accounting is not necessarily a prerequisite for tertiary studies in accounting, but accounting at school level could spark learners' interest in the field of accounting. There was a decrease in learners who wrote accounting from 137 900 in 2012 to 128 900 in 2016. Overall, only around 10% of matriculants pass with accounting at 40% or higher.

The basic education system is not producing sufficient numbers of young South Africans (especially Blacks) who meet the admission criteria for the fields of study that are relevant to the sector. At the same time the quality of the skills levels of many matriculants are viewed by stakeholders in the Fasset Sector Survey as substandard. The respondents expressed in different ways the view that the majority of learners leave high school with poor literacy and numeracy skills, many lack life skills and are unable to engage in a conversation or formulate an opinion. School leavers also lack IT skills and many cannot speak or write English.

Table 3-7 Grade 12 Statistics: 2012 - 2016

Number of learners who	2012		2013		2014		2015		2016	
	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12	N	% of total who wrote Grade 12
Wrote Grade 12	511 152	100.0	562 115	100.0	532 860	100.0	644 536	100.0	610 178	100.0
Achieved Grade 12	377 847	73.9	439 764	78.2	603 874	75.8	455 825	70.7	442 672	72.5
Wrote Mathematics	225 874	44.2	324 097	57.7	225 458	42.3	263 903	40.9	265 912	43.6
Achieved Mathematics (40% and more)	80 712	15.8	97 790	17.4	79 050	14.8	84 297	13.1	89 084	14.6
Wrote Accounting	134 978	26.4	145 427	25.9	125 987	23.6	140 474	21.8	128 853	21.1
Achieved Accounting (40% and more)	57 621	11.3	60 311	10.7	55 837	10.5	50 906	7.9	57 914	9.5

Source: Department of Basic Education, Education Statistics in South Africa, 2012 - 2016

Concerns were also raised about accounting teaching in high school, which is regarded as being below standard. The result is that school leavers are often appointed in entry-level accounting positions (especially in the public sector), without having a grasp of elementary accounting principles and transactions. They lack understanding of basic concepts such as the cash flow cycle and double entry bookkeeping.

b) TVET colleges education and training in the finance and accounting field

There are 50 public TVET colleges registered with the DHET. These colleges operate on 263 campuses spread across the rural and urban areas of South Africa. Most of the TVET colleges offer the National Certificate (Vocational) (NCV) in Finance, Economics and Accounting. This NCV offers learners a vocational alternative to an academic Grade 10 to 12, by providing specialised training on NQF levels 2 to 4. The NCV is a three-year qualification made up of three certificates obtained on NQF Levels 2, 3 and 4. All NCV programmes consist of a fundamental and a vocational component. The fundamental component provides for language and mathematics skills. The vocational subjects for the NCV in Finance, Economics and Accounting are: Applied Accounting, Economic Environment, Financial Management and New Venture Creation. According to the TVET colleges this qualification enables graduates to perform the following activities: bookkeeping; keeping records of wages, salaries, petty cash and value added tax (VAT); conducting reconciliations; preparing financial statements; managing budgets; and analysing the finances of a business.

Most of the TVET colleges also offer National Programmes (NATED) at NQF levels 4 to 6 in either Financial Management or Business Management or both. Graduates obtain certificates or national diplomas. The focus of this programme is on accounting and the management of the financial affairs of an organisation. Successful students usually have the knowledge and skills to perform bookkeeping and basic accounting functions, analyse financial and statistical information and check accounts. The applicable subjects in the Business Management Programme are Introductory Accounting and Financial Accounting. These subjects are usually

only offered at NQF Level 4.

Table 3-3 provides information on the throughput rates in the NATED and the NCV courses in 2013. The throughput rates on all the courses are extremely low. At N6 level the pass rate in Business Management was only 18% and in Financial Management it was only 27%. At NCV Level 4 the pass rate was 22%.

Table 3-3 Results of NATED and NCV learners at public TVET colleges: 2013

Course	NATED				NCV				NCV			
	Enrolled	Wrote Exam	Passed	Pass rate	Enrolled	Wrote exam	Passed	Pass rate	Enrolled	Wrote exam	Passed	Pass rate
	N	N	N	%	N	N	N	%	N	N	N	%
Business Management	14 778	13 802	4 492	33	8 455	7 978	3 076	39	5 753	5 449	857	18
Financial Management	9 394	8 953	2 595	29	5 823	5 560	2 763	50	4 714	4 501	1 194	27
Finance, Economics & Accounting	24 172	22 755	7 087	31	14 278	13 539	5 839	43	10 467	9 950	2 151	22

* The numbers shown in this table refer only to those who have completed the N6 examinations, not the 18 months work experience required for the National Diploma.

Source: Department of Higher Education and Training, FETMIS, 2015.

From the figures presented above it is clear that TVET colleges are not yet producing significant numbers of learners, especially learners who have completed the N6 in Financial Management. Staff from the TVET colleges who participated in the Sector Survey indicated that they have to deal with various challenges such as the content of the learning programmes (e.g. level of difficulty, lack of time to cover the syllabus), attracting and retaining suitably qualified staff, the quality of students entering the system, low throughput rates on NCV courses, finding practical placement opportunities for students and the lack of work prospects for students due to a negative market perception of TVET colleges (Fasset, 2013 and 2017).

c) Professional body qualifications at FET level

Fasset has registered several learnerships at NQF levels 3 and 4. With the exception of one, these learnerships are offered by the professional bodies associated with Fasset. However, most of the learners are based in organisations that don't fall within Fasset's sector. The learnerships are listed in Table 3-4.

Table 3-4 Learnerships at FET level

Learnership	NQF level	Professional body
Certificate: Accounting Technician	3	AAT
Certificate: Local Government Accounting	3	AAT
Advanced Certificate: Local Government Accounting	4	AAT
FET Certificate: Accounting Technician	4	AAT
National Certificate: Bookkeeping	3	ICB
National Certificate Small Business Financial Management	4	ICB
Technical Vocational Education and Training Certificate: Bookkeeping	4	ICB
Certificate: Public Sector Accounting	4	ICB
FET Certificate: Debt Recovery	4	Fasset

Source: Fasset 2015.

Several of the professional associations offer registered qualifications, some of which are also internationally recognised. Preparatory education for the qualifying assessments is offered by some of the public- as well as private TVET colleges while the qualifying assessments are generally set by the professional bodies. The qualifications awarded by the ICB over the period 2012 to 2015 can be seen in Table 3-5.

Table 3-5 Professional body qualifications awarded at FET Level: 2012-2015

Qualification	2012 N	2013 N	2014 N	2015 N
National Certificate Small Business Financial Management	29	56	45	34
Certificate Registered Accounting Clerk				1
Certificate Registered Bookkeeper				4
FETC Bookkeeping	1 060	1 149	1 247	1 221
National Diploma Technical Financial Accounting	639	881	926	976
National Diploma Financial Accounting	56	120	218	221
National Certificate Bookkeeping	1 621	1 641	1 820	1 762
Certificate Office Administration	109	217	271	292
Higher Certificate Office Administration	18	68	111	146
National Diploma Office Administration		29	52	112
National Certificate Public Sector Accounting			6	27
Diploma Public Sector Accounting			2	12
Junior Bookkeeper				47
Junior Office Administrator				2
Senior Bookkeeper				15
Certificate Registered: Practical Accounting				2
Total	3 332	4 161	4 698	4 874

Source: Information provided by ICB, May 2016.

3.2.3 EDUCATION AND TRAINING AT HET LEVEL

The analysis of the supply of skills at HET level is based on information obtained from the Department of Higher Education and Training's Higher Education Management Information System (HEMIS).

In most instances entry into the sector takes place at NQF levels 6 or 7. Generally speaking, students who want to qualify as CAs(SA) stay at university after completion of a B.Com degree in accounting to complete an honours degree or the Certificate in the Theory of Accounting (CTA). Many of the students at universities of technology complete the B.Tech degree before leaving the educational system and entering the labour market. A number of students engage in further studies to obtain Masters' and Doctoral qualifications (NQF levels 9 and 10).

The two fields of study that are most relevant to the Fasset sector are "Accounting" and "Other Business and Commerce".

a) NQF levels 6 and 7

i. Accounting

Table 3-6 shows the total number of qualifications in accounting on NQF levels 6 and 7, awarded by public higher education institutions, increased on average by 2.7% from 2010 to 2015. The number of first degrees (three years) awarded showed the highest increase over the five-year period (3.4%). The largest portion of this increase occurred in 2015. The number of African Black students who qualified grew by 5.3% per year from 6 279 graduates in 2010

to 8 126 graduates in 2015, while the number of white graduates decreased from 2 380 to 1 930 over the same period. The number of women who graduated increased on average by 3.0% and the number of men by 2.2%.

Table 3-6 NQF Levels 6 and 7 (Accounting): Qualifications awarded by public higher education institutions

Qualification	2010	2011	2012	2013	2014	2015	AAQ*
	N	N	N	N	N	N	%
National Diplomas	2 779	3 102	3 268	3 271	3 046	3 116	2.3
1st Degrees(3 yrs)	5 983	6 198	6 198	6 366	6 329	7 081	3.4
1st Degrees(4 yrs)	1 332	1 049	979	1 078	1 364	1 326	-0.1
Total	10 094	10 349	10 445	10 715	10 739	11 523	1.7

*Average annual growth

Source: Department of Higher Education and Training, HEMIS, 2017.

Only students, who leave the university after completing NQF Levels 6 or 7 qualifications, contribute to the supply of skills on these levels to the labour market. Therefore, the number of people who remain at university to continue with honours degrees should be subtracted from these figures. Table 3-7 shows a rough calculation of the number of graduates who entered the labour market at NQF Levels 6 and 7 from 2010 to 2015. These numbers were calculated by subtracting from the number of three-year first degrees awarded, the number of honours degrees awarded in the same year. The entrants to the labour market on NQF levels 6 and 7, increased by 0.5% per year from 7 701 in 2010 to 7 913 in 2015.

Table 3-7 NQF Levels 6 and 7 (Accounting): Number of entrants to the labour market

Qualification	2010	2011	2012	2013	2014	2015	AAQ
	N	N	N	N	N	N	%
National Diplomas	2 779	3 102	3 268	3 271	3 046	3 116	2.3
1st Degrees(3 yrs)	3 590	3 702	3 693	3 571	3 057	3 470	-0.7
1st Degrees(4 yrs)	1 332	1 049	979	1 078	1 364	1 326	-0.1
Total	7 701	7 853	7 940	7 920	7 467	7 913	0.5

Source: Calculated from Department of Higher Education and Training, HEMIS 2017.

ii. Other business and commerce qualifications

The combined field "Other Business and Commerce" includes qualifications in the following CESM (Classification of Educational Subject Matter) categories: Business Administration, Management and Operations; Business/Corporate Communications; Entrepreneurial and Small Business Operations; Finance and Financial Management Services; Human Resource Management Services; International Business; Management Sciences and Quantitative Methods; Marketing; Real Estate and Insurance.

The total number of qualifications awarded by public higher education institutions in the field Other Business and Commerce on NQF levels 6 and 7 increased on average by 4.8% from 2010 to 2015 (Table 3-8). National diplomas awarded showed the highest increase over the five-year period (5.5%). The number of African Black students who qualified grew on average by 7.7% per year from 9 866 graduates in 2010 to 14 324 graduates in 2015, while the number of white graduates decreased by 2.7% over the same period. Women graduates increased on average by 4.9% per year from 2010 to 2015 and men by 4.6%.

Table 3-8 NQF Levels 6 and 7 (Other Business and Commerce): Qualifications awarded by public higher education institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	2015 N	AAG %
National Diplomas	6 371	7 785	7 969	8 126	8 083	8 346	5.5
1st degrees(3 yrs)	5 880	6 150	6 353	7 493	7 407	7 475	4.9
1st degrees(4 yrs)	3 595	3 905	4 252	4 445	4 332	4 166	3.0
Total	15 847	17 840	18 574	20 064	19 822	19 987	4.8

Source: Department of Higher Education and Training, HEMIS 2017.

b) NQF level 8

i. Accounting

In the financial sector, two types of qualifications are relevant at NQF Level 8: postgraduate diplomas and honours degrees (universities).

The output in accounting at NQF Level 8 (Table 3-9) shows that the total number of graduates grew at an annual rate of 5.9% from 3 440 in 2010 to 4 584 in 2015. This is largely due to an increase in the number of honours degrees awarded. The number of African Black students who qualified grew on average by 13.7% per year but the number of white graduates decreased by 1.2% over the same period. The number of women who graduated increased on average by 7.3% per year and the number of men by 4.4%. Female graduates' share in these qualifications increased from 51% in 2010 to 55% in 2015.

Table 3-9 NQF Level 8 (Accounting): Qualifications awarded by public higher education institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	2015 N	AAG %
Postgraduate diplomas	1 047	941	1 068	1 014	853	974	-1.4
Honours degrees	2 393	2 496	2 505	2 795	3 272	3 610	8.6
Total	3 440	3 437	3 573	3 809	4 125	4 584	5.9

Source: Department of Higher Education and Training, HEMIS 2017.

ii. Other business and commerce qualifications

Table 3-10 shows the number of qualifications awarded at NQF Level 8 in the field Other Business and Commerce. In total, the output increased from 3 473 qualifications awarded in 2010 to 5 001 qualifications in 2015 – growing at 7.6% per year. The number of honours degrees awarded annually increase by 7.7% over the five-year period. Most of these qualifications were awarded in the study fields of Management and Personnel Management and Administration. Growth in the number of graduates from all population groups was recorded: African Black graduates showed the highest growth (17.6% per year), while white graduates decreased by 1.8% per year. The number of women who graduated increased by 8.1% per year and men by 6.9%.

Table 3-10 NQF Level 8 (Other Business and Commerce): Qualifications awarded by public higher education institutions

Qualification	2010 N	2011 N	2012 N	2013 N	2014 N	2015 N	AAG %
Postgraduate diplomas	1 463	1 502	1 923	1 593	1 995	2 095	7.4
Honours degrees	2 010	2 106	1 981	3 068	3 159	2 906	7.7
Total	3 473	3 608	3 904	4 661	5 154	5 001	7.6

Source: Department of Higher Education and Training, HEMIS 2017.

c) NQF levels 9 and 10

The number of master's degrees awarded from 2010 to 2015 in accounting increased by 12.3%, while in other business and commerce fields only by 5.6% (Table 3-11).

Doctoral degrees in the other business and commerce fields increased from 63 in 2010 to 173 in 2015 at an average rate of 22.4% per year and in accounting by 11.4% per year.

Table 3-11 NQF Levels 9 and 10 (Accounting and Other Business and Commerce) awarded by public higher education institutions

Qualification	2010	2011	2012	2013	2014	2015	AAG
	N	N	N	N	N	N	%
Master's degree: Accounting	123	147	189	199	207	220	12.3
Master's degree: Other business & commerce	1 648	1 925	1 982	1 919	1 990	2 167	5.6
Doctorate: Accounting	7	5	6	6	9	12	
Doctorate: Other business & commerce	63	82	102	102	119	173	

Source: Department of Higher Education and Training, HEMIS 2017.

d) Evaluation

The figures presented in the preceding sections show some interesting changes over the period 2010 to 2015. While accounting qualifications at NQF levels 6 and 7 showed an average annual increase of 2.7%, output at NQF level 8 increased by 5.9%. The figures also clearly show that a larger percentage of students stay in the education system after completion of their first degrees in accounting to complete the honours degree. This means that more students reach the educational levels required for professions such as Chartered Accountants. The figures also reflect the large degree of transformation that has been taking place in this field. While the number of white graduates has decreased, the number of African Black graduates has increased on average by 7.7% per year at NQF levels 6 and 7 and 13.7% per year at NQF level 8.

Despite the positive growth figures observed in the field of accounting, the relatively small number of maths passes at National Senior Certificate (NSC) level remains a constraining factor. Besides maths, there are also other factors that impede growth in the skills pipeline: socio-economic constraints prevent larger numbers of aspiring accountants from studying full-time for four to six years via the traditional academic routes, while disadvantaged students who attempt distance learning programmes and international examinations, rarely succeed. Graduate output from universities is also hampered by institutional resource constraints: a shortage of academics in the accounting and finance fields in South Africa and a lack of training capacity at some historically black universities.

Apart from quantitative deficiencies in the skills pipeline, certain qualitative deficiencies also exist. For example, some professional bodies are of the opinion that accounting graduates from universities of technology often present inferior accounting skills (Fasset, 2013). Generally, universities and higher education institutions train financial professionals for the private sector and don't focus on the needs of the public sector.

Stakeholders in the sector are also of the opinion that tertiary institutions tend to focus on the knowledge component and technical matters, and not sufficiently on the development of practical skills. According to them it is not unusual that graduates with high-level accounting qualifications are unable to do basic accounting operations and do not know how to process financial transactions in an actual work environment. Many of the academic courses contain

little or no soft skills development or workplace-readiness training. As a result there is a disparity between the academic training offered by universities and the skills needed in the workplace and a constant need for workplace-readiness and bridging skills training (Fasset, 2013).

3.2.4 EDUCATION AND TRAINING IN THE WORKPLACE

a) Learnerships

Employers play a crucial role in the formation of entry-level skills in the sector. Most of the professional body qualifications are attained through learnerships, and most of those that are not currently linked to learnerships require a certain amount of workplace experience. Employers' roles are to provide the workplace exposure and mentorship needed by learners and interns.

By June 2015 a total of 32 learnerships from NQF level 3 to NQF level 7 had been registered by Fasset with the DHET. Table 3-12 summarises the number of people who had completed learnerships in Fasset's sector from 2010 to 2016. The total number of learnerships completed since 2000 is almost 45 000. The majority (90%) of these learnerships led to the qualification Chartered Accountant: Auditing.

A critical element in the successful implementation of learnerships is employers' readiness to take on learners. This, in turn, is a function of various factors, including: employers' knowledge of learnerships in general and of the availability of specific learnerships; their knowledge of and perspectives on the possible benefits associated with learnerships; their perceptions of the administrative processes involved in learnerships; and their perceptions of the inputs that they, as workplace training providers, would have to contribute. In certain components of the sector (notably in the accounting and auditing firms) learnerships have become institutionalised and employers don't only participate actively in the development of learners registered with them, but they also rely on the services of those learners. In these parts of the sector a shortage of learners constitutes a serious occupational shortage. This is, however, not the case in all parts of the sector. In service areas where learnerships are new – for example, in the financial markets subsector – much work is still required to engage employers in learnerships.

Table 3-12 Learnerships completed 2000- 2016*

Learnership	2000- 2010	2011	2012	2013	2014	2015	2016	Un- know- n	Total
Advanced Certificate: Forensic Practitioner					5				5
Certificate for Registered Accounting Clerk	13								13
Certificate for Registered Bookkeeper	23								23
Certificate: Local Government Accounting	248						41		289
Certificate: Office Administration					14	10	6		30
Certificate: Public Sector Accounting	210	9							219
Chartered Accountant: Auditing	22 773	3 444	2 514	5 044	3 424	1 151	1 760		40 110

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Learnship	2000-2010	2011	2012	2013	2014	2015	2016	Un-know n	Total
Chartered Accountant: Financial Management Specialism	462								462
Diploma: Accounting Technician	2								2
Diploma: Public Sector Accounting	19								19
FET Certificate: Administration Management					39				39
FET Certificate: Debt Recovery	70	46	150	9	202	214			691
FET Certificate: Wealth Management						4			4
FETC: Business Administration Services NQF4	6			2	9	6			23
Further Education and Training Certificate: Banking						9	9		18
Further Education and Training Certificate: Generic Management					36		1		37
General Education and Training Certificate: Hygiene and Cleaning					18	2	1		21
General Internal Auditor				3	20		10		33
GUI-Based Applications For End-User Computing					8	13			21
Information Technology Technical Support					2	2		1	5
Internal Audit Technician		1			12	26			39
IT: Systems Support					2	2			4
MCSE: National Certificate: IT Database Administration						2			2
National Certificate in Contact Centre Support	3	2			78	1	16	214	314
National Certificate in Generic Business Administration			1		1				2
National Certificate: Advanced Certificate IT Database Development						1			1
National Certificate: Banking							14		14
National Certificate: Business Accounting	25	11	10	5	3	37	14		105
National Certificate: Business Administration Services		6		104	139		29		278
National Certificate: Core Banking and Financial Services		7	5		48				60
National Certificate: Financial Markets and Instruments			5	7	2	9	3		26
National Certificate: Junior Bookkeeper	3	2	1	1	2	28			37
National Certificate: Management					2				2
National Certificate: Professional Cookery							17		17
National Certificate: Small Business Financial Management	14	3	3	6		13			39

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Learnership	2008-2010							Dis- count	Total
	2010	2011	2012	2013	2014	2015	2016		
National Diploma: HR Management & Practices						8			8
National Diploma: Management Accounting	8	2	6			1	5		22
National Diploma: Technical Financial Accounting	7	1	1	2					11
Post Graduate Diploma: Professional Accountant in Practice	6		3	171	158	16	16	1 210	1580
Post Graduate Professional Qualification: Professional Accountant in Business	20	22	38	14	23		1		118
Professional Qualification: Chartered Management Accountant	4			1	1	1	1		8
Senior Bookkeeper		1			1		1		3
Systems Support Engineer					3				3
Grand Total:	33 916	3 557	2 747	5 369	4 252	1 556	1 945	1 425	64 757

*Figures include only learners registered in Fasset's sector. It should, however, be noted that some of the learnerships registered with Fasset are specifically designed for the development of skills in Government and in commerce and industry. These learners will be registered mainly in other sectors.

Source: Fasset data system, 2017

b) *Work-Integrated Learning*

The concept "work integrated learning" (WIL) refers to the workplace experience components of certain qualifications, for example the National Diplomas conferred by the TVET colleges, the qualifications offered by the universities of technology and the new Quality Council for Trades and Occupations (QCTO) qualifications. It may also refer to the work experience required for professional registration, for example the candidacy programmes in the engineering field. In these cases the work experience is structured according to specific requirements. In cases where the WIL leads to formal PIVOTAL qualifications, the training qualifies for grants from the SETAs and for points on the B-BBEE scorecards.

In the Fasset sector there are learning programmes offered by employers that are similar to the formal WIL programmes, but they are not linked to specific qualifications. They are generally known as graduate development programmes. These programmes do not qualify for financial support through the levy grant system and they don't count in terms of the B-BBEE codes. For employers it is important to substitute these programmes for learnerships. The incentives associated with learnerships will motivate employers to take on more unemployed learners and to train beyond their own needs. This, in turn, could support the transformation of the sector.

c) *Short courses*

The professionals employed in the Financial and Accounting Services Sector are obliged to undergo CPD in order to retain their professional body membership. CPD therefore constitutes an important part of skills formation in the sector. Most of the professional bodies are actively involved in the provision of CPD and/or in the accreditation of providers who offer CPD.

Apart from the compulsory CPD, organisations in the sector also provide in-service training to their employees. The Annual Training Reports (ATRs) submitted to Fasset each year indicates

that approximately half of the employees receive some kind of training. This training addresses various aspects of the broad skills areas relevant to the sector, such as specialist financial skills, client service skills, management and leadership skills, information technology skills, and administration and support skills.

It is important to note that some of the large accounting and auditing firms in the sector have established training academies through which they provide structured training to their own employees and the learners placed on learnerships in their organisations. Some of them also make the training available to small firms and their clients. Similarly, SARS, the largest employer in the sector has its own training academy.

3.2.5 SUPPLY PROBLEMS EXPERIENCED IN THE SECTOR

The supply problems experienced in the sector can be summarised as:

- a quantitative deficiency – too few learners qualifying in the fields of study relevant to the sector and completing the professional learnerships in the sector and
- a qualitative deficiency – the learners who qualify do not have the level of proficiency and professional rounding required in the workplace.

The causes of these deficiencies are multiple, complex and rooted all along the skills formation pipeline. They are summarised as the key challenges in skills formation in Table 3-13 below:

Table 3-13 Key challenges in skills formation in Fasset's sector

KEY POINT IN PIPELINE		KEY CHALLENGES
FET LEVEL	School	Maths passes
		Career Guidance
	TVET Colleges	Content of N Courses
		Lecturer capacity
		Infrastructure
		Work placements (N Diploma)
Professional body qualifications	Qualifications in demand outside Fasset's sector	
	Work experience needed for completion of qualifications	
HET Level	Students – First degrees and diplomas	Need for financial assistance
		Low throughput rates
		Inadequate number of academic staff
	Students – Post graduate degrees	Need for financial assistance
		Low pass rate on CTA
		Inadequate number of academic staff
	Professional body qualifications	Insufficient number of learners progress to professional status
		Slower transformation at this level
		Drop-out from learnerships before completion
Workplace	Job seekers	Work readiness and ability to find employment.
	Ownership of firms	Slow transformation
	Employees	Scarcities remain in certain occupations

KEY POINT IN PIPELINE		KEY CHALLENGES
		Transformation of sector profile
		Career development - challenging for small firms
		Need for high-level specialisation remains

Some of the key challenges need further explanation. In the Fasset Sector Survey the training institutions were given an opportunity to identify their most pressing challenges.

a) Lecturing capacity

The quality of lecturing staff is a challenge for both universities and TVET institutions that participated in the Fasset Sector Survey (Fasset, 2017). For some universities challenges revolve around the ability to attract and retain suitably qualified expertise - particularly Chartered Accountants. This is mainly because of the HEIs inability to compete in terms of remuneration packages and career opportunities in a labour market where there is a scarcity of accountants generally. In many instances the HE and TVET institutions battle with the quality of lecturing staff in terms of their depth of experience and ability to integrate theory and practice. Some institutions indicated that a significant proportion of their lecturing staff has never worked elsewhere and this tends to limit their ability to integrate theory and practice. The quality of lecturing staff is also affected by lack of relevant soft-skills training (for example presentation skills) as well as research skills prior to their appointment in lecturing positions. These skills deficiencies have a direct effect on their lecturing abilities.

b) Infrastructure

Many of the public HEIs and TVET colleges also suffer from lack of teaching facilities as infrastructural development has not kept up with the increase in student numbers.

c) Financial resources

Generally the public institutions are under great pressure to cope with an ever-increasing demand for post school education. This situation is exacerbated by the drive for the lowering or abolishment of fees.

3.3 PIVOTAL LIST

3.3.1 METHODS USED TO DEVELOP PIVOTAL LIST

Fasset's PIVOTAL list is based on the list of occupations that are hard to fill (scarce skills list) described earlier in this chapter. The occupational groups identified as in short supply form the basis of the list. The training interventions that are best suited to provide the skills required in those occupations are added to the list. The training interventions consist of the educational qualifications that are generally required in the sector and for the specific occupations as well as the learnerships used in the sector. Information from the projects for which educational institutions and professional bodies apply for funding is also considered in the development of the PIVOTAL list. The numerical values in the list are based on the number of people that employers report that they need.

3.4 CONCLUSIONS

The analysis presented in this chapter and in previous chapters clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. The occupational shortages are persistent – as the fact that the same

occupations are identified by employers year after year illustrates. The biggest shortage is for accountants and auditors. These occupations use skills from the skills pipeline that runs from school level (NSC with maths) through higher education qualifications in accounting to professional body membership. The second area in which shortages are experienced is in ICT, the third is management consulting and the fourth is financial markets professionals. Occupational shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African Black graduates delivered by the education and training sector.

At this stage there is little statistical information available on the role of emigration in the creation of skills shortages. The employment of foreign nationals, especially in professional positions, to some extent helps to relieve skills shortages.

The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline.

In the task of ensuring a steady flow of new entrants to the labour market, Fasset has to retain a long-term view. Most of the supply-side constraints are deeply rooted in the system and they cannot be addressed by short-term and haphazard interventions. Most of the new entrants who reach professional status with Fasset funding depend on this funding for multiple years. If funding or support is withdrawn learners are likely to drop out of the pipeline.

In the Fasset sector most professionals need more than a tertiary qualification. They also need to belong to professional bodies and comply with the entry requirements of the professional bodies. That means that learners should progress through the total pipeline until they reach professional status. Professional bodies normally require work experience before new members can obtain full membership and professional designations. In most instances the work experience component of the learning pathways that lead to professional status are registered as learnerships. Enrolments on and completions of learnerships is therefore an important issue that Fasset needs to monitor and promote. Fasset also needs to support learners up to the point where they reach professional status.

Well-rounded professionals don't only need the technical skills that are gained through formal education and training, they also need soft skills and the ability to conduct themselves in a sophisticated business environment. In the Fasset Sector Survey (2017) employers identified the lack of these skills sets and personal rounding as one of the issues that they are battling with.

A limited supply of fully qualified African Black professionals (i.e. people who have completed the whole educational pathway up to professional body membership) and a high demand for African Black financial professionals in all other sectors of the economy mean that Fasset needs to continue supporting the transformation process. At the same time it needs to support endeavours to retain African Black professionals in the Fasset sector itself.

4 SECTOR PARTNERSHIPS

4.1 INTRODUCTION

For the purposes of this chapter, a partnership is defined as an arrangement where two or more parties agree to cooperate to advance their mutual interests. In a partnership the overarching goals, the contributions of each partner, areas of responsibility, lines of authority and succession, methods for the evaluation of success and a variety of other factors are agreed upon. Agreements may be formalised in contracts or memoranda of understanding, or they can develop on a more informal basis over time.

Since its inception Fasset has developed numerous relationships that can be called “partnerships”. Most of the projects that are implemented in the Fasset sector involve the SETA, professional bodies, education and training providers, and employers. Because most of the skills shortages experienced in the sector are for qualified professionals, Fasset has to focus on interventions on NQF levels 6 and above. Fasset has only engaged with TVET colleges in the last two to three years.

4.2 EXISTING PARTNERSHIPS

4.2.1 PARTNERSHIPS WITH PROFESSIONAL BODIES

As indicated in Chapter 1 of this SSP, professional bodies play a crucial role in the Fasset sector and over time Fasset has developed a partnership model that proved to be working very well. The key elements of this model are depicted in Figure 4-1.



Figure 4-1 Fasset’s partnership model with professional bodies

First, the professional body sector has representation on the Fasset Board. Although not all professional bodies are represented on the Board, the sector as such has a say in the governance of the SETA as well as in the strategic direction and funding decisions. A larger number of professional bodies have representation on the Initial Professional Development Working Committee - a committee established to deal specifically with issues regarding the development of professional financial skills.

The professional bodies in the sector are well placed to intervene in the skills development pipeline and several of them have initiated projects to stimulate the supply of and transformation of professional financial skills to the Fasset sector and to the broader South African economy. A well-known example is the Thuthuka project run by SAICA. Fasset has, over the last number of years opened a funding window for projects that are aimed at the development of professional skills that are in short supply. This funding is specifically available for professional bodies and higher education institutions. Several of the professional bodies have, in response to this initiative, developed programmes and projects that address deficiencies and blockages in the skills pipeline. Each of these projects is clearly defined and where appropriate, the professional bodies are expected to ensure that learners are placed in employment. Each of the projects also requires a period of tracking of the learners, once they have completed the learning programme. In this way Fasset can also monitor the success of the projects. Examples of projects include special training courses that are offered over weekends to prepare candidates for the final board exams that lead to full professional status (projects with SAIPA and SAICA) and a project to prepare students for the external integrated summative assessment (EISA) with SAIT.

It is important to Fasset to maintain a level playing field for all professional bodies in the sector. For this reason and to uphold Fasset's fiduciary responsibilities, all funding is allocated according to strict tendering procedures and all disbursements are made in accordance with the requirements of the Public Finance Management Act (PFMA).

4.2.2 PARTNERSHIPS WITH EDUCATION INSTITUTIONS

The partnerships with education institutions are more or less similar to those with the professional bodies. Education institutions are also represented in the Initial Professional Development Working Committee and they also have access to the funding window that is available to professional bodies (Figure 4-2).

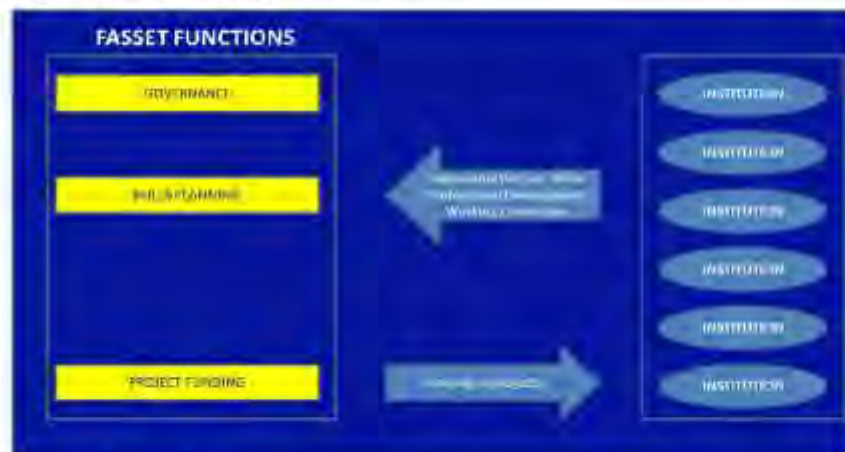


Figure 4-2 Fasset's partnership model with education institutions

It must be noted that many of the projects, are indeed three-way partnerships where professional bodies, education institutions and Fasset (as funding agent) work together on one project. In some instances there is also a private sector organisation involved in the selection and placement of learners on programmes.

The projects funded through professional bodies and higher education institutions fall into three categories:

- Bridging projects that lead to academic or professional body qualifications and designations
- Bridging projects for access to employment
- Comprehensive bursary scheme

Bridging projects that lead to academic or professional body qualifications and designations

The main aim of these projects is to improve the pass rates on programmes that lead to formal qualifications or professional designations. Subsequent to the completion of the programmes graduates are placed onto internships, learnerships or into full-time employment. At some institutions tuition fees, examination support courses, transport allowances and soft skills interventions are funded. In others the support is limited to academic fees. In the 2017/18 financial year eight universities and universities of technology were involved in these programmes. They include Walter Sisulu University, the University of Pretoria, the University of Cape Town, Fort Hare, Nelson Mandela Metropolitan University, UNISA and the University of the Free State.

Some of the current projects provide funding for higher education institutions and professional bodies to assist learners to pass the regulatory board exams that provide access to full professional status. The University of Pretoria is for example funded to prepare students for the EISA for the Occupational Certificate: Tax Professional.

Bridging projects for access to employment

These projects focus on upskilling unemployed learners in both the social and technical skills required to make them ready for the world of work. It has been determined that employers are reluctant to employ new graduates, especially on learnerships, due to their lack of experience in working environments. These projects seek to bridge the gap by funding and investing in these learners and by making them work-ready. Tuition fees, examination support courses and soft skills interventions are funded.

Comprehensive bursary scheme

A comprehensive bursary scheme has been introduced to provide end-to-end support to the "missing middle" – the category of learners who are currently above the salary threshold/means test applied by NSFAS but are unfortunately not eligible to qualify for bank loans to fund tertiary studies. The bursary should provide comprehensive funding for tuition, accommodation, academic support courses, living allowance and coaching/mentorship, all of which is designed to support the learner fully and provides an enabling environment for the learner to successfully complete their studies. The bursary scheme is open to 2nd, 3rd year and post-graduate students at Universities and Universities of Technology who are pursuing studies linked to Fasset's scarce skills.

The partnership models used for professional bodies and higher education institutions proved to be successful from several perspectives:

- The fact that the bodies and institutions are represented in Fasset's governance structures ensures continuous dialogue between the SETA and these stakeholders and it enables Fasset to stay in touch with changes and developments in its sector and in the education and training sector.
- The fact that project funding is allocated through a strict tender process ensures that all institutions and professional bodies have a fair chance to obtain funding for training in their particular fields, that projects are directed towards the scarce skills identified in Fasset's SSPs and that the projects with the best potential to bear results are selected. It also enables Fasset to allocate and manage its funding strictly according to the requirements of the PFMA.
- When funding is allocated to institutions, Fasset staff remains involved and stay in close contact with the recipient institutions. In the case of some of the historically disadvantaged universities, this involvement has led to the development of project management capabilities within the institutions. This in turn places the institutions in a better position to apply for funding in future.
- The funding to rural universities such as Walter Sisulu is assisting the university in building local capacity. These institutions battle to find and retain staff who are willing to stay and work in the rural areas. Through the recruitment and training of students from the area they slowly start to build local capacity.

The partnership models used for professional bodies and higher education institutions pose several challenges:

- One of the main challenges with professional bodies and universities is the lack of matriculants with good mathematics and English skills, thereby blocking their entrance to university.
- The disruptions caused by the student protests towards the end of 2016 had a negative effect on the projects and on the completion of programmes.
- The fact that Fasset is bound by a yearly funding cycle and that funding can only be allocated for one year and through a tender process, is a major restricting factor. Most of the learning programmes are multi-year programmes and many of the students who are funded run the risk of falling out of the programmes if funding is discontinued.
- The dire socio-economic circumstances of students often lead to them using their stipends or meal allowances for other purposes, for example to support their extended families. This in turn has a negative effect on their academic performance.
- For professional bodies the main challenge is the access of learners to funding for education and fees to further their professional development.
- Challenges experienced in terms of individual projects are identified through Fasset's project management system and are dealt with timeously.

4.2.3 PARTNERSHIPS WITH TVET COLLEGES

As stated earlier in this SSP, historically the public TVET college sector has not been a major contributor of skills to the Fasset sector and Fasset has not been involved with TVET colleges. However, in reaction to the White Paper on Post School Education and Training and the Department of Higher Education and Training's requirement that SETAs should get involved with the TVET college sector, Fasset started to engage with TVET colleges on a pilot basis.

At first Fasset took a multi-pronged approach and partnered with a variety of parties and intervened at different levels: at the institutional level as well as at the student level. The pilot process clearly proved that the most effective intervention was the placement of NE learners with employers for the 18-month workplace learning necessary for the completion of the National Diploma. At this stage Fasset continues with this intervention only. In this partnership with the TVET colleges and employers, learners are selected through a formal selection process which includes psychometric testing and interviews conducted by the employers before they are placed. A logbook that was designed by Fasset is used by learners to record their work experience. Fasset pays the learner stipends and travel allowances for the duration of their placement and tracks their progress through the work placement period. This project has so far proved to be highly successful. Of the first group of learners who had been traced after completion of their 18-month workplace learning 58% were employed by the employers where their work-based training was completed and another 11% had found employment on their own.

Another indication of success of this programme is the fact that some of the employers have built up good relationships with the TVET colleges and are now continuing with the programme outside the Fasset intervention.

The project is not without challenges though. In the beginning employers struggled to align their programmes with Fasset's processes and timelines, and to provide personnel to mentor and oversee the learners. Making resources available to accommodate the learners, establishing relationships with TVET colleges in order to select suitable candidates for the programme and establishing a robust recruitment and selection framework was also challenging.

Other challenges reported by employers during the work placement period include

- Negative attitudes of some of the students towards work
- Managing students' expectations
- Students struggling to adjust in the corporate environment
- Insufficient communication of requirements of the placement to supervisors and communication problems between employees and the students
- Gauging the technical knowledge and skills of students throughout the work experience period
- Overseeing students sufficiently so that they can gain optimal work experience.

4.2.4 PARTNERSHIPS WITH EMPLOYERS

Fasset has for some time been implementing employer grant schemes aimed at incentivising employers to open up their workplaces for training. The grant schemes also aimed to nurture a workplace culture of skills development whilst increasing the participation of African Black learners and Coloured learners in specific provinces in the sector. Without employers as implementation agents for grants, learners would not have access to on-the-job training to access learnership and internship opportunities. Learners graduating from Fasset funded bridging programmes as well as TVET learners are placed with employers to obtain on-the-job training and professional qualifications.

A current employer partnership that is worth mentioning is with the National Treasury. The National Treasury is currently putting students through a three-year internship programme to teach them the application of accounting standards in the public sector.

4.2.5 PARTNERSHIPS WITH NSFAS

In addition to partnering with employers in the provision of bursaries via the grant scheme and the repayment of learner NSFAS loans through the National Student Financial Aid Scheme Loan Repayment Grant (NLRG), Fasset offers bursaries through the NSFAS bursary scheme. Through the NSFAS bursary scheme learners are funded via NSFAS to complete their studies, i.e. via a direct contribution from Fasset to the NSFAS.

4.3 FUTURE PARTNERSHIPS

Future partnerships in the sector will be shaped by the applications that Fasset will receive through its funding windows. As indicated earlier in this chapter, Fasset is obliged to keep the playing field equal for role players in the sector. Projects that the SETA engages in are determined by the tender applications received from role players in the sector. The tender specifications are adapted from time to time to give preference to the areas in which the sector experience skills shortages and where specific blockages in the skills pipeline are experienced.

4.4 CONCLUSIONS

Fasset's long-standing partnerships with professional bodies and higher education institutions have become a crucial component of the SETA's interventions in the skills pipeline. Individual projects are monitored throughout and Fasset adapts its criteria for funding from time to time in order to give preference to the most successful intervention types. Placement in further education programmes and in employment remains a very important criterion for all these projects. The functions that professional bodies perform in terms of the promotion and administration of their own qualifications have enabled Fasset to sustain high levels of workplace-based education and training.

The TVET college project proved to be beneficial to the college learners as well as the employers in and outside Fasset's sector. The project is making a marked contribution to the improvement of throughput rates at the TVET colleges and, at the same time it is providing financial skills to the Fasset sector and to the rest of the economy. Employers are becoming more and more aware of the value of the qualifications offered by the TVET colleges.

5 SKILLS PRIORITY ACTIONS

This chapter outlines the broad skills development priorities that Fasset wants to address in this planning period. In the setting of skills development priorities, Fasset's Accounting Authority (Board) took into consideration the needs of the sector as they emerged from the analysis presented in the preceding five chapters as well as certain national imperatives and cross-cutting objectives emanating from Government's national strategies, policies. The skills needs of the broader economy are also considered as the Fasset sector acts as an incubator of finance and accounting skills.

This chapter outlines in the first instance the key findings from the previous four chapters that influenced the Board's decisions in terms of priority actions. The main priorities are then set out in more detail.

5.1 FINDINGS FROM PREVIOUS CHAPTERS

From the sector profile presented in Chapter 1 of this SSP it is clear that the Fasset sector, currently employs about 140 000 people, contributes approximately 1% of the employment opportunities in South Africa and about 6% of the jobs in the Finance, Real Estate and Business Services Sector. Approximately 80% of the workforce is employed in the medium and large organisations in the sector while the rest are employed in small organisations – mainly professional practices. Although the sector has made some progress in terms of transformation, the under-representation of African Black and Coloured workers in specific provinces, especially at professional and managerial level, remains an issue that needs to be taken into consideration in skills planning.

The Fasset sector is a highly regulated sector and changes in legislation and in the regulatory environment are affecting the skills situation in the sector. The most important changes are the implementation of the Companies Act, 71 of 2008 which introduces new responsibilities for a range of professionals, including accountants, auditors, company secretaries, risk managers and internal auditors. Other changes include the expanding regulatory and governance requirements that follow on the introduction of the King Codes, changes in the tax environment, changes in the regulation of the financial markets, changes in the registration requirements for auditors and the imminent regulation of the accountancy professions.

Fasset's planning is to a very large extent influenced by national policies and strategies, especially the NDP and the White Paper for Post-School Education and Training. Consideration was also given to the requirements of the SIPs.

The four most important skills issues that Fasset needs to contend with and that need to be addressed in its priority setting are:

- The need for a long-term and holistic view of the skills pipeline
- Ensuring that new entrants reach professional status
- Strengthening the capacity of the TVET colleges and improving the absorption of TVET learners in the labour market and
- Supporting the population group transformation of the sector.

The analysis presented in Chapter 3 of this SSP clearly indicates that the supply of financial skills does not meet the demand for these skills in the Fasset sector and in the rest of the economy. Skills shortages are to a large extent interlinked with the transformation goals of the organisations in the sector and will only be relieved through larger numbers of African

Black and Coloured graduates in specific provinces delivered by the education and training sector. The reasons for the current mismatches in the sectoral labour market can be found at different points in the skills pipeline and consequently, in the setting of skills development priorities, the Board took into consideration the skills formation process as it spans the life-times of individuals. This process is illustrated in Figure 5-1. As indicated in Chapter 3 of this SSP, skills formation already starts at school level. It then continues through post-school education to the point where a person enters the labour market for the first time. Two very important transitional moments in this process are the transition from school to post-school education and from post-school education to the labour market. Once established in the labour market, people need to continue with the development of skills in order to progress in their careers and in order to stay abreast with changes in the world of work. In the conceptualisation of skills development priorities and interventions for the SETA, Fasset attempts to address the full spectrum of the pipeline to varying extents.



Figure 5-1 The education and skills formation pipeline and Fasset's interventions along the process

Fasset shares the responsibility of skills formation with many other role players, including Government, the post-school education and training system, professional bodies and employers. In its strategic decision-making, Fasset's Board also had to consider the SETA's responsibilities and available resources in relation to the responsibilities and resources of other role players. Partnerships are entered into where possible and where required.

5.2 RECOMMENDED ACTIONS

After considering the analysis presented in the preceding chapters, the requirements of the Fasset sector as well as certain national imperatives and cross-cutting objectives emanating from Government's national strategies and policies and the skills needs of the broader economy, three skills development priorities were identified and are described below. These are 1) Increasing the flow of new finance and accountancy entrants to employment, 2) Developing and growing the skills required in the sector, and 3) Facilitating transformation of the Finance and Accounting Services Sector.

5.2.1 INCREASING THE FLOW OF NEW FINANCE AND ACCOUNTANCY ENTRANTS TO EMPLOYMENT

Fasset’s first overarching priority is to ensure a steady increase in the flow of new finance and accountancy entrants to the sector and into the financial divisions in organisations in the rest of the economy. This increase should be large enough to provide for the systematic eradication of the skills shortages that are currently experienced, for the expected growth of the economy, and for the replacement demand that exists in the sector. New entrants should possess the professional and technical qualifications required by the sector and should increasingly reflect the racial composition of the South African population. This priority focuses on different places in the access routes into the sector, as described in Figure 3-1 of this SSP. The priorities also address the different components of the education and training pipeline into the sector – from FET level through to workplace training.

The specific priorities related to the overarching priority of increasing the flow of new finance and accountancy entrants to the labour market are listed in Table 5-1. The way in which they relate to the different components of the skills development pipeline are shown in Figure 5-2.



Figure 5-2 Fasset’s first priority in relation to the skills development pipeline

Fasset’s interventions start before FET level, with career guidance initiatives and continue through to full professional levels. Fasset addresses the skills needs in the sector, as well as the broader economy, via its role as a SETA.

Table 5-1 Skills development priorities (aligned to NSDS objectives) to increase the flow of new entrants to the labour market

#	Priority	Entry route	Level of skill
1	Increasing the flow of new finance and accounting entrants to employment	Entry route 1	Middle level skills
2	Increasing the number of entrants at HET level	Entry route 2	High level skill

#	Priority	Entry route	Level of skill
3	Increasing the number of entrants to employment	Entry route 3 and 4	High level skill
4	Developing work readiness of entrants at HET level	Entry route 2	High level skill
5	Increasing the number of learners who qualify on professional body learnerships	Entry route 3 and 4	High level skill
6	Increasing the retention, work readiness and employment absorption of learners on learnerships	Entry route 3 and 4	High level skill
7	Increasing the number of learners that enter employment through internships	Entry route 6	High level skill

5.2.2 DEVELOPING AND GROWING THE SKILLS REQUIRED IN THE SECTOR

Fasset's overall priority is to ensure that all employees in the sector have access to quality education and training. This education and training should be linked to the business objectives of employer organisations and, in medium-sized- and large organisations; it should support the employment equity plans of the organisations. The specific skills development priorities that will be addressed in the planning period covered by this SSP are listed in Table 5-2 below.

Public sector organisations will become more involved in skills development initiatives owing to a directive issued by the Department of Public Service and Administration (DPSA) ordering government departments to pay a percentage of the one per cent skills development levy to SETAs.

Table 5-2 Skills development priorities to develop and maintain the skills base of the current workforce

#	Priority	Level of skill
8	Increasing the number of employees in employment at FET and HET levels	Mid and high level skill
9	Ensuring that employees receive training (short courses and skills programmes)	Mid and high level skill
10	Supporting skills development in small organisations	Mid and high level skill

5.2.3 FACILITATING TRANSFORMATION OF THE FASSET SECTOR

African Black and Coloured people in specific provinces, as well as people with disabilities are under-represented at a professional, management and senior management level in the Fasset sector. Fasset, professional bodies associated with Fasset and educational institutions, have, for many years been engaged in initiatives to ensure that this skewed demographic is transformed.

Financial professionals form the core of employment in the sector and it is therefore imperative that young talented African Black and Coloured professionals in specific provinces and people with disabilities are attracted into the sector and complete relevant further and tertiary qualifications, as well as professional body learnerships in order to become full members of the professional bodies active in the sector.

As indicated above, the only population groups that are under-represented in Fasset's sector are African Black people and Coloured people in the Northern Cape and Western Cape. People with disabilities of all races, are also under-represented in this sector. For this reason, one of the fundamental goals of Fasset is to address the demographic imbalance of employment in the sector by directing funding into numerous initiatives for African Black people across the educational and career pipeline.

Table 5-3 Skills development priorities to facilitate transformation in the Fasset sector

#	Priority	Entry route	Level of skill
11	Increasing the number of African Black and Coloured entrants in specific provinces to the employment at FET level	Entry route 1	Mid-level skill
12	Increasing the number of African Black and Coloured entrants in specific provinces at HET level	Entry route 2	High level skill
13	Increasing the number of African Black and Coloured entrants in specific provinces into employment	Entry route 3 and 4	High level skill
14	Developing work readiness of entrants at HET level	Entry route 2	High level skill
15	Increasing the number of learners who qualify on professional body learnerships	Entry route 3 and 4	High level skill
16	Increasing the retention, work readiness and employment absorption of learners on learnerships	Entry route 3 and 4	Mid and high level skill
17	Increasing the number of learners that enter the employment through internships	Entry route 6	High level skill
18	Increasing the number of employees in the employment at a FET and HET levels	Entry route 3 and 4	Mid and high level skill
19	Ensuring that employees receive training (short courses and skills programmes)		Mid and high level skill
20	Supporting skills development in small organisations (Middle and high level skills)		Mid and high level skill

5.3 CONCLUSIONS

This chapter outlined, in broad terms, the skills development priorities for the Financial and Accounting Services Sector for the period covered by this SSP update. These priorities will guide Fasset's funding strategies and activities. The three broad areas covered by the skills development priorities are:

- Increasing the flow of new finance and accountancy entrants into employment via placement initiatives,
- Developing and growing the skills required in the sector via the funding and support of education in the sector, and
- Facilitating transformation of the finance and accountancy sector.

Specific priorities were set for each of these broad priority areas. Specific objectives and proposed targets to which Fasset can commit to are described in the Strategic Plan.

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Pivotal Skills List



MAST/HR/0000107 - 76 6/24/2014 4/2/2016/2017/2018/2019

DRAFT - SETAs' Pivotal Skills List - TO BE FINALISED AFTER BOARD STRATEGIC SESSION

SETA NAME	PERIOD	OCCUPATION CODE	Occupation	SPECIALISATION/ALTERNATIVE TITLE	INDUSTRY/SECTOR	SETA LEVEL	NO. MEMBERS	COMMITTEE MEMBERS	Quantity to be registered as SETA	COMMENT
FASSET	2017-2018	2015-244300	Internal Auditor	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	1-10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-241001	Assistant General	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	1-10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-122001	Project Manager	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-245000	Accountant (Finance)	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-143001	Management Consultant	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-241001	Analyst	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-244001	ICT Sales Representative	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-243001	Technical Specialist/Analyst	Not applicable	PROVINCIAL PROGRAMME	5-10	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.

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MAST/HR/0000107 - 76 6/24/2014 4/2/2016/2017/2018/2019

SETA NAME	PERIOD	OCCUPATION CODE	Occupation	SPECIALISATION/ALTERNATIVE TITLE	INDUSTRY/SECTOR	SETA LEVEL	NO. MEMBERS	COMMITTEE MEMBERS	Quantity to be registered as SETA	COMMENT
FASSET	2017-2018	2015-244001	Gas Professional	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-242001	Energy Auditor	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-241001	Software Developer	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-241001	Event and Attractions	Not applicable	PROVINCIAL PROGRAMME	5-10	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-243001	Accounts Clerk	Not applicable	PROVINCIAL PROGRAMME	5-7	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-244001	ICT Systems Analyst	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-252001	Database Design and Administrator	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-244001	Management Accountant	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.
FASSET	2017-2018	2015-121004	Human Asset Manager	Not applicable	PROVINCIAL PROGRAMME	5-6	Yes	10	10	Multiple qualifications are available to address this sector skill. A comprehensive search on the SQA/NLR indicates there are multiple applicable qualifications. There is not one specific qualification that will address this sector skill. Both the SETA and employers in the sector will fund a number of relevant qualifications and employers will also fund a number of relevant qualifications.

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NAET 2018/2019 - 2018/2019 Submission

ICTA NAME	FOCUS	OCCUPATION CODE	Description	SPECIALIZATION / ALTERNATIVE TITLE	INDUSTRY / AGENCY OF THE SETA	DTL LEVEL	ICD A-CODE	QUANTITY (FTE)	Quantity to be supported (FTE)	COMMENT
FASSET	2017-2018	2302-24200	Policy Analyst	Not applicable	PROVAL Programmes	0-9	Yes	18	18	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24190	Management Accountant	Not applicable	PROVAL Programmes	0-9	Yes	18	18	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24400	Software Analyst	Not applicable	PROVAL Programmes	0-8	Yes	18	18	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24400	Construction Contracts (Trainer)	Not applicable	PROVAL Programmes	0-10	Yes	18	18	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24100	Payroll Manager	Not applicable	PROVAL Programmes	0-9	Yes	12	12	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2302-23800	Media Production Designer	Not applicable	PROVAL Programmes	0-9	Yes	12	12	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24200	Developer Programmer	Not applicable	PROVAL Programmes	0-9	Yes	11	11	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24100	Project Manager	Not applicable	PROVAL Programmes	0-8	Yes	10	10	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24100	Marketing Executive	Not applicable	PROVAL Programmes	0-9	Yes	10	10	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.

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NAET 2018/2019 - 2018/2019 Submission

ICTA NAME	FOCUS	OCCUPATION CODE	Description	SPECIALIZATION / ALTERNATIVE TITLE	INDUSTRY / AGENCY OF THE SETA	DTL LEVEL	ICD A-CODE	QUANTITY (FTE)	Quantity to be supported (FTE)	COMMENT
FASSET	2017-2018	2302-24400	Finance Assistant	Not applicable	PROVAL Programmes	0-9	Yes	9	9	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24200	Finance / Human Resource Manager	Not applicable	PROVAL Programmes	0-10	Yes	4	4	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24400	Skills Development Facilitator / Assessor	Not applicable	PROVAL Programmes	0-10	Yes	4	4	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-23200	Computer Networks and Systems Support	Not applicable	PROVAL Programmes	0-8	Yes	5	5	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24200	Sales and Marketing Manager	Not applicable	PROVAL Programmes	0-9	Yes	7	7	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24200	Director of Marketing	Not applicable	PROVAL Programmes	0-9	Yes	7	7	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-24100	Customer Services Officer	Not applicable	PROVAL Programmes	0-7	Yes	3	3	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.
FASSET	2017-2018	2303-23000	Sales Representative (Business to Business)	Not applicable	PROVAL Programmes	0-8	Yes	3	3	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLR indicate there are multiple applicable qualifications. There is no one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of apprenticeships and internships to address this need.

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TABLE 1: FASSET SP 2018/2019 - 2018/2019

FASSET NAME	PCN ID	OCCUPATION CODE	Description	SPECIALIZATION / ALTERNATIVE TITLE	REGISTRATION AGENCY BY THE SETA	RTO (RTO)	NO. LEARNERS	QUALITY RATED	Quantity to be accepted by SETA	COMMENT
FASSET	2017-2018	2193 - 441342	Gas Technician	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 141001	Club/Recreation Officer	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2195 - 441881	Human Resource Advisor	Autocatalytic	FVOTAS Programme	5-10	Yes	4	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2193 - 131001	Trade Manager	Autocatalytic	FVOTAS Programme	6-8	Yes	6	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 131001	Computer Network Technician	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2002 - 342001	Company Secretary	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2195 - 122001	Safety Manager	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 141001	Concrete Technician	Autocatalytic	FVOTAS Programme	5-8	Yes	6	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2193 - 131204	Project/Plant Manager	Autocatalytic	FVOTAS Programme	5-10	Yes	2	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.

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TABLE 1: FASSET SP 2018/2019 - 2018/2019

FASSET NAME	PCN ID	OCCUPATION CODE	Description	SPECIALIZATION / ALTERNATIVE TITLE	REGISTRATION AGENCY BY THE SETA	RTO (RTO)	NO. LEARNERS	QUALITY RATED	Quantity to be accepted by SETA	COMMENT
FASSET	2017-2018	2195 - 141001	Data Management/Analyst	Autocatalytic	FVOTAS Programme	5-8	Yes	1	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 212002	Technician (IT) Support Services Manager	Autocatalytic	FVOTAS Programme	5-8	Yes	1	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 141001	Diagnostic and Methods Analyst	Autocatalytic	FVOTAS Programme	5-8	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2193 - 132001	Construction Trade	Autocatalytic	FVOTAS Programme	5-10	Yes	3	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.
FASSET	2017-2018	2015 - 131205	Employee Welfare Manager	Autocatalytic	FVOTAS Programme	5-10	Yes	2	TEC	Multiple qualifications are available to address this sector skill. A representative from the SQA/NLRB indicate there are multiple applicable qualifications. There is not one specific qualification that will address the sector skill. Both the SETA and employers in the sector will fund a number of learners in this sector skill.

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Continuous Improvement Plan





Continuous Improvement Plan (CIP) Fasset Sector Skills Plan

Compiled on: 1 August 2017

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1. Introduction

We hereby submit the most recent Continuous Improvement Process (CIP) report covering the Fasset's Sector Skills Plan (SSP) in respect of the 2018 to 2023 period.

We trust this report will meet the requirements of the Department of Higher Education and Training (DHET), and look forward to future dialogue and interaction concerning Fasset's SSP submission.

Subsequent to this CIP submission, which will accompany the SSP, the SETA will await any further feedback from DHET on the final SSP submission.

In 2017 the following process has been followed to prepare the SSP update:

- Preliminary information was gathered at the SETA cluster meetings in May 2017
- The SSP Update was developed with the assistance of a labour market expert and submitted to DHET as a 1st draft on 15 June 2017.
- Revised Mandatory Grant information as well as feedback from the DHET was integrated into an updated draft of the SSP.
- Subsequent to the Board Strategic Planning session in July 2017, the SSP will be updated with the strategic direction decided by the Board as well as the PIVOTAL skills list.
- Additional feedback received on the 2nd SSP draft will be integrated and submitted as part of an SSP resubmission, or integrated into the SSP for the subsequent period.

2. CIP Matters

The following content areas will be addressed in this CIP.

1. Research Agenda and Strategy
2. Collaboration with Universities, TVET Colleges and other SETAs
3. Improving Data Sources
4. Organising Framework for Occupations (OFO) and Sector PIVOTAL list
5. Developing mechanisms for Skills Planning and LMIP
 - How has the LMIP assisted the SETA in its Skills Planning activities?
 - How is the alignment between the SSP, Strategic Plan and Annual Performance Plan?
6. Alignment with Government Priorities
7. Research Capacity in the System
8. Career Advice System
9. Role of Accounting Authority in the development of the SSP
10. Stakeholder engagement in preparation for the SSP

2.1. Research Agenda and Strategy

Matter	Current Status	Progress Made	Action Plan
Research Agenda and Strategy	<ul style="list-style-type: none"> Fasset develops a Research Strategy for the duration of the NSDS period. This strategy is informed by both the DHET's and the SETA's objectives in terms of research (refer to Annexure 1). An annual Research Plan is also developed, which is complemented by the Research Policy of the SETA (refer to Annexure 2). 	<ul style="list-style-type: none"> The Research Strategy is approved by the SETA Accounting Authority at the commencement of the NSDS and is updated as and when required. This typically occurs when strategic shifts occur in the broader SETA and sector environment. An Updated Research Plan has been developed for the 2017/2018 financial year. 	<ul style="list-style-type: none"> The Research Plan for 2017/2018 is to be approved by the SETA Accounting Authority. A Research Plan for 2018/2019 is to be developed with the input of the SETA Accounting Authority. An Updated Research Strategy will be developed to align with the extended SETA landscape of March 2020.

2.2. Collaboration with Universities and Universities of Technology, TVET colleges and Other SETAs

Matter	Current Status	Progress Made	Action Plan
Collaboration with Universities and Universities of Technology	<ul style="list-style-type: none"> A number of the Fasset bridging projects are run in conjunction with Universities and Universities of Technology. These programmes 'bridge the gap' and 'plug' skills deficits learners experience at various points of the career pipeline in the Fasset sector. 	<ul style="list-style-type: none"> Fasset is developing relationships with all Universities and Universities of Technology regarding funding opportunities in the following areas: Newly introduced Fasset Bursary Scheme which is largely facilitated by various Universities and Universities of Technology across the country. The Bursary scheme which supports African Black learners and learners with disabilities include all-round support to the learner in the form of tuition, accommodation, books, workshops, tutorials, mentoring, coaching. Academic qualifications or professional body designations on NCF level 5 to 8 – this focus supports the SETA strategy of ensuring that African Black learners and learners with disabilities receive funding from the SETA for the completion of academic and professional qualifica- 	<ul style="list-style-type: none"> Engage with other SETAs on more areas on partnerships Monitor projects and measure success against deliverables.

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Matter	Current Status	Progress Made	Action Plan
		<ul style="list-style-type: none"> ions, which includes all-round support to the learner in the form of tuition, accommodation, books, workshops, tutorials, extra classes, mentoring and coaching etc ... Grants such as the Fasset Bursary Grant, which allow firms to access a portion of the Skills Development Levy (SDL) when they fund learners on degrees and diplomas at Universities and Universities of Technology, further underscore the relationship between and need for the SETA to work within the Higher Education sector. Fasset works with Universities and Universities of Technology in the provision of tuition in respect of learnerships under the SETA scope. This quality assurance is generally performed, on behalf of Fasset, by professional bodies. The most recent Sector Survey (2016) conducted research on Universities and Professional Institutes which culminated in an inventory of sector-specific research. Interaction with other SETAs on career awareness initiatives 	
Collaboration with TVET colleges and	<ul style="list-style-type: none"> The partnership agreements put in place with Waterberg and Sekhukhune TVET colleges in Limpopo, as part of a broader joint SETA initiative to establish a regional presence in rural areas and townships through TVET colleges, is continuing. Career 	<ul style="list-style-type: none"> Although the supply of learners from TVET colleges to the Fasset sector is not as substantial as the demand for those from tertiary institutions, Fasset has allocated funding to ensure that TVET institutions in the country are capacitated and enjoy support from the finance and accounting sector. This is aligned to both sector and national policy imperatives to ensure that the number of unemployed college-leavers is reduced, and these learners are integrated into Fasset workplaces. As part of the SETA's strategy for the 2017 to 2018 financial year, Fasset will continue to providing discretionary funding to employers that accommodate learners from TVET institutions i.e. support the SETA's strategy of the placement of learners. These learners will be able to complete their TVET qualification at the employer and achieve a National Diploma in the course they have studied, for which the completion of a Work Integrated Learning (WIL) component is required. The 	<ul style="list-style-type: none"> Engage with other SETAs on more areas on partnerships Monitor projects and measure success against deliverables.

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Matter	Current Status	Progress Made	Action Plan
	guidance initiatives will continue in the province and as part of Fasset's ongoing efforts to establish a regional presence in rural areas and townships.	on-the-job experience with a Fasset employer will provide the learner with the much needed placement experience to support completion of the qualification.	
Collaboration with Other SETAs	<ul style="list-style-type: none"> Collaboration with other SETAs continue to be a potential area of improvement. 	<ul style="list-style-type: none"> Currently there is no substantial engagement in inter-SETA collaboration in the joint funding of learners on learning programme. However, there is a minimal interaction with other SETAs on career awareness interventions across the country. 	<ul style="list-style-type: none"> Engage with other SETAs on more areas on partnerships

2.3. Improving Data Sources

Matter	Current Status	Progress Made	Action Plan
Improving Data Sources	<ul style="list-style-type: none"> Fasset has built up its own data system, which forms the basis of the statistical information reflected in Annual Sector Analyses. The Fasset data system includes comprehensive sector surveys which are conducted every five years. The most recent survey was initiated in 2012. There were four components to the survey including 1) Employers, 2) Professional institutes, 3) Public and private education and training providers (universities and Further Education and Training institutions, TVEs) and 4) Learners. The research also analysed scarce skills in the sector and forecasted skills for the future, for the Fasset sector. 	<ul style="list-style-type: none"> A Sector Survey, initiated in 2016, is currently being finalised in the Fasset sector, and this will be the fourth sector survey to be undertaken. The survey will address the four stakeholders in the Fasset sector, and will culminate in a demand and supply analysis for the sector, as well as a list of scarce skills and skills priority areas. 	<ul style="list-style-type: none"> Completion of the 4th Sector Survey (2016)

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Matter	Current Status	Progress Made	Action Plan
	<ul style="list-style-type: none"> The information contained in Fasset's grant applications are analysed annually, providing valuable information on planned and implemented training in the sector (via the Mandatory Grant submissions), strategic training being undertaken in the sector (to be obtained via the Bursary and Placement Grants), and learnership information (obtained via the Learner Employment Grant (LEG)). Regular Customer Satisfaction Surveys (CSSs) are conducted in order to gain information around SETA successes and the perspectives of employers concerning the SETA strategy and initiatives. In addition to the quantitative data analysis, Sector Survey results, ad hoc research conducted from time-to-time and desktop research, this SSP is also based on consultations with the representatives from the Fasset sector. 	<ul style="list-style-type: none"> Grant Analyses are conducted annually since the SETA's inception, and provides a substantial amount of longitudinal information for analysis. The fifteenth analysis, referred to as a Trends Analysis, was conducted in 2016/2017. All reports are available on the Fasset website. 	

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2.4. Organising Framework for Occupations (OFO) and Sector PIVOTAL list

Matter	Current Status	Progress Made	Action Plan
Employers use of the OFO	<ul style="list-style-type: none"> Fasset has aligned the OFO codes to be used to DHET's written requirements, as communicated in the 3 December 2012 funding regulations i.e. SETA Grant Regulations Regarding Monies Received by a SETA and Related Matters. In these regulations, the level of OFO code to be used is not specified in all tables included in the Mandatory Grant template. Rather it is termed 'OFO code' as indicated in Figure 1 below. 	<ul style="list-style-type: none"> Historically Fasset requested compulsory OFO reporting against the one-digit major group for firms employing more than 50 people. Reporting against the detailed 6-digit OFO code was made compulsory in 2015/2016, as was the specification of the job title and specialisation relating to the employee. Please see Table 2 for an extract of what Fasset has requested in the Mandatory Grant 2016/2017 template for employers employing 50 or more people, in terms of the level of detail of OFO codes. Fasset runs Skills Development Facilitator (SDF) training events in major centres, normally twice a year, where grant application forms and SETA incentives and available benefits are reviewed and employers are updated. This session covers the use of the OFO. Fasset includes the latest OFO version and the DHET guideline on the Fasset website. Fasset explains the OFO and any changes to the OFO in guidelines to the grant application form. Fasset staff and external service providers using the OFO for research purposes make use of the DHET documents (i.e. the OFO Excel spreadsheet and the guideline to the OFO) and the occasional training offered. 	<ul style="list-style-type: none"> Continue to request firms report against 6-digit OFO codes in their Mandatory Grant submissions. Request DHET correct the legislative anomaly where the detail level of OFO code is not confirmed for reporting.
Quality Assurance and Learnerships (QAL) division of the SETA	<ul style="list-style-type: none"> The QAL division at Fasset interacts with the QCTO with regards to their qualifications registration requirements. This in- 	<ul style="list-style-type: none"> Professional associations affiliated to Fasset are familiar with the OFO as they currently have qualifications they are registering or have registered with the QCTO. Only one 6-digit OFO code allowed per qualification registration: There is a documented, quantifiable shortage of accountants and related professionals at all levels. This skills shortage is in both the public and private sectors. The shortage is documented 	<ul style="list-style-type: none"> Fasset will work within the required policies and procedures of the QCTO with regards to the use of OFO codes in qualification development.

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Matter	Current Status	Progress Made	Action Plan
	<ul style="list-style-type: none"> volves registering qualifications at a 6-digit OFO level. DHET requires Fasset to report on scarce, critical and PIVOTAL skills according to 6-digit codes. This is currently being implemented in line with DHET requirements. Table 2 indicates this. 	<p>in both Fasset's Sector Skills Plan as well as in research conducted by the South African Institute of Chartered Accountants (SAICA). It is in the national interest that this gap be closed as quickly as possible while at the same time, ensuring increased access to the profession. This will not be achieved by closing down existing avenues of access to the accounting occupation and the QCTO model of one qualification per occupation will result in those avenues being closed.</p>	
OFO codes for reporting to the DHET	<ul style="list-style-type: none"> Fasset has received two formal requests for updates to the OFO, since the commencement of the 2015/2016 financial year. These are Fraud Examiner, ICT Internal Auditor and Internal Audit Quality Assurer. The SETA is in the process of registering these new OFO codes with DHET. 	<ul style="list-style-type: none"> We encounter a range of problems with the use of the OFO Absence of user-friendly mechanisms to access detailed OFO information: In the past an online OFO search tool was made available. Previously Fasset would use the link www.nopf.co.za/download.html for the latest framework for occupations as compiled by the DHET. This system was maintained by the DHET and provided clarity on which occupation fits into which occupational category. Clicking on the link now yields no success. If the OFO is to be used in a detailed manner, support for this online search tool, should be considered. Public support to employer queries not available: A helpline supporting employers with OFO queries would be of benefit to employers. SETAs do not always possess a detailed understanding of the OFO, and the spreadsheet may not be deemed user-friendly. The process of obtaining assistance could be included in an OFO guideline to be made available to SETAs and on the DHET website. 	<ul style="list-style-type: none"> Three changes to the OFO are required. Two occupational codes have emerged and applications for the registration of specialisations have been submitted to DHET. In another instance a new OFO code has been recommended for inclusion. These are described detailed in Table 3.

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Figure 1: Section B: Employment Summary (3 December 2012 Funding Regulations)

SECTION B: EMPLOYMENT SUMMARY																	
B1: Total number of employees per occupational category, by gender, population group, disability status and age group																	
Occupation		Male				Female				Total	Employment Status			Age Group			Geography
OFO Code	Occupational Category	A	C	I	W	A	C	I	W		A	C	I	W	15-24	25-34	
B2: Total number of employees in each province																	

Table 1: Extract from Fasset Mandatory Grant (for firms employing 50+ people)

1 digit OFO code	1 digit OFO description	5 digit OFO code	5 digit OFO description	Specialisation linked to 6 digit OFO code	Job Title
<i>Compulsory</i>	<i>Compulsory</i>	<i>Voluntary</i>	<i>Voluntary</i>	<i>Voluntary</i>	<i>Compulsory</i>
2	Professional	241101	Accountant in Practice	IPA	Trainee Accountant (SWIPA)
2	Professional	242501	Managers' Consultancy	Business Turnaround Management Consultant	Business Turnaround Management Consultant

Table 2: Extract from Fasset PIVOTAL Grant list 1 April 2014 to 31 March 2015

Occupation Code	Occupation	SS	Specialisation/ Alternative Title	Programme Type	NQF Level	NQF Aligned (Y/N)	Quantity needed	Quantity supported	Comments
241101	Accountant (General)	Yes	Trainee Accountant/Auditor	Degree (De) Diploma (Di) Learnership (Ls) Skills programme (SP)	8	Y	631	631	Fasset's sector is a training sector for accountants. The need is specifically for trainees not qualified accountants.

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Table 3: OFO Applications to DHET (July 2016)

Name of submitting organisation	Action requested	Occupation code to be moved, deleted or where change is required	Unit group number where it must be moved to	Name of occupation to be added or new title or where change in alternative titles is required	Relevant Unit Group where it must be added	Descriptor of occupation to be added or changed	Alternative title to be added
The Institute of Internal Auditors South Africa (IIA)	Addition of specialisation	121104	1211	Internal Audit Manager	2015 - 1211 Policy Administration Professionals	The Internal Audit Quality Assurer assesses the internal audit activity for conformance to national and international internal audit standards and operational efficiency and effectiveness. The Internal Audit Quality Assurer is also tasked with managing the learning and development process of Junior Internal Auditors. The objective of an Internal Audit Quality Assurer is to provide strategic insight into the development and advance of individual Internal Auditors and to the Internal Audit Activity as a whole.	Internal Audit Quality Assurer
The Institute of Internal Auditors South Africa (IIA)	Addition of specialisation	242211	2422	Internal Auditor	2015 - 2422 Database and Network Professionals not Elsewhere Classified	ICT Internal Auditor Executes ICT engagements in accordance with the International Professional Practices Framework and ISACA Standards in order to meet specific engagement objectives. The objective of information communications technology (ICT) auditing is to collect & evaluate evidence in order to ascertain whether an information system	ICT Internal Auditor - Audit Specialist - Information Systems Auditor - Audit Consultant

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Name of submitting organisation	Action requested	Occupation code to be moved, deleted or where change is required	Unit group number where it must be moved to	Name of occupation to be added or new title or where change in alternative titles is required	Relevant Unit Group where it must be added	Descriptor of occupation to be added or changed	Alternative title to be added
						safeguards assets, maintains data integrity, achieves organisation goals effectively and consumes resources in an efficient manner.	
Association of Certified Fraud Examiner South Africa	Addition of a new OFO code	242215	2422	Fraud Examiner	2015-2422 Policy Administration Professionals	Prevents, detects and deters fraud by identifying unusual trends and fraud indicators in organisations' processes and operations, determines whether organizations have adequate internal controls and fosters an adequate control environment to mitigate fraud risk. Conducts investigations of civil or criminal fraud, white-collar crime and identified fraud indicators.	Fraud Analyst Fraud Investigator

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2.5. Developing mechanisms for Skills Planning and LMP

Matter	Current Status	Progress Made	Action Plan
Developing mechanisms for Skills Planning and LMP	<ul style="list-style-type: none"> Fasset gathers statistics via its operational functions on employees, training levels, PIVOTAL programmes, learner, workplace providers etc ... This will allow for the generation of relevant information on labour market skills needs and training provision in the Fasset sector, which can ultimately be aggregated by the DHET. To supplement the SETA's information-gathering initiatives, research is commissioned where required, to assist in collecting information that is not collected through the SETA's management systems (e.g. learnerships, Mandatory Grants, assessors etc ...). These special research projects may include tracer studies and project impact analyses. The Fasset Board deliberates the annual SETA strategy for implementation in 2017 to 2018 in July 2016. The SSP inputs into this strategic discussion. The outcome of the Board strategic deliberations culminate in an SP and APP. These documents form the backbone of the SETA strategy and planning. It is understood that the Fasset SSP, and ad hoc research conducted by the SETA, will be used to advise the Human Resource Development Council (HRDC), the Department of Home Affairs (DHA) and other interested agencies on the country's skills priorities and the areas of particular shortage on an ongoing basis. 	<ul style="list-style-type: none"> The SETA has close contact with industry via employers and professional institutes; this places Fasset in a good position to document and communicate recent and emerging trends affecting the Finance and Accounting sector. The development of a PIVOTAL Skills list enables the Fasset Accounting Authority to drive transformation and skills development in the sector, by aligning funding decisions made with the needs and priority areas of the sector. Framework for Scarce Skills: The work done by the LMP in the development of a framework for the understanding of and reporting on Scarce Skills has been useful to the implementation of the Fasset PIVOTAL and Scarce Skills lists. National Current Employment Profile: DHET initiatives concerning the collection and analysis of Mandatory Grant information across all SETAs will provide a robust and highly descriptive profile of the national employment profile and the scarcity of skills across specific sectors and within the total economy. Important variables for analysis to be collected within this envisioned system are Standard Industrial Classification (SIC) code and OFO code. Additional classification schemes such as population group, disability status, province etc. will provide an exceptional base against which analysis of SETA and national data can be conducted. 	<ul style="list-style-type: none"> Fasset will continue to raise concerns and will participate in all DHET and other relevant forums to ensure that solutions are found for these problems.

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2.6. Alignment with Government Priorities

Matter	Current Status	Progress Made	Action Plan
Alignment with Government Priorities	<p>Fasset has aligned the SSP to the following priorities:</p> <ul style="list-style-type: none"> The Companies Act, 71 of 2008 The Code and Report on Governance Principles for South Africa (King III) King I and King II Registration requirements for auditors The National Development Plan (NDP) The White Paper for Post-School Education and Training Broad-Based Black Economic Empowerment (B-BBEE) legislation and Employment Equity legislation Strategic Integrated Projects (SIPs) The Industrial Policy Action Plan (IPAP) 	<ul style="list-style-type: none"> Fasset continues to ensure alignment with government priorities both its SSP and SP. 	<ul style="list-style-type: none"> No action plan required.

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2.7. Research Capacity in the System

Matter	Current Status	Progress Made	Action Plan
Research Capacity in the System	<ul style="list-style-type: none"> The growing national importance of Monitoring and Evaluation (M & E) has necessitated a SETA focus on this area. Information must be drawn from multiple sources and coordinated to assist with strategic decision-making. In this Fasset has commenced with the implementation of its M & E Plan and has to date released an M & E report for the 1 April 2000 to 31 March 2015 period. 	<ul style="list-style-type: none"> The SETA has a dedicated research department which is focussed on conducting research that is aligned to the SETA strategic priorities. The SETA Research Plan is included in Annexure 2. 	<ul style="list-style-type: none"> Continue to implement the research strategy and research plan.

2.8. Career Advice System

Matter	Current Status	Progress Made	Action Plan
Career Advice System	<ul style="list-style-type: none"> The Fasset SETA career guidance and provincial strategy campaign seeks to target learners from Grade 9 level onwards to provide them with information and encourage awareness on careers in the finance sector. Fasset's career guidance initiative includes interventions such as career exhibitions, advertising, sponsorships, Fasset alumni (volunteer career mentors), and the development of marketing and communications material. The provincial strategy will allow Fasset to align with national imperatives for SETAs to establish a regional presence in rural areas and townships, based at TVET colleges, so as to ensure accurate and appropriate career guidance is delivered. 	<ul style="list-style-type: none"> Career guidance at a learner, teacher and parent level is needed, specifically in scarce skills areas of the economy. A career guidance and provincial strategy campaign targets learners from Grade 9 level to provide them with information on finance careers. Interventions such as the Career Portal, career exhibitions and roadshows, advertising, sponsorships, Fasset alumni (career awareness volunteers and mentors), and the development of marketing and communications material. Will establish a regional presence in rural areas and townships, at TVET colleges, to ensure accurate and appropriate career guidance is delivered. A career portal has been developed which is a career advice portal for learners, educators, parents 	<ul style="list-style-type: none"> There are no major reported blockages in this area, therefore no measures being undertaken to address the blockage.

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Matter	Current Status	Progress Made	Action Plan
		<ul style="list-style-type: none"> and jobseekers which will disseminate career awareness information, offer interview tips to job-seekers, advice to parents and educators on how to assist their learners with navigating their career. 	

2.9. Role of Accounting Authority in the Development of the SSP

Matter	Current Status	Progress Made	Action Plan
Role of Accounting Authority in the Development of the SSP	<p>The following process is followed to prepare the SSP update:</p> <ul style="list-style-type: none"> The first draft of the SSP is developed in May and submitted to DHET on 15 June, with the signature of the CEO and Acting Fasset Chairman of the Board. In July 6, at the scheduled Board strategic planning session, the Fasset Board decides on the strategy, SETA targets and budgets for the 5-year period from 2017 to 2022, as well as the strategy for the upcoming financial year (from 1 April 2018 to 31 March 2019). A feedback meeting takes place between the SETA and representatives of the DHET in July at which point feedback on the SSP was provided. The second draft of the SSP is developed in June and July and submitted to DHET on 1 August 2016, with the signature of the CEO and Acting Fasset Chairman of the Board. The third draft of the SSP is sometimes developed in August 2016 depending on the 1 August submission and submitted to DHET on 31 August 2016, with the signature of the CEO and Acting Fasset Chairman of the Board. 	<ul style="list-style-type: none"> No action points were highlighted in the most recent CIP submission. 	<ul style="list-style-type: none"> There are no major reported blockages in this area, therefore no measures being undertaken to address the blockage.

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2.10. Stakeholder Engagement in Preparation for the SSP

Matter	Current Status	Progress Made	Action Plan
Stakeholder Engagement in Preparation for the SSP	<ul style="list-style-type: none"> Fasset has, since its inception in 2000, built up its own data system from information submitted by employers as part of their Mandatory Grant applications. All of this information is captured in an electronic data system and is analysed every financial year of the Mandatory Grant Scheme. These employers indicate their scarce skills and training needs in their annual grant submissions, and thus constitute an important stakeholder group. In addition to information drawn from grant applications, Fasset conducts extensive sector surveys every five years. Surveys were conducted in the 2002/2003, 2007/2008 and 2012/2013 financial years. Information from the last survey is, where applicable, included in this update. A Sector Survey, initiated in 2016, is currently being finalized in the Fasset sector, and this will be the fourth sector survey to be undertaken. Apart from gathering detailed information from employers on the profile of the sector, the sector survey includes the views of other stakeholder groups i.e. professional bodies, workplace training providing organisations, learners, universities and further education and training (FET) colleges to provide Fasset with an up-to-date and comprehensive picture of its sector. Other research that informs the strategic planning processes includes, among other things, studies on the need for learnerships in specific subsectors or components of the sector conducted in the last few years. 	<ul style="list-style-type: none"> No action points were highlighted in the most recent CIP submission. 	<ul style="list-style-type: none"> There are no major reported blockages in this area, therefore no measures being undertaken to address the blockage.

3. Conclusion

We trust that this comprehensive report will address issues and challenges raised by DHET and thank DHET and the SETA Support Directorate for their insight and SSP feedback.

We hope that the recommendations made will be considered in the spirit of mutual cooperation as all parties are committed to addressing skills shortages and improving skills planning in South Africa.

Should DHET have any queries or questions, these may be directed to Lesego Lebuso or Lauren Derman at Fasset.

Annexure 1: Research Strategy NSDS III

Research Strategy 2011 to 2018
Updated: 15 March 2016



**FASSET RESEARCH STRATEGY
2011 – 2018
Updated: 15 March 2016**

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CHANGES TO THE RESEARCH PLAN

Date	Description	Page #
30 September 2015	<ul style="list-style-type: none"> Inclusion of information relating to the status of Critical Skills in the Research Strategy. 	8
30 September 2015	<ul style="list-style-type: none"> Change of duration date of policy. Ending 31 March 2018. 	Cover page
15 March 2018	<ul style="list-style-type: none"> Removal of reference to 5-yearly Sector Survey. Inclusion of definitions of scarce and critical skills. 	Various

ACRONYMS

Acronym	Detail
APP	Annual Performance Plan
CSS	Customer Satisfaction Surveys
DHET	Department of Higher Education and Training
DoL	Department of Labour
HET	Higher Education and Training
LCG	Learnership Cash Grant
LFS	Labour Force Survey
M & E	Monitoring and Evaluation
LL	Lifelong Learning
NLRD	National Learner Records Database
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PIVOTAL	Professional Vocational Technical and Academic
ROI	Return on Investment
SDF	Skills Development Facilitator
SETA	Sector Education and Training Authority
SP	Strategic Plan
SSP	Sector Skills Plan
StatsSA	Statistics South Africa
TVET	Technical and Vocational Education and Training
UoT	University of Technology
VET	Vocational Education and Training

1. INTRODUCTION

The establishment of a long-term research strategy for an organisation is an important element of supporting the business strategy of an organisation.

Firstly, the organisation must be able to link their organisational objectives to their research agenda; thereby illustrating how the research agenda is able to support the overall objectives for the organisation. Secondly, the research projects embarked upon, and budgets requested, will occur within a specific timeframe in the organisation, and the funding and selection of these projects must align with the overall strategy of the organisation in that timeframe.

This research strategy represents the research themes and research projects to be undertaken by Fasset over the extended NSDS period (i.e. from 1 April 2011 to 31 March 2018, over the course of the National Skills Development Strategy (NSDS) from 1 April 2011 to 31 March 2018 (NSDS III). The NSDS timeframe is extended to coincide with the public comment and implementation phases of the SETA landscape, which is expected to take effect on 1 April 2018.

2. NSDS OBJECTIVES

The Research Strategy must support the Sector Education and Training Authority (SETA) strategy as well as the objectives of the NSDS.

The eight objectives of NSDS III are as follows:

1. Establish a credible institutional mechanism for skills planning
2. Increase access to occupationally-directed programmes
3. Promote the growth of a public Training Vocation Education and Training (TVET) college system that is responsive to sector, local, regional and national skills needs and priorities
4. Address the low level of youth and adult language and numeracy skills to enable additional training
5. Encouraging better use of workplace-based skills development
6. Encourage and support cooperatives, small enterprises, worker initiated, NGO and community training initiatives
7. Increase public sector capacity for improved service delivery and supporting the building of a developmental state
8. Build career and vocational guidance

Research projects and initiatives undertaken by Fasset must relate to the NSDS III objectives, goals and outcomes. Should this not be the case, the research agenda of the SETA will not serve national objectives. The NSDS outcomes served by the Fasset research strategy are tabulated below.

Table 1: NSDS III Outcomes Supported by the Fasset Research Strategy

#	Skills Priority Description
1.1.1	Capacity is established within the Department of Higher Education and Training (DHET) to coordinate research and skills planning.
1.1.2	Sector Skills Plans (SSPs) are professionally researched, provide a sound analysis of the sector and articulate an agreed sector strategy to address skills needs.
1.1.3	Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.
2.1.1	SETAs research and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public Technical and Vocational Education and Training (TVET) colleges and universities of technology working in partnership with employers providing workplace-based training.
2.3.1	SSPs identify the supply challenges in relation to high-level scarce skills gaps and set out strategies for addressing them.
2.4.1	SSPs identify the focal areas for research, innovation and development.
2.4.2	Agreements are entered into between SETAs, university faculties and other stakeholders on flagship research projects linked to sector development in a knowledge economy.
2.4.3	Programmes are put in place that focus on the skills needed to produce research that will be relevant and have an impact on the achievement of economic and skills development goals.
4.1.2	A national database tracks training and work opportunities, and reports on implementation of the strategy.
6.2.1	SETAs, through their skills planning research, identify the skills needs of small and emerging businesses in their sector, and promote relevant programmes.
6.2.3	A national database of small businesses supported with skills development is established and the impact of training reported on.
7.1.1	SETAs with responsibility for public sector training conduct analysis and reflection on achievements and challenges.
7.2.1	SSPs set out the capacity needs of relevant departments and entities.

These outcomes will be addressed by specific research activities in the period 1 April 2011 to 31 March 2018. Depending on the focus of the DHET and the SETA, these outcomes may be amended from time to time.

3. SETA RESEARCH ACTIVITIES

In the same way that research projects and initiatives must speak to the NSDS III objectives, goals and outcomes, so too must initiatives serve the SETA's strategy. Should this not be the case, the research agenda of the SETA will not serve sectoral goals and objectives.

The skills priorities of Fasset, for the duration of NSDS III, are as follows:

Table 2: Skills Development Priorities 2011 to 2018

#	Skills Priority Description
A	Increasing the flow of new entrants to the labour market
1	Increasing the number of entrants to the labour market at TVET level.
2	Developing work readiness and soft skills of entrants at Higher Education and Training (HET) level.
3	Increasing the number of graduates in professional-body-accredited HET programmes.
4	Increasing the number of learners who qualify on professional learnerships.
5	Increasing the retention, work readiness and labour-market absorption of learners on learnerships.
6	Increasing the number of learners that enter the labour market through internships.
B	Developing and growing the skills required in the sector
7	Increasing the number of employees in the labour market at TVET and HET levels.
8	Ensuring that employees receive training (short courses and skills programmes).
9	Supporting skills development in small companies.
C	Facilitating transformation of the financial and accounting services sector
10	Increasing the number of trained African Black people and People with Disabilities in the economy.
D	Strengthening the financial skills base of the public sector
11	Increasing the number of public sector learners on TVET- and HET-level qualifications and learnerships.

Source: S&P Update 2016/2017

4. DURATION OF RESEARCH STRATEGY

The SETA research strategy must span the duration of the NSDS. Research projects must be scheduled to take place at different times of the year, over the duration of the NSDS. The timing needs to take into consideration respondent needs, SETA deadline dates and research submission requirements, and the length of time between research projects to avoid respondent fatigue.

5. KEY THEMES OF FASSET'S RESEARCH PROGRAMME

In support of the NSDS and SETA objectives, the following key themes have emerged as relevant to the Fasset research programme for 2011 to 2018.

1. Determining scarce skills in the Fasset Sector,
2. Understanding and defining relevant terminology in the Fasset and NSDS environment
3. Understanding the impact of Fasset-funded projects,
4. Providing quality sector skills planning in the Fasset sector,
5. Providing employer support guides and documentation to advocate skills initiatives in the sector,
6. Monitoring employers participating in the skills development system over time,
7. Ensuring the Fasset databases support excellent research and communication strategies,

8. Ensuring that Fasset appropriately structures and allocates values to grants and interventions appropriately.
9. Determining levels of customer satisfaction with the SETA.
10. Ensuring the SETA makes informed decisions with the input of a robust Monitoring and Evaluation (M & E) System, and
11. Participate in DHET and Inter-SETA committees and structures.

As the key themes are guided first by the SETA Strategy and NSDS III, it is important to update this strategy regularly (in line with the term of the NSDS strategy e.g. 5 years, 6 years, 7 years).

These themes are explained in more detail in the sections below.

5.1 Determining scarce skills in the Fasset sector

Fasset uses the term 'scarce skill' to refer to a shortage of people to fill positions in a specific occupation. Scarce skills are, therefore, linked to or expressed in terms of occupations classified on the Organising Framework for Occupations (OFO). Fasset adopts the definition of scarce skills, as included in the DHET Guideline to Identifying Scarce Skills (published by DHET in March 2011). Scarce Skills as a concept, refers to an absolute or relative demand for skilled people to fill particular occupations as classified on the Organising Framework for Occupations (OFO). It refers to those positions that remain unfilled for prolonged periods of time, in other words there are not enough qualified people to fill the positions. In the assessment of scarce skills it is important to consider different labour market signals.

The most obvious signals that are indicative of shortages in a particular occupation are:

- Difficulties experienced by employers to retain employees in the occupation owing to external demand and competition among employers to attract scarce skills;
- Difficulties experienced by employers to recruit people into positions, which results in vacancies that remain unfilled over a prolonged period of time;
- Difficulties experienced by employers with succession planning;
- Upward pressure on remuneration; and
- No spare capacity in the form of unemployed people who can fill positions in the particular occupations.

Critical Skills, on the other hand, in keeping with international trends refers to specific key or generic and "top up" skills within an occupation. Reference to critical skills seems to have disappeared from the information collection requirements of the DHET. Information on critical skills is no longer requested in the SSP submissions, as they were previously. For some time there have been varying interpretations of the term PIVOTAL, which has led to potential confusion and has also affected the manner in which the SETA disburses grants. A variety of terms exists in the public domain, which has confused the implementation agencies of skills development to apply varying approaches. These varying terms include:

- Scarce skills
- Critical skills
- PIVOTAL skills
- PIVOTAL list of occupations
- Priority skills
- Priority list

A list of scarce skills is needed in order to effectively communicate the skills needs to a variety of stakeholders, such as the:

- Fasset sector
- Fasset Board (for decision-making)
- South African prospective learners into the sector
- Education and training providers
- DHET

The list of scarce skills will outline the projected skills in demand in the Fasset sector for a period of five years, and in the short-term (annually). Of specific relevance is the value of this list, and subsequent supportive guides and documents that are developed, for the learner audience. In order to ensure the supply of labour into the Fasset sector is ensured, good career guides must be made available to schools and prospective learners in South Africa.

Scarce Skills in the SETA will be reflected in a list of PIVOTAL Skills, and included in the SSP of the SETA. This list will reflect the way the SETA will address the list of scarce skills, through the funding of PIVOTAL programmes.

6.2 Defining relevant terminology in the Fasset and NSDS environment

A number of new terms, requiring definition, emerge from time-to-time in the skills development environment.

Over time these have included terms such as: PIVOTAL, internship programmes, employer-based bridging programmes, urban and rural, work readiness etc ...

The funding allocated is dependent on the accurate understanding of these terms, Fasset must regularly conduct research into these concepts in order to better guide the SETA operationalisation of strategy.

In the past this research has been done, and typically includes a list of definitions and related issues that has assisted the Board in its strategic decision-making.

5.3 Understanding the impact of Fasset-funded projects

Since the inception of NSDS in 2000, there has been pressure on parties in the skills development environment to measure the impact of skills development initiatives. These impact questions range from understanding the impact of a specific training intervention, to large scale project successes and multiple outcomes.

Understanding the Return on Investment (ROI) in Training is important to prove the successes of the strategy, as well as being an important guide in decisions to renew funding for specific projects and interventions.

The activities used to monitor impact will consist of three tiers. First, impact will be monitored in Fasset's own system on a regular basis by using data that is collected for other purposes and as part of the execution of the SETA's normal functions. Second, regular studies undertaken by

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Fasset for other purposes will be utilised to monitor impact – for example, Customer Satisfaction Surveys (CSS) and Learnership Cash Grant (LCG) monitoring visits – and third, *ad hoc* and additional projects to measure impact, will be undertaken from time to time.

5.4 Providing quality sector skills planning in the Fasset sector

The SETA is required to submit an annual update to the five-year SSP to the DHET. This document submission is mandatory for the SETA, and critical to the DHET who must regularly understand the strategies of the various SETAs on an annual basis. Fasset too must present its annual strategy in a skills planning document.

As an annexure to the Annual Performance Plan (APP) and Strategic Plan (SP), the SSP contains the blueprint, strategy, implementation plans, goals, outcomes, targets and budgets for the skills strategy of the SETA for the upcoming financial year, or a five-year period (where the first SSP of the NSDS period is submitted to DHET). For example, the research conducted as part of the Sector Survey and the SSP for 2012 to 2017 has also informed the principle decisions that are the strategic drivers for the upcoming five years.

The Sector Survey generally takes place every five years. Due to the importance of this survey, it should ideally not be conducted within two months of the Mandatory Grant deadline date (to ensure maximum employer participation and avoid respondent fatigue). Fasset also conducts an annual analysis of grant applications to determine training trends and scarce skills.

5.5 Providing employer guides to support skills development

The roll-out of specific interventions and projects frequently necessitate employer support and buy-in. Without adequate toolkits, explanatory guides and research documents, employers would not be strong and active participants in the SETA skills development strategy roll-out. For example, where the SETA is wishing to drive the implementation of cross-SETA learnerships, Fasset has researched and developed employer guides to facilitate and enable this. Other examples include scarce skills guidelines and guidelines to the implementation of the OFO.

5.6 Monitoring participants over time

An employer member of the SETA may submit grant applications annually. These applications are a valuable source of information describing the training practices of employers in the sector. Subsequent to submission, the documents need to be collated and analysed so as to determine the sector trends in a specific period, and over a longitudinal period.

With this analysis, the SETA is better able to track the sector's involvement and progress with regards to specific indicators such as transformation, training rates per person, firm spend on training etc ...

5.7 Ensuring the Fasset databases support research and communication

In order to best implement research projects, and to ensure efficient samples of learners, employers, education and training providers, the SETA databases need to be up-to-date and accurate. It has been determined that these need to undergo updates on a regular basis.

5.8 Ensuring that Fasset structures grants appropriately

A number of the SETA grants and interventions require research into standard costs and tariffs to ensure that the SETA is best placed to offer market-related and cost-effective interventions. For many years, the SETA has benchmarked grant amounts offered to employers, who fund learners on academic programmes, with those offered by a variety of academic institutions. These include other PIVOTAL programmes that provide a fully occupationally-directed qualification and include supervised practical learning in a workplace, such as learnerships and internships.

5.9 Determining levels of customer satisfaction with the SETA

It is important to determine how Fasset is experienced by its stakeholders. On a basis to be determined CSS are conducted on stakeholders in the Fasset environment. These stakeholders include employers, training providers, professional institutes and other groupings deemed significant and strategically important. The CSS allow the SETA to monitor stakeholder perspectives on SETA functioning and the SETA strategic approach.

Due to the importance of this survey, it should ideally not be conducted within two months of the Mandatory Grant deadline date (to ensure maximum employer participation and avoid respondent fatigue). The results of this survey should be available for the Board strategic planning session.

To ensure valid comparison of findings across financial years, it is important to align the format of questions, sampling technique methodology and data analysis methods, from survey to survey.

After presentation of the CSS findings, Fasset management should devise an action plan, to remedy any issues identified in the CSS.

The ideal period of time between CSS is two years. Fasset can conduct smaller CSS internally, via the SETA research department, to test if there has been any progress against the CSS action plan.

Due to the operational nature of the CSS and the sensitive comments often contained in the document, it is not advisable to publish the report in its full format on the Fasset website. However, the Fasset Board and subcommittees should engage with this document, as it will inform strategic decision-making. The general public can engage with the findings of the CSS via a summary of the CSS in a press release.

5.10 Informed decisions through Monitoring and Evaluation

The need for an overarching M & Framework will assist in the evaluation of the attainment of strategic objectives, SETA performance against NSDS targets and as part of general reporting requirements against various national imperatives and good governance practices.

This is particularly important in the public sector environment where there is an increasing need for SETAs to account for the expenditure of public funds and the corresponding value that is added in the delivery of skills development initiatives that meaningfully contribute to addressing the various skills challenges in the country.

The SETA M & E Framework is a mechanism to track, monitor, evaluate, determine effect, report, identify gaps in performance and, based on past experience, inform future actions to be pursued. The process as well as indicators to be used for such assessments is included in this framework.

5.11 Participate in DHET and inter-SETA committees and structures

In order to invest in best practice at the SETA and to ensure that support is provided, wherever possible and wherever required to the DHET and other SETAs, Fasset will participate in skills development research forums, committees and other structures.

6. ADVOCATING RESEARCH AT FASSET

It is important to ensure that the SETA's research agenda obtains support from relevant stakeholders to Fasset. Such support is critical if Fasset is to remain relevant and strategic in implementing its objectives.

Support in the context of Fasset's research agenda for the 2011 to 2018 period, as well as the SETA's annual research plan, will entail buy-in, participation and information from Fasset's relevant stakeholder groups. These include national research institutes, fellow SETAs, employers, professional bodies, learners and education and training providers.

The sections to follow outline how support will be solicited from these groups, and how Fasset will ensure these stakeholders will be participating and on-board with SETA initiatives.

6.1 National Research Institutes

Fasset obtains data and information from national research organisations. These include Statistics South Africa (StatsSA) and the Department of Labour (DoL). Although such organisations are far removed from the SETAs stakeholder environment, where possible Fasset should actively pursue relationships with representatives of these organisations on various forums, as coordinated by the Department of Higher Education and Training (DHET), from time to time.

Fasset will continue to use information and request data published by these organisations. StatsSA documents would include the National Census and Labour Force Survey (LFS). DoL publish Employment Equity Reviews.

6.2 SETAs

An important source of information to Fasset, especially in the form of information, policy and methodology-sharing, is other SETAs.

Fasset should continue to interact with, and network with, SETA representatives. There are many opportunities for this, including DHET-hosted SETA forums, SETA conferences, SETA cluster meetings and research agency events.

6.3 Research Agencies and Consultancies

There are a large number of national research agencies and consultancies in existence in the SETA skills development environment. Where such agencies have a specific focus on skills development, and are conducting research as service providers for national government departments or public entities, Fasset should make itself available to such agencies to provide expertise, and to showcase the SETAs innovation and achievements in the field of research. This will both expose the SETA to other research practices as well as ensuring that Fasset is well-positioned as a reference SETA for such organisations.

From time to time this may entail the SETA presenting at conferences, seminars or colloquiums. Such exposure is encouraged as it positions Fasset as a leading SETA, however where such invitations are extended, SETA representatives must be mindful of whether the event is a for-profit event or not. There are instances where the SETA presents at such forums, especially where other SETAs, national research agencies or government departments are also presenting.

6.4 Employers

Employer participation is critical to the implementation of the SETAs research agenda and research plans. Employers are required to submit various grant applications to the SETA per year. These applications typically require much effort in the preparation and presentation of information.

For this reason Fasset should coordinate its research requests, where reasonable and appropriate, with these grant submissions. However, where this is not possible, as in the case of the Sector Survey that is generally conducted every five years, or ad hoc requests via the CSS, employers should be encouraged to participate.

Fasset should avoid gimmicks encouraging participation, such as winning a prize if the employer completes a research questionnaire. Rather the SETA should actively promote the importance of its research plan and the role of employers in this plan, through the forums such as Skills Development Facilitator (SDF) events, Lifelong Learning (LL) events, publications such as the Fasset website, eFacts or the Facts magazine.

When requests for participation in research projects are sent to employers, it is hoped that employers will (as a result of the advocacy documentation they receive) be aware of the need to support Fasset in rolling out their research agenda and participating in surveys.

Employers represented on Fasset's working committee structure will be regularly exposed to the current and latest developments of Fasset's research plan. This is intended to raise the issue of research to their 'top-of-mind'.

6.5 Professional Bodies

Critical to Fasset's SSP and various surveys conducted is the role of professional bodies. These organisations provide regular input into SETA strategy. In addition, many institutes have active research divisions that investigate professional and technical issues, for the benefit of their members and the profession.

It is important for the Fasset research department to retain ties to the research divisions of the professional bodies. Where mutually beneficial research topics may be researched, savings and benefits can be made. Where Fasset requires the input of professional body research divisions, this will enhance the relevance of the research conducted at Fasset whilst also enhancing the scope of research included in Fasset's research outputs.

In addition to maintaining ties with key research contact people at professional bodies, Fasset should promote the SETA's research agenda and research findings at professional body conferences, exhibitions and events.

Professional body organisations represented on Fasset's working committee structure will be regularly exposed to the current and latest developments of Fasset's research plan. This is intended to raise the issue of Fasset research to their 'top-of-mind'.

6.6 Education and Training Providers

Education and Training Providers are regularly reviewed in Fasset's sector research outputs such as the Sector Survey and the SSP. The information relating to educational supply is derived from national data sources such as the National Learner Records Database (NLRD). For this reason direct relationships with the student registry departments of educational institutions (include Universities, Universities of Technology (UoT) and TVET) are not necessary. The same is applicable to training institutions, where relevant student data can be obtained from SETA databases and uploads.

Where Universities and UoTs have active research departments in relevant faculties to Fasset functioning, these relationships should be actively cultivated. Oftentimes students require access to SETA data and relevant topics for the completion of postgraduate studies, and many SETAs have elected to fund research chairs at universities. This is part of the Minister of Higher Education and Training's commitment, via the NSDS to develop research capacity in South Africa. Ultimately research conducted in these institutions and specific faculties and departments will conduct research of relevance to Fasset sector planning and strategic decision-making.

Education and Training Providers represented on Fasset's working committee structures will be regularly exposed to the current and latest developments of Fasset's research plan. This is intended to raise the issue of Fasset research to their 'top-of-mind'.

6.7 Learners

Learner information will be collected via specific requests to the NLRD. However, specific learner research may be conducted from time to time. This will include learners commencing and completing learning programmes such as learnerships or internships. To ensure that these learners are committed to completing Fasset research, Fasset should continue to profile the importance of research and the goals of the SETAs research department, with learners. This may be done via specific publications such as I-Facts (learner e-facts).

In addition to learners, Fasset should extend networking to providers of bridging projects, as funded by Fasset. Such providers maintain extensive data sets including information on learner qualification level, further qualifications studied and starting salaries once placed in employment,

learnerships or internships. These service providers should become active participants in the research process.

7. IMPLEMENTATION OF KEY THEMES IN RESEARCH STRATEGY

On an annual basis the SETA Board allocates funding to support specific research projects. These research initiatives may be understood in the context of a broader research programme. In implementing the key themes of the research programme, as linked to the NSDS outputs, the initiatives outlined in Table 3 should be rolled out. Many of these projects are similar from year to year, and fall into the following type of initiatives:

- Annual SSP
- Sector Survey
- Annual Grant Analyses
- Research papers defining Key Concepts and Definitions
- Tracer studies on beneficiaries of Fasset grants and projects
- Employer and Learner guidelines and advocacy packs
- Benchmarking exercises and research
- Participate in Inter-SETA forums, structures and committees
- CSSs
- M & E Studies

Table 3: Implementation against key themes

#	Key theme	Link to NSDS Output	Initiatives over 5-year period
1	Determining scarce skills in the Fasset Sector	<p>1.1.1 - Capacity is established within the DHET to coordinate research and skills planning.</p> <p>1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.</p> <p>2.1.1 - SETAs research and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public Technical and Vocational Education and Training (TVET) colleges and Universities of Technology working in partnership with employers providing workplace-based training.</p> <p>2.3.1 - SSPs identify the supply challenges in relation to high-level scarce skills gaps and set out strategies for addressing them.</p> <p>2.4.1 - SSPs identify the local areas for research, innovation and development.</p> <p>2.4.2 - Agreements are entered into between SETAs, university faculties and other stakeholders on flagship research projects linked to sector development in a knowledge economy.</p> <p>2.4.3 - Programmes are put in place that focus on the skills needed to produce research that will be relevant and have an impact on the achievement of economic and skills development goals.</p>	<ul style="list-style-type: none"> • SSP for 5-year NSDS period • Annual SSP Update • Scarce Skills Guide • Sector Survey • Annual Grant Analyses • Learner Career Guides • Employer support guides • Research on specific learning steps in demand
2	Understanding and defining relevant terminology in the Fasset and NSDS environment	<p>1.1.1 - Capacity is established within the DHET to coordinate research and skills planning.</p> <p>1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.</p>	<ul style="list-style-type: none"> • Research defining Key Concepts and Definitions
3	Understanding the impact of Fasset-funded projects	<p>1.1.1 - Capacity is established within the DHET to coordinate research and skills planning.</p> <p>1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.</p> <p>4.1.2 - A national database tracks training and work opportunities, and reports on</p>	<ul style="list-style-type: none"> • Triaxial studies • CSOs • Monitoring and Evaluation Reports

#	Key theme	Link to NSDS Output	Initiatives over 5-year period
		Implementation of the strategy	
4	Providing quality sector skills planning in the Fasset sector	<p>1.1.1 - Capacity is established within the DHET to coordinate research and skills planning.</p> <p>1.1.2 - SSPs are professionally researched, provide a sound analysis of the sector and articulate an agreed sector strategy to address skills needs.</p> <p>1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.</p> <p>2.1.1 - SETAs research and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public Technical and Vocational Education and Training (TVET) colleges and Universities of Technology working in partnership with employers providing workplace-based training.</p> <p>2.3.1 - SSPs identify the supply challenges in relation to high-level scarce skills gaps and set out strategies for addressing them.</p> <p>2.4.1 - SSPs identify the local areas for research, innovation and development.</p> <p>2.4.2 - Agreements are entered into between SETAs, university faculties and other stakeholders on flagship research projects linked to sector development in a knowledge economy.</p> <p>2.4.3 - Programmes are put in place that focus on the skills needed to produce research that will be relevant and have an impact on the achievement of economic and skills development goals.</p> <p>6.2.1 - SETAs, through their skills planning research, identify the skills needs of small and emerging businesses in their sector, and promote relevant programmes.</p>	<ul style="list-style-type: none"> • Annual SSP Update • Sector Survey • Annual Grant Analyses • SSP for 5-year NSDS period • Scarce Skills Guide
5	Providing employer support guides and documentation to advocate skills initiatives in the sector	<p>1.1.1 - Capacity is established within the DHET to coordinate research and skills planning.</p> <p>1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.</p> <p>7.1.1 - SETAs with responsibility for public sector training conduct analysis and</p>	<ul style="list-style-type: none"> • Employer support guides • Scarce Skills Guide • Guideline to the Implementation of the OFD

Research Strategy 2011 to 2016
Updated: 13 March 2016

#	Key theme	Link to NSDS Output	Initiatives over 5-year period
		reflection on achievements and challenges. 7.2.1 - SSPs set out the capacity needs of relevant departments and entities.	
6	Monitoring employers participating in the skills development system over time	1.1.1 - Capacity is established within the DHET to coordinate research and skills planning. 1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders. 7.1.1 - SETAs with responsibility for public sector training conduct analysis and reflection on achievements and challenges. 7.2.1 - SSPs set out the capacity needs of relevant departments and entities.	<ul style="list-style-type: none"> • Annual SSP Update • Benchmarking research • Annual Grant Analysis • Sector Survey • SSP • Scarce Skills Guide
7	Ensuring the Fasset databases support on-collected research and communication strategies	1.1.1 - Capacity is established within the DHET to coordinate research and skills planning. 1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders. 6.2.3 - A national database of small businesses supported with skills development is established and the impact of training reported on.	<ul style="list-style-type: none"> • Employer database update • Learner database update
8	Ensuring that Fasset structures and costs grants and administrations appropriately	1.1.1 - Capacity is established within the DHET to coordinate research and skills planning. 1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.	<ul style="list-style-type: none"> • Annual research into grant scheme efficiency and related expenses and tariffs.
9	Determining levels of customer satisfaction with the SETA	2.3.1 - SSPs identify the supply challenges in relation to high-level scarce skills gaps and set out strategies for addressing them.	<ul style="list-style-type: none"> • CSS • Sector Survey
10	Ensuring the SETA makes informed decisions with the input of a robust M & E System	1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders. 2.4.3 - Programmes are put in place that focus on the skills needed to produce research that will be relevant and have an impact on the achievement of economic and skills development goals.	<ul style="list-style-type: none"> • Fasset M & E Framework • Fasset M & E Reports

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#	Key theme	Link to NSDS Output	Initiatives over 5-year period
11	Participate in CHET and inter-SETA committees and structures	1.1.1 - Capacity is established within the DHET to coordinate research and skills planning. 1.1.3 - Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders.	<ul style="list-style-type: none"> • Participate in inter-SETA forums, structures and committees

8. USE AND PUBLICITY OF THE RESEARCH

The sector served by Fasset, must be given an opportunity to interact with the findings of the research conducted and funded by Fasset. For this reason, the SETA has a policy of advertising and publishing completed research on the SETA website and in various SETA publications.

These publications and events include:

- Facts (Fasset's newsletter for stakeholders)
- E-facts (Fasset's electronic magazine for stakeholders)
- L-facts (Fasset's electronic magazine for learners)
- Website publications
- Press releases
- Lifelong Learning (LL) training events (run throughout the year and offering Fasset stakeholders a unique opportunity to become up-to-date with SETA news and offerings)
- Board strategic planning (the Board uses the Fasset research to inform their strategic planning and decision-making processes)

Annexure 2: Research Plan 2017/18

Final Fasset Research Plan 2017/2018
Issued: 25 March 2017



Fasset Research Plan 2017/2018
Updated: 25 March 2017

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CHANGES TO THE RESEARCH PLAN

Date	Description	Page #
25 March 2017	First draft of research plan developed.	NA

ACRONYMS

Acronym	Detail
AGSA	Auditor-General of South Africa
AMG	Assessor and Moderator Grant
ATR	Annual Training Reports
CSS	Customer Satisfaction Survey
DHET	Department of Higher Education and Training
EMS	Event Management System
LCG	Learnership Cash Grant
LEG	Learner Employer Grant
LPD	Learner Professional Development
M & E	Monitoring and Evaluation
NLEG	Non Levy Paying Learner Employer Grant
NLP	Non Levy Payer
NLRG	National Student Financial Aid Scheme (NSFAS) Loan Repayment Grant
NSA	National Skills Authority
NSDS	National Skills Development Strategy
NSFAS	National Student Financial Aid Scheme
OFO	Organising Framework for Occupations
PIVOTAL	Professional Vocational Technical and Academic
SCM	Supply Chain Management
SDL	Skills Development Levy
SDU	Special Development Unit
SETA	Sector Education and Training Authority
SETAB	Sector Education and Training Advisory Boards
SIPS	Strategic Infrastructure Projects
SP	Strategic Plan
SPU	Skills Planning Unit
SSP	Sector Skills Plan
TVET	Technical Vocational Education and Training
UCS	Underhill Corporate Services
WSP	Workplace Skills Plan

1 INTRODUCTION

The research plan is linked to national and sectoral objectives and is developed annually and updated when the research strategy changes, which occurs for specific reasons.

This document details the research planned for implementation by Fasset in the 2017/2018 financial year. Any changes to the document should be detailed, to allow for greater understanding, and continuity and clarity of each draft developed.

2 BACKGROUND

This document will provide information to the Fasset Board, Fasset management and staff, interested stakeholders, and those auditing Fasset's research function (including the Auditor-General of South Africa (AGSA) and the Department of Higher Education and Training (DHET)).

This plan will enable the research function at Fasset to plan for research implementation and ensure that the Sector Education and Training Authority (SETA) and National Skills Development Strategy (NSDS) targets are monitored and met.

3 RESEARCH DEPARTMENT STAFF STRUCTURE

Fasset employs a small department that deals with research in the organisation. This includes a Director and Research Specialist who will oversee external research service providers, as well as conduct internal research projects.

From mid-April 2017 the Research Specialist position will be vacant and an additional staff member may be recruited.

4 WHITE PAPER FOR POST-SCHOOL EDUCATION AND TRAINING

The White Paper for Post-School Education and Training introduced important principles and outlined the background that contextualises the DHET focus on research. To ensure that Fasset is aligned with the latest strategic direction from the DHET, the following salient points have been taken into consideration in the SETA's research plan.

4.1 Better quality research is needed

Better quality research is required to inform sector, industry, regional, employer and national skills planning initiatives. Effective skills planning methods are required to identify sectoral and national scarce skills and skills demands in the short, medium and long-term.

Priorities for the funding of students by institutions such as the National Student Financial Aid Scheme (NSFAS) should be informed through research.

..

Fasset, in conjunction with all SETAs, must regularly supply DHET and other stakeholders with important information to inform sectoral, cross-sectoral and national scarce skills lists. Capacity is to be built at the SETAs to ensure that consistent and responsive research capacity is built.

4.2 Skills planning and research will be centralised

Centralised skills planning will support national policy implementation and economic growth as well as informing supply-side planning in post-school institutions.

DHET is to assume a stronger role in coordinating skills planning initiatives. To date DHET has coordinated SETA forums focusing on research and collaboration around research, as well as requesting SETA data (Mandatory Grant data). DHET is to focus on changes to the system of sector Workplace Skills Plans (WSPs) and Annual Training Reports (ATRs) in order to improve data collection. The Mandatory Grant is no longer conceptualised as an incentive for workplaces to claim SETA benefits, rather it is a tool for public sector organisations to collect relevant information.

SETAs will continue to provide important workplace data, and will continue to conduct sector research. This will be supplemented by workplace surveys, coupled with additional information such as tracking vacancies.

The DHET will establish a Skills Planning Unit (SPU) which will work with key public institutions, such as universities and other research institutions, to develop an institutional mechanism for skills planning. This SPU is to become a repository of labour market information, will develop skills demand forecasting models, and will promote and build labour market research and analysis skills for the country.

4.3 Informing qualification development

The White Paper calls for research to inform the allocation of resources to develop qualifications and learning programmes that are relevant to the needs of the labour market. To avoid wasted efforts as well as the duplication of efforts, research must be conducted to determine the need and viability of new qualifications for development.

In addition, research should provide insights into the appropriate qualifications to be produced for the support of government-funded infrastructure projects which will encourage economic growth and employment i.e. Strategic Infrastructure Projects (SIPs).

4.4 Focus on Monitoring & Evaluation (M & E)

The White Paper indicates that the DHET will publish a Monitoring & Evaluation (M & E) framework for implementation in the skills development arena. The national system for skills planning referred to earlier will also provide an important resource for tracking skills development and its impact over time.

Through the establishment of success indicators, M & E will explain the levels of efficacy being achieved, and will identify blockages in the system. This has to take place against defined indicators which will draw on successive NSDS's and on the indicators in the Minister's delivery agreement with the President.

A restructured and refocused National Skills Authority (NSA) will concentrate on the M & E of the SETAs. This implies that it will become an expert body with high-level M & E skills.

Fasset is positioned to align to a national focus on M & E. The research department have focussed on M & E since July 2014.

5 SETA LANDSCAPE

In the second half of 2015, DHET released a document outlining a revised SETA landscape which is to be effective on 1 April 2018.

Amongst other proposals, the DHET proposed the SETAs be dissolved and be integrated into the DHET in the form of Special Development Units (SDUs) called Sector Education and Training Boards (SETABs). These divisions of DHET would no longer report to a SETA-specific Board, rather they would report to the DHET senior leadership via an Advisory Board of experts appointed by the Ministry.

The landscape document proposes the centralisation of research at the DHET, the results of which would feed into the SDUs.

The proposed landscape has not yet been finalised, it is currently being debated at DHET. However the existence of SETAs is clearer with SETA licenses extended to 31 March 2020.

6 FASSET SETA BOARD FOCUS ON RESEARCH AND M & E

The measurement of impact, efficiency and cost-effectiveness of SETA projects and interventions is an important focus area. This will assist the SETA Board in making the best possible strategic decisions based on research. This is deemed to be particularly important in the public sector environment where there is an increasing need for SETAs to account for the expenditure of public funds and the corresponding value that is being added in the delivery of skills development initiatives. Furthermore, impact analysis is also deemed to assist SETA management and the Fasset Board with strategic input, through the provision of detailed information on organisational activities and performance.

This is not only a SETA issue, DHET and related stakeholders will also conduct research to inform funding norms that determine which programmes are funded.

7 RESEARCH SUPPORT TO FUNCTIONAL DEPARTMENTS AT FASSET

In the 2017/2018 year the research department will take responsibility for conducting, steering and communicating research conducted at Fasset. The research function at the SETA will continue to be coordinated by the research department which will ensure targets and quality standards are met, and that the timing of research to be conducted is coordinated to avoid research fatigue. The department will provide research support to Fasset departments in the following way:

- Work with key staff of the organisation in carrying out data-related responsibilities and providing advice in respect of survey design, database structure, information capture and reporting requirements.
- Advise on the use of Survey Monkey in designing survey instruments and collecting data.
- Coordination of the timetable of research to be conducted, and information (grant applications) required by respondents, to ensure they do not experience research fatigue.
- Advise departments on required activities to ensure the monitoring of project / intervention success.
- Draw information across departments to ensure the monitoring of project success.
- Compile an annual M & E Report for submission to the SETA Board to accompany their strategic planning focus.
- Complete research in line with this annual research plan.

8 PUBLICATION OF RESEARCH FINDINGS

The sector served by Fasset, must be given an opportunity to interact with the findings of the research conducted by Fasset. For this reason, the SETA has a policy of advertising and publishing completed research on the SETA website and in various SETA publications. Exceptions to this will be research of a sensitive nature, which may contain references to individuals in the organisation, such as the Customer Satisfaction Survey (CSS) and where the documents include findings and recommendations for debate and discussion at the SETA.

SETA advisory and decision-making structures will be given access to research results, so as to inform their strategic input and decision-making at meetings.

The research department will ensure the research outputs are communicated to Fasset stakeholders in an appropriate manner. This may include publishing documents on the Fasset website, and coordinating press releases through the communications department.

9 PROCUREMENT

For larger, specialised, statistical or technical research projects, Fasset has adopted an out-source model. This model works well in the Fasset environment as external research expertise is used, as and when required, and this ensures that the best expertise is procured for research using the competitive principles of Supply Chain Management (SCM). An internal research function of this quality and experience could not be retained, and is not affordable to the SETA.

For the 2017/2018 financial year, the SETA has already procured service providers to conduct three research projects. This procurement occurred in prior financial years with contracts extending into the current financial year. These include an analysis of grant applications for the financial year which is included in a broad sector trends report, the benchmarking of training in the financial year and the Sector Skills Plan (SSP) Update. In addition, the Sector Survey 2017 contract has been extended with Underhill Corporate Services (UCS) to allow for the completion of data analysis and the report write-up.

Notwithstanding the above, Fasset will continue to develop the expertise of its staff in an attempt to become independent of outsourced research expertise; the organisation should develop staff to become capable to conduct high-level and complex research projects. This shall be a goal of the SETA until the skills shortage for labour market researchers and statisticians is alleviated.

In March 2016 Fasset procured the services of a research service provider (i.e. Research Focus) until the end of the SETA license on 31 March 2018.

10 NSDS TARGETS

Table 1 shows the research targets that are in place for the period 1 April 2016 to 31 March 2017. From quarter to quarter, depending on the roll-out of the SETA project plan, there may be some variation in the nature, topics and quantity of interventions achieved.

Table 1: 2017/2018 Target 1.1 and 1.2 by Quarter

NSDS #	NSDS Output	Fasset Output	Quarter 1: April to June	Quarter 2: July to September	Quarter 3: October to December	Quarter 4: January to March	Total
1.1 Planned	Commission and conduct research on relevant areas and distribute to relevant stakeholders	Commission and conduct research on relevant areas as agreed by Fasset Board, and distribute to relevant stakeholders	1. Impact of the Fees Must Fall movement on Fasset delivery 2. Model for SETA grant/incentives 3. Disability Toolkit 4. Sector Survey 2017	5. M & E Report 6. Customer Satisfaction Survey (CSS)	7. Tariffs update 8. Impact of the SETA TVET intervention	9. Fasset Sector Trends 10. Benchmarking Report 11. Transformation in the Fasset Sector 12. Learnership Readiness Pack	12
	Minimum to Achieve		4	2	2	4	12
1.2	Produce draft Sector Skills Plan Update (SSP) 2017/2018 (for the 2018 to 2019 period) for submission to DHET	Produce draft SSP Update 2017/2018 for the 2018/2019 financial year for submission to DHET by the due date.		SSP submitted			1
	Minimum to Achieve		0	1	0	0	1

11 RESEARCH OUTPUT TYPES

Fasset either conducts or commissions certain types of research on a regular basis. These include projects that relate to the themes described in the sections that follow.

11.1 Database Updates

In order to ensure that Fasset is able to communicate effectively with its sector, and well as ensure that the participation levels and programme completion information is up-to-date, Fasset must ensure its databases are up-to-date.

Ongoing maintenance of databases will be completed in the 2017/2018 period. This will be managed with the various departments as part of ongoing monitoring and maintenance.

11.2 Employer Support Guides

To ensure that Fasset stakeholders remain involved in the SETA, participate in SETA benefits and understand the sector, a number of support documents and guidelines will be generated. In 2017/2018 these documents will include:

- Scarce Skills Guide
- Getting Started with Fasset
- Fasset Benefits and Incentives
- Scarce Skills Policy

The Fasset Research Department will produce these documents.

11.3 Funding Decision Research

A large portion of research to be conducted will focus on the success of the strategic funding allocations. The funding allocated will be evaluated in the M & E report; however specific questions will be investigated in some detail. These include topics such as:

- Transformation of the Fasset Sector

The Fasset Research Department will conduct this research.

11.4 Grant Application Support

Research to assist Fasset to implement its grant application scheme will be undertaken in the 2017/2018 year. These outputs will include:

- Organising Framework for Occupations (OFO) Employer Guideline
- Disability Toolkit Update
- Benchmarking Report

The Fasset Research Department will conduct this research, with the exception of the Benchmarking Report which is to be implemented by Research Focus.

11.5 Customer Satisfaction Survey (CSS)

Research to assist Fasset to improve its delivery to its main stakeholders is regularly conducted.

A CSS Update is planned for the 2017/2018 financial year given that the SETA landscape has been extended to 31 March 2020.

- CSS 2017

The Fasset Research Department will conduct this research.

11.6 Learner Research

As the main purpose of the NSDS is the generation of appropriate qualified learners. In support of this, a portion of the research plan will focus on this area.

No projects in this area are to be undertaken in the period.

11.7 Learning Programme Success

To determine if programmes have been successful, studies are planned to track learners after the completion of bridging programmes and learnership programmes. This will include:

- Impact of the SETA TVET intervention
- Impact of the 'Fees Must Fall' movement on Fasset delivery

The Fasset Research Department will conduct this research.

11.8 Monitoring, Evaluation and Impact

Each year, following the completion of the SETA outputs for the financial year, at the same time as the finalisation of SETA target achievement, an annual Monitoring, Evaluation and Impact Report will be prepared. The report will also contain information and analysis on specific areas being monitored and evaluated, since SETA inception.

The structure of the report should be debated with the SETA management, to ensure that it meets this need. This output should be finalised no longer than three months after the commencement of the financial year.

In every financial year two reports are typically undertaken. Substantial planning and data collection occurs in respect of the report applying to the current financial period i.e. 2017/2018. Simultaneously completion of the report for the previous financial year i.e. 2016/2017 is completed.

The Fasset Research Department will undertake this work.

11.9 SSPs and Updates

The development of the SSP, and its annual updates, are a requirement of the DHET in accordance with skills development legislation.

The SSP describes: the sector profile, supply of labour in the sector, demand for labour in the sector, provides an analysis of demand and supply, an identification of scarce skills in the sector and the compilation of a PIVOTAL (Professional Vocational Technical and Academic) and scarce skills list.

Due to the statistical nature of this work, this deliverable will be outsourced.

11.10 Annual Fasset Sector Trends Research

Annual analyses from each grant scheme year provide Fasset with an opportunity to update the input data to the SSP, confirm SETA strategy and monitor the performance of firms and employees over time. This may be combined with sector-wide information to develop a report on trends in the Fasset sector.

The trends analysis also provides signals to Fasset stakeholders and education and training providers about skills that are currently needed or will be needed in future in the economy. Trends such as the number of Black African people in the sector, rates of training etc... are measured in each scheme year.

Due to the statistical nature of this work, this deliverable will be outsourced.

11.11 Advocating the Fasset research department with stakeholders

Advocacy and marketing of the Fasset research programme is required. This will be done in the sector to obtain buy-in from specific stakeholders such as employers, professional institutes and education and training providers. The SETA managers, working committees, DHET and the SETA Board will be critical partners in this respect.

11.12 Emergent Topics

The sections above provide some detail on the areas to be researched. As implementation of the financial year takes place, topics for research in the following financial year will be clarified.

12 DATABASES AND INFORMATION AT FASSET

Information must be drawn from multiple sources before it can be used in Fasset reporting. All present data is housed in a number of 'places' at Fasset. The table below represents the main data areas at Fasset, and where this data is currently housed. Some data is housed in systems

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in the IT system. Other data is kept in spreadsheets in specific department document folders which should be available on request.

In addition to databases which house Fasset data, a number of research reports are housed in folders on Fasset's shared drive as well as the Fasset SharePoint system. The roadmap to this system can be found elsewhere and is updated by the Communications Department.

Table 2: Databases at Fasset

#	Data	Data Source	Manager
1	Training Providers	Indicium	Natércia Faustino
2	Assessors and Moderators	Indicium	Natércia Faustino
3	Learners on Learning Programmes	Indicium	Natércia Faustino
4	Bridging Programmes	Indicium	Tania Lee
	1. Access to Higher Education		
	2. Academic and Professional Qualifications		
	3. Work Readiness (discontinued in 2016/2017)		
	4. TVET Learners Placed in Firms for Work Placement		
	5. TVET Lecturers and Learners Undertaking Professional Body Qualification (discontinued in 2015)		
5	Lifelong Learning	Event Management System (EMS)	Zandile Skoena
	1. LL employees beneficiaries' at Fasset firms		
	2. Learner Professional Development (LPD) employees beneficiaries' at Fasset firms		
	3. TVET learners and lecturers		
6	Grant Applications	Indicium	Natércia Faustino
	1. Mandatory Grant		
	2. Learnership Cash Grant (LCG) (discontinued in 2016/2017)		
	3. Assessor and Moderator Grant (AMG) (discontinued in 2015/2016)		
	4. National Student Financial Aid Scheme (NSFAS) Loan Repayment Grant (NLRG)		
	5. Non Levy Payer (NLP) Registrations		
	6. PIVOTAL Grant (discontinued in 2015/2016)		
	7. Learner Employment Grant (Skills Development Levy (SDL) SDL Paying) (LEG)		
	8. NLP Learner Employment Grant (Non-SDL Paying) (NLEG)		

13 DETAIL OF RESEARCH OUTPUTS

Table 3 shows the research outputs planned for the 2017/2018 financial year.

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The topic, research theme, service provider, start and end date (approximate dates are provided, and confirmed prior to the commencement of the financial year) and total budget are specified in the table. In addition, it is indicated whether the research is an NSDS target output or a supporting output i.e. it will assist in the maintenance of a best practice research function, but does not currently qualify as an output. A greater number of outputs are planned as compared with the number submitted as part of the NSDS targets in the Strategic Plan (SP).

A very detailed project planning template, indicating specific outputs and deliverables for all research planned has been designed. Additional research topics may be scheduled, and the research plan will be modified accordingly and from time to time.

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Table 3: Planned Research Activities 2017/2018 Financial Year

#	Theme	Topic	Deliverables	Alignment to NSRF	Start Date	End Date	Total Budget
Coordinated Research							
1	Benchmarking Report	Training in the Fasset sector (exclusively against previous years and the sector)	- Draft Report - Final Report	NSRF Target 1.1	January 2018	March 2018	R 31 600.07
2	Fasset Sector Trends	Fasset Sector Trends	- Data open to be developed - Provision of Data - Draft Report - Final Report	NSRF Target 1.1	January 2018	March 2018	R 205 869.64
3	Learning Programme Outcomes	Impact of the SICTA T&ET intervention	- Sample strategy to be developed - Survey instrument to be developed - Survey instrument to be piloted - Survey instrument to be distributed - Data to be drawn - Data to be analysed - Draft Report - Final Report	NSRF Target 1.1	April 2017	September 2017	R 0
4	RFP Update	RFP Update for the 2018/2019	- Draft Report - Final Report	NSRF Target 1.2	February 2017	September 2017	R 288 374.63
5	Fasset Sector Trends	Fasset Sector Survey 2017	- Provision of Data - Draft Report - Final Report	NSRF Target 1.1	January 2018	March 2018	Remaining Budget TBA
Employer Support Guides and Other Application Support							
6	Employer Support Guide	Issue Draft Guide (including online and PDF) (TNA 44)	- Draft Report - Final Report	NA	June 2017	August 2017	R 0
7	Employer Support Guide	Getting Started with Fasset	- Draft Report - Final Report	NA	August 2017	September 2017	R 0
8	Employer Support Guide	Fasset Benefits and Incentives	- Draft Report - Final Report	NA	August 2017	September 2017	R 0

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#	Theme	Topic	Deliverables	Alignment to NSRF	Start Date	End Date	Total Budget
9	Grant Application Support	CPD Employer Guide	- Draft Report - Final Report	NA	September 2017	December 2017	R 0
10	Employer Support Guide	Disability Trends Update	- Draft Report - Final Report	NA	April 2017	June 2017	R 0
11	Employer Support Guide	Learning, Readiness Plan Updated	- Draft Report - Final Report	NA	January 2018	March 2018	R 0
Internally Coordinated Research							
12	Training Decision Research	Transformation in the Fasset Sector	- Draft Report - Final Report	NSRF Target 1.1	January 2018	March 2018	R 0
13	Learning Research	Impact of the Fasset T&ET intervention on Fasset delivery	- Sample strategy to be developed - Survey instrument to be developed - Survey instrument to be piloted - Survey instrument to be distributed - Data to be drawn - Data to be analysed - Draft Report - Final Report	NSRF Target 1.1	April 2017	June 2017	R 0
14	M & U	M & U Report (SICU2017 to 2018/2017)	- Data to be drawn - Data to be analysed - Draft Report - Final Report	NSRF Target 1.1	April 2017	September 2017	R 0
15	Grant Application Support	T&ET Update	- Draft Report - Final Report	NA	October 2017	December 2017	R 0
16	Employer Support Guide	CSG 2017	- Draft Report - Final Report	NA	July 2017	September 2017	R 0
17	Employer Support Guide	Model for SICTA grant/contract	- Draft Report - Final Report	NA	April 2017	June 2017	R 0
Strategy and Planning documents							
18	Planning	Review on Strategy 2018/2018	Strategy Document	NA	April 2017	July 2017	R 0

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#	Title	Task	Deliverables	Approved by RSCS	Start Date	End Date	Total Budget
18	Planning	Research Plan 2018/2019	- Draft Report - Final Report	NA	April 2017	September 2017	R0
20	Policy	Research Policy	- Draft Report - Final Report	NA	April 2017	July 2017	R0
21	Policy	Score Skills Policy	- Draft Report - Final Report	NA	April 2017	September 2017	R0
		Total Budget					TBA

14 RESEARCH BUDGET

The research budget for the 2017/2018 financial year is depicted in the table below.

Table 4: Research Budget 2017/2018

#	Data	Data Source	Amount
1	Benchmarking Report	Training in the Fasset sector benchmarked against previous years and the sector	R 61 402,87
2	Fasset Sector Trend Report	Fasset Sector Trend Report	R 275 983,64
3	SSP Update	SSP Update for 2017-2018 (2017 – 2022)	R 299 374,09
4	Courier	Prizes a maximum of 6 per year X R 250	R 1 500,00
		Total Budget	R 678 230,30

15 WAY FORWARD

In addition to the above mentioned research activities, the research department will focus on the following areas in the 2017/2018 year:

- Represent Fasset in various research and evaluation-related activities and projects, including steering committee meetings, public events, workshops and training events.
- Focus on advocating and developing Fasset's research function with reference to professional and academic institutions of relevance (e.g. universities) to the Fasset sector.
- Via the M & E work provide guidance to the Board to assist their strategic decision-making.
- Take responsibility for managing all research to be conducted at Fasset.
- Prepare the SETA Board to recognise high impact projects where SETA funding is best spent.
- Conduct *ad hoc* research to support the Board strategic and Fasset's operational needs.
- Assist DHET to develop in-house data collection tool for Mandatory Grant data and scarce skills

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Annexure 3: Fasset NSDS targets for 2017/18

#	Fasset Performance Indicators	Reporting Period	Annual Target	Quarter 1 Target 30 June 2017	Quarter 2 Target 30 Sep 2017	Quarter 3 Target 31 Dec 2017	Quarter 4 Target 31 Mar 2018
1.1	Research that enables sector skills planning	Quarterly	10	2	3	2	3
1.2		Quarterly	1	0	1	0	0
2.1	Number of workers and unemployed people who enter learning programmes (at middle-level – learnerships)	Quarterly	700	50	50	50	550
2.2	Number of workers and unemployed people who complete learning programmes (at middle-level – learnerships)	Quarterly	450	30	100	185	125
2.3	Number of workers that have registered and completed skills programme - Lifelong Learning	Quarterly	4000	0	1800	2200	0
3.1	Number of workers and unemployed people who enter learning programme (at high-level – Learnerships)	Quarterly	3330	300	600	700	1730
3.2	Number of workers and unemployed people who enter learning programme (at high-level – Learnerships)	Quarterly	2380	100	100	100	2000
3.3	Number of unemployed learners on learnerships funded via Learner Employment Grant	Annual	3800	0	0	0	3800
3.4	Number of workers learners on learnerships funded via Learner Professional Development	Quarterly	6000	1500	2000	1000	1500
3.5	Number of workers who enter and complete on high-level Lifelong Learning	Annual	6500	0	0	0	6500
3.6	Number of unemployed learners who enter the Bridging Programme for the completion of a qualification – Universities	Biannual	1500	400	600	500	1500
3.7	Number of unemployed learners who complete the Bridging Programme for the completion of a qualification – Universities	Annual	1050	0	0	0	1050
3.8	Number of unemployed learners who enter the Bridging Programme for the completion of a qualification/ designation – Professional Bodies	Annual	330	0	0	100	230
3.9	Number of unemployed learners who complete the Bridging Programme for the completion of a qualification/ designation – Professional Bodies	Annual	231	0	0	0	231

Updated: 1 August 2017

Fasset

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#	Fasset Performance Indicators	Reporting Period	Annual Target	Quarter 1 Target 30 June 2017	Quarter 2 Target 30 Sep 2017	Quarter 3 Target 31 Dec 2017	Quarter 4 Target 31 Mar 2018
3.10	Number of unemployed learners funded via Bursary Grant	Annual	500	0	0	0	500
3.11	Number of unemployed learners funded on NSFAS Loan Repayment Grant	Biannual	200	0	50	100	50
3.12	Number of unemployed learners entered and funded via the Fasset Bursary scheme	Annual	330	0	0	0	330
3.13	Number of unemployed learners completed and funded via the Fasset Bursary scheme	Annual	264	0	0	0	264
3.14	Number of unemployed learners on a Fasset-funded NSFAS Bursary	Annual	300	0	0	0	300
3.15	Number of unemployed learners funded via Non-PVOTAL Learner Employment Grant	Annual	300	0	0	0	300
3.16	Number of unemployed learners who enter bridging programme for the completion of a qualification / designation (Non- PIVOTAL)	Biannual	180	0	100	80	180
3.17	Number of unemployed learners who complete bridging programme for the completion of a qualification / designation (Non- PIVOTAL)	Biannual	112	0	0	64	48
4.1	Number of unemployed TVET Graduates placed (in in-service training)	Quarterly	480	0	100	160	200
4.2	Number of unemployed TVET graduates completing in-service training	Annual	210	0	0	0	210
4.3	Number of BETA Employer Partnerships established	Annual	15	0	0	0	15
5.1	Large firms (submission of WSP / ATR)	Biannual	80	0	20	40	0
5.2	Medium firms (submission of WSP / ATR)	Biannual	80	0	20	60	0
5.3	Small levy paying firms (submission of WSP / ATR)	Quarterly	600	0	100	200	300
5.4	Support to non-levy paying firms supported	Quarterly	320	80	80	80	80
5.5	Support to government departments	Quarterly	5	0	1	2	2
5.6	Support to small businesses (includes attendance at LL events)	Quarterly	400	0	100	100	200
6.1	Career Guide updated including a guide to business available in the Fasset sector	Annual	1	0	0	1	0
6.2	National learner print media and online campaign update	Annual	1	1	0	0	0
6.3	Total no. of learner advertisements placed	Quarterly	32	8	8	8	10

Updated: 1 August 2017

Fasset

Fasset Continuous Improvement Plan

Annexure 2: Addressing Scarce Skills with Learnerships

The existence of scarce skills may be filled with a learnership programme. A list of the learnerships falling within the Fasset scope is listed below. Three additional learnerships are in the process of being registered and these will be added accordingly to the list below once finalised.

X	#	Title	NQF	Learnership Code	SAQA ID No
Association of Accounting Technicians (AAT(SA))					
	1	Certificate: Local Government Accounting	3	01/Q010026/00/120/3	59751
	2	Certificate: Accounting Technician	3	01/Q010036/00/120/3	73710
	3	Further Education and Training Certificate: Accounting Technician	4	01/Q010038/00/120/4	77143
	4	Advanced Certificate: Local Government Accounting	4	01/Q010037/00/120/4	73712
	5	Certificate: Accounting	5	01/Q010039/00/120/5	80189
Association of Certified Fraud Examiners (ACFE) - SA Chapter					
	6	Advanced Certificate: Forensic Practitioner	7	01/Q010035/00/120/6	67269
Association of Chartered Certified Accountants (ACCA)					
	7	Certificate: Certified Accounting Technician	5	01/Q010013/00/390/5	20397
	8	Chartered Certified Accountant	8	01/Q010005/00/780/7	63550
Chartered Institute of Management Accountants (CIMA)					
	9	National Certificate: Business Accounting	5	01/Q010016/00/120/5	24418
	10	National Diploma : Management Accounting	6	01/Q010017/00/240/6	24406
	11	Professional Qualification: Chartered Management Accountant	7	01/Q010012/00/930/7	20400
Chartered Secretaries - Southern Africa (CSSA)					
	12	CIS Professional Qual. Management and Administration	6	01Q/010032/00/130/5	60653

X	#	Title	NQF	Learnership Code	SAQA ID No
	13	CIS Professional Qual. Governance and Admin	6	01/Q010034/00/120/5	60651
	14	CIS Professional Advanced Qualification: Governance and Admin	7	01/Q010033/00/120/6	60655
	15	CIS Professional Post – Graduate Qualification: Company Secretarial and Governance Practice	8	01/Q010030/00/120/7	60654
Fasset					
	16	Further Education and Training Certificate: Debt Recovery	4	01/Q010024/26/149/4	49021
Institute of Administration and Commerce (IAC)					
	17	Diploma: Financial Accounting	6	01Q/010050/00/420/6	67710
Institute of Certified Bookkeepers (ICB)					
	18	National Certificate: Bookkeeping	3	01/Q010027/26/120/3	58375
	19	Further Education and Training Certificate: Bookkeeper	4	01/Q010028/28/130/4	58376
	20	National Certificate: Public Sector Accounting	4	01/Q010019/00/120/4	20352
	21	National Certificate: Small Business Financial Management	4	01/Q010023/24/120/4	48736
	22	Certificate: Office Administration	5	01/Q010021/00/120/5	23618
	23	Senior Office Administrator	5	01/Q010040/00/240/5	23619
	24	National Diploma: Technical Financial Accounting	5	01/Q010022/28/251/5	36213
	25	Diploma : Public Sector Accounting	5	01/Q010020/00/240/5	20353
Institute of Internal Auditors (IIA)					
	26	Certificate: General Internal Auditing	8	01/Q010025/00/120/7	20359

X	#	Title	NQF	Learnership Code	SAQA ID No
Milpark					
	27	Higher Certificate: Office Administration	5	01/Q010043/00/120/5	90510
South African Institute of Chartered Accountants (SAICA) 011 621 6600 – saica@saica.co.za					
	28	Chartered Accountant: Auditing	7	01/Q010001/00/480/7	48913
*South African Institute of Professional Accountants (SAIPA)					
	29	Postgraduate professional qualification: Professional Accountant in Business	7	01/Q010007/00/480/7	20392
	30	Post-graduate Diploma: Professional Accountant in Practice	8	01/Q010008/00/480/7	20391
South African Institute of Stockbrokers (SAIS) Erica Bruce – 011 853 8700 – ericab@navigare.co.za					
	31	Occupational Certificate: Financial Markets Practitioner	7	011Q010044/00/120/7	93603
South African Institute of Tax Professionals (SAIT) Ronel de Kock – 086 177 7274 – rdekock@thesait.org.za					
	32	Occupational Certificate: Tax Professional	8	01/Q010048/00/400/8	93624

Annexure 3: High-Level Financial Projections for the 2015 to 2020 Period⁵

The five-year period and MTEF estimates (on accrual basis).

FINANCIAL ASSUMPTIONS

- a. The budget is based on the mandate that must be performed.
- b. The administration budget expenditure is limited to 10.5% of the projected revenue.
- c. The mandatory grant expenditure is based on a pay-out ratio of 69%.
- d. All unspent administration expenditure and mandatory levies will be used to fund discretionary projects and grants.
- e. Salary increases: All current staff will remain with Fasset. Increases will include an inflation-linked component, a performance component, structural adjustments and the retrenchment pay-out. The budget includes a component of performance bonuses. There are no level adjustments planned for staff.
- f. Inflation scenarios on income: The levy income budget for 2017/18 is based on the income received in 2015/2016 with a 6.1% annual increase.
- g. Cost inflation: Inflationary increases were applied to the majority of administration costs (stationery, printing, postage, insurance, bank charges, etc.).
- h. Equipment replacement strategy: As per Fasset's policy, computer equipment is replaced every three years. Some of the office equipment and furniture and fittings require replacement as they are past their economic useful life.
- i. Investment income is expected to be decreasing over the next 5 years as cash balances decrease when Fasset spends prior year accumulated surplus.
- j. Cost saving measures: The administration expenditure budget was prepared to comply with the 10.5% legislative requirement.
- k. Reprioritisation of resources: Not applicable.

⁵ To be updated in further SP submission.

Annexure 4: Technical Indicator Descriptions

Draft Technical Indicator Descriptors 2018/2019

Programme 1: Administration

Sub-programme: Governance (Audit and Risk)

Indicator title	Quarterly governance charter submitted to Department of Higher Education and Training (DHET)
Short definition	Fasset submits a quarterly governance charter to DHET in the format required
Purpose / Importance	Good governance
Source / collection of data	Proof of submission to DHET
Method of calculation	Date proof of submission is captured on the Fasset system
Data limitations	Process and / or requirements changed by DHET
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Exact
Indicator responsibility	Company Secretary

Programme 2: Skills Planning

Sub-programme: Research

Indicator title	10 research reports
Short definition	These Board research interventions address research needs of the sets. Once completed, these research reports will assist the Board and sector stakeholders to implement strategic skills development initiatives.
Purpose / Importance	Findings from the research reports assist in steering the strategic direction of the Seta.
Source / collection of data	Grants information submitted by employers is captured online and analysed
Method of calculation	Date of research report is captured on the Fasset system
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Exact
Indicator responsibility	Research Department

Draft Technical Indicator Descriptors 2018/2019

Sub-programme: Sector Skills Plan

Indicator title	SETA updates and submits Sector Skills Plan (SSP) to DHET by due date
Short definition	The Department of Higher Education and Training (DHET) requires each SETA to update and submit a revised Sector Skills Plan annually by the specified due date
Purpose / Importance	Legislated requirement
Source / collection of data	Sector Skills Plan document produced by the Research Department Proof of submission to DHET
Method of calculation	Date of submission to DHET
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Exact
Indicator responsibility	Research Director

Sub-programme: WSP/ATR

Indicator title	Number of large firms WSP/ATR approved and mandatory grant paid
Short definition	Firms in the sector with 150 or more employees submit a WSP/ATR online by 30 April which result in the first payment of the mandatory grant once final approval is granted.
Purpose / Importance	Legislated requirement.
Source / collection of data	Approved online WSP/ATR Proof of payment of the mandatory grant
Method of calculation	Date of first payment of the mandatory grant
Data limitations	Firms transfer from one SETA to another Firms have outstanding skills development levy queries with SARS
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of medium firms WSP/ATR approved and mandatory grant paid
Short definition	Firms in the sector with between 50 to 149 employees submit a WSP/ATR online by 30 April which result in the first payment of the mandatory grant once final approval is granted.
Purpose / Importance	Legislated requirement.
Source / collection of data	Approved online WSP/ATR Proof of payment of the mandatory grant
Method of calculation	Date of first payment of the mandatory grant
Data limitations	Firms transfer from one SETA to another Firms have outstanding skills development levy queries with SARS
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of small firms WSP/ATR approved and mandatory grant paid
Short definition	Firms in the sector with 49 or less employees submit a WSP/ATR online by 30 April which result in the first payment of the mandatory grant once final approval is granted.
Purpose / Importance	Legislated requirement.
Source / collection of data	Approved online WSP/ATR Proof of payment of the mandatory grant
Method of calculation	Date of first payment of the mandatory grant
Data limitations	Firms transfer from one SETA to another Firms have outstanding skills development levy queries with SARS Firms are exempt from paying the skills development levy for the period
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Programme 3: Learning programmes and projects

Sub-programme: Implementation of learning programmes per NSDS goals

Indicator title	Number of unemployed learners processed for registration on mid-level learnerships
Short definition	Learnership agreements entered into by employers in the sector are processed for unemployed learners on NQF level 1 to 5 learnerships
Purpose / Importance	Learnership agreement evaluation and registration is a legislated requirement
Source / collection of data	Learnership agreement with associated supporting documents
Method of calculation	Date of processing of the learnership agreement on the Fasset system
Data limitations	Learnership agreements submitted with incorrect supporting evidence delays processing
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of unemployed learners processed for registration on high level learnerships
Short definition	Learnership agreements entered into by employers in the sector are processed for unemployed learners on NQF level 6 to 10 learnerships
Purpose / Importance	Learnership agreement evaluation and registration is a legislated requirement
Source / collection of data	Learnership agreement with associated supporting documents Data upload from the South African Institute of Chartered Accountants (SAICA) for the Chartered Accountant learnership
Method of calculation	Date of processing of the learnership agreement on the Fasset system Date of upload of SAICA data
Data limitations	Learnership agreements submitted with incorrect supporting evidence delays processing Late registration of learner chartered accountants with SAICA delays receipt and processing of data
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners where a learner employment grant is approved and paid
Short definition	Employers in the Fasset sector can apply for a learner employment grant for learners on specific learnerships. Grants are paid once-off for either entry on, completion of a second year, or completion of the full learnership according to a set tariff amount.
Purpose / Importance	Incentivise employers to support skills development associated with skills needs in the sector.
Source / collection of data	Online application submitted by a Fasset employer evaluated and approved Proof of payment of the grant to the employer
Method of calculation	Date of grant payment
Data limitations	Employers submit incorrect or incomplete supporting evidence
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of unemployed learners where a bursary grant is approved and paid
Short definition	Employers in the Fasset sector can apply for a bursary grant for full time students pursuing higher education qualifications associated with scarce skills in the sector. The amount paid by the employer is reimbursed up to a maximum tariff and is only approved if the learner successfully completed an academic year.
Purpose / Importance	Incentivise employers to award bursaries to students who could potentially address scarce skills in the sector.
Source / collection of data	Online application submitted by a Fasset employer evaluated and approved Proof of payment of the grant to the employer
Method of calculation	Date of grant payment
Data limitations	Employers submitting incorrect or incomplete supporting evidence Challenges in the public higher education sector (#FeesMustFall)
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners awarded a bursary via the Fasset Bursary Scheme
Short definition	Full bursaries are awarded to full time students pursuing higher education qualifications associated with scarce skills in the sector. Bursaries are managed either through a partnership with a public higher education institution, a professional body, or a bursary management agent.
Purpose / Importance	Award bursaries to students who could potentially address scarce skills in the sector.
Source / collection of data	Application submitted by public higher education institution, professional body or bursary management agent evaluated and approved. Bursary contract between partner organisation and student with ID and proof of enrolment. Data submission by partner organisation in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of unemployed learners where a Non-Pivotal Learner Employment Grant is approved and paid
Short definition	Employers in the Fasset sector can apply for a non-pivotal learner employment grant for unemployed graduates placed on a 12 month internship or in permanent employment. Placement must relate to specified scarce skills. Grants are paid once-off according to a set tariff amount.
Purpose / Importance	Incentivise employers in the Fasset sector to provide placement opportunities to unemployed graduates. Address scarce skills in the sector.
Source / collection of data	Online application submitted by a Fasset employer evaluated and approved Proof of payment of the grant to the employer
Method of calculation	Date of payment of the grant
Data limitations	Learners are placed for a period shorter than 12 months.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners who enter an academic support skills programme for progression at University
Short definition	Additional academic support to at risk full time students pursuing higher education qualifications associated with scarce skills in the sector.
Purpose / Importance	Increase throughput rate at public higher education institutions for specific qualifications associated with scarce skills in the sector.
Source / collection of data	Application submitted by public higher education institution evaluated and approved. Contract between public higher education institution and student with ID and proof of enrolment. Data submission by public higher education institution in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of unemployed learners who enter an academic support pivotal skills programme for progression with a professional body
Short definition	Assist learners to complete professional body qualifications or attain professional designations associated with scarce skills in the sector Professional qualifications must be registered on the NQF, and designations must form part of a qualification on the NQF.
Purpose / Importance	Increase throughput rate in professional qualifications and designations. Reduce scarce skills in the sector.
Source / collection of data	Application submitted by professional body evaluated and approved. Contract between professional body and learner with ID and proof of enrolment. Data submission by professional body in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners who enter an academic support non-pivotal skills programme for progression with a professional body
Short definition	Assist learners to complete professional body qualifications or attain professional designations associated with scarce skills in the sector. Professional qualifications need not be registered on the NQF, and designations do not have to form part of a qualification on the NQF.
Purpose / Importance	Increase throughput rate in professional qualifications and designations. Reduce scarce skills in the sector.
Source / collection of data	Application submitted by professional body evaluated and approved. Contract between professional body and learner with ID and proof of enrolment. Data submission by professional body in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of unemployed learners processed for completion on mid-level learnerships
Short definition	Learnership completions associated with employers in the sector are processed for unemployed learners on NQF level 1 to 5 learnerships
Purpose / Importance	Learnerships are successfully completed
Source / collection of data	Proof of completion submitted and processed on the Fasset system
Method of calculation	Date of processing of the learnership completion on the Fasset system
Data limitations	Delays in receipt of evidence to support completion of learnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners processed for completion on high level learnerships
Short definition	Learnership completions associated with employers in the sector are processed for unemployed learners on NQF level 6 to 10 learnerships
Purpose / Importance	Learnerships are successfully completed
Source / collection of data	Proof of completion submitted and processed on the Fasset system Completion data upload submitted by a professional body
Method of calculation	Date of processing of the learnership completion on the Fasset system Date of upload of data submitted by a professional body on the Fasset system
Data limitations	Delays in receipt of evidence to support completion of learnerships. Delays in completion of learnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of unemployed learners who completed an academic year or qualification via the Fasset Bursary Scheme
Short definition	Completion of an academic year or qualification associated with full bursaries awarded to full time students pursuing higher education qualifications associated with scarce skills in the sector. Bursaries are managed either through a partnership with a public higher education institution, a professional body, or a bursary management agent.
Purpose / Importance	Students progress within or complete a higher education qualification associated with a scarce skill in the sector.
Source / collection of data	Academic transcript issued by the public higher education institution. Data submission by partner organisation in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners who complete an academic support skills programme for progression at University
Short definition	At risk full time students complete an academic year of or a higher education qualification, associated with a scarce skill in the sector, through additional academic support.
Purpose / Importance	Increase throughput and completion rates at public higher education institutions for specific qualifications associated with scarce skills in the sector.
Source / collection of data	Academic transcript issued by the public higher education institution. Data submission by public higher education institution in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of unemployed learners who complete an academic support pivotal skills programme for progression with a professional body
Short definition	Learners complete professional body qualifications or attain professional designations associated with scarce skills in the sector. Professional qualifications must be registered on the NQF, and designations must form part of a qualification on the NQF.
Purpose / Importance	Increase throughput rate in professional qualifications and designations. Reduce scarce skills in the sector.
Source / collection of data	Confirmation of completion of a professional body qualification or attainment of a professional designation. Data submission by professional body in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of unemployed learners who complete an academic support non-pivotal skills programme for progression with a professional body
Short definition	Learners complete professional body qualifications or attain professional designations associated with scarce skills in the sector. Professional qualifications need not be registered on the NQF, and designations do not form part of a qualification on the NQF.
Purpose / Importance	Increase throughput rate in professional qualifications and designations. Reduce scarce skills in the sector.
Source / collection of data	Confirmation of completion of a professional body qualification or attainment of a professional designation. Data submission by professional body in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of employed learners processed for registration on mid-level learnerships
Short definition	Learnership agreements entered into by employers in the sector are processed for employed learners on NQF level 1 to 5 learnerships
Purpose / Importance	Learnership agreement evaluation and registration is a legislated requirement
Source / collection of data	Learnership agreement with associated supporting documents
Method of calculation	Date of processing of the learnership agreement on the Fasset system
Data limitations	Learnership agreements submitted with incorrect supporting evidence delays processing
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of employed learners processed for registration on high level learnerships
Short definition	Learnership agreements entered into by employers in the sector are processed for employed learners on NQF level 6 to 10 learnerships.
Purpose / Importance	Learnership agreement evaluation and registration is a legislated requirement
Source / collection of data	Learnership agreement with associated supporting documents. Data upload from the South African Institute of Chartered Accountants (SAICA) for the Chartered Accountant learnership
Method of calculation	Date of processing of the learnership agreement on the Fasset system Date of upload of SAICA data
Data limitations	Learnership agreements submitted with incorrect supporting evidence delays processing Late registration of learner chartered accountants with SAICA delays receipt and processing of data
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of employed learners awarded a bursary via the NSFAS Loan Repayment Grant
Short definition	Employers in the Fasset sector can apply for a NSFAS Loan Repayment grant for learners on learnerships. The grant is calculated according to a set tariff scale related to progress made on the learnership. The grant is paid directly to NSFAS against the learner's loan account.
Purpose / Importance	The intention is to increase retention of learners on learnerships.
Source / collection of data	Online application submitted by a Fasset employer evaluated and approved Proof of payment of the grant to NSFAS
Method of calculation	Date of grant approval
Data limitations	Individual learners are counted once irrespective of the number of applications received and approved.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of employed learners who register for and attend Lifelong Learning Events
Short definition	Delegates associated with employers in the sector register for and attend training events associated with critical and soft skills.
Purpose / Importance	Critical and soft skills are addressed.
Source / collection of data	Completion of online registration or registration form at training venue Signed attendance form
Method of calculation	Delegate is captured and marked as attended on the event management system
Data limitations	Delegates with non-South African ID numbers capture invalid age Capturing errors made by delegates in the registration process
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Research Director

Indicator title	Number of employed learners who register for and attend Learner Professional Development Events.
Short definition	Delegates associated with employers in the sector register for and attend training events associated with learner professional development.
Purpose / Importance	Critical and soft skills are addressed.
Source / collection of data	Completion of online registration or registration form at training venue Signed attendance form
Method of calculation	Delegate is captured and marked as attended on the event management system
Data limitations	Delegates with non-South African ID numbers capture invalid age Capturing errors made by delegates in the registration process
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Research Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of employed learners processed for completion of mid-level learnerships
Short definition	Learnership completions associated with employers in the sector are processed for employed learners on NQF level 1 to 5 learnerships
Purpose / Importance	Learnerships are successfully completed Employed learners are upskilled
Source / collection of data	Proof of completion submitted and processed on the Fasset system
Method of calculation	Date of processing of the learnership completion on the Fasset system
Data limitations	Delays in receipt of evidence to support completion of learnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of employed learners processed for completion of high level learnerships
Short definition	Learnership completions associated with employers in the sector are processed for employed learners on NQF level 6 to 10 learnerships
Purpose / Importance	Learnerships are successfully completed Employed learners are upskilled
Source / collection of data	Proof of completion submitted and processed on the Fasset system Completion data upload submitted by a professional body
Method of calculation	Date of processing of the learnership completion on the Fasset system Date of upload of data submitted by a professional body on the Fasset system
Data limitations	Delays in receipt of evidence to support completion of learnerships Delays in completion of learnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of TVET students who enter a National N Diploma Internship
Short definition	Students from public TVET colleges are placed for completion of an 18 month internship as required for achievement of the National N Diploma
Purpose / Importance	Unemployed TVET learners gain valuable work experience and achieve an NQF level 6 qualification
Source / collection of data	Copy of contract between learner and employer Copy of transcript or certificates issued by public TVET college Copy of learner ID Data upload from the employer in the required format
Method of calculation	Date of upload of employer data on the Fasset system Data only uploaded upon receipt of all supporting evidence
Data limitations	Delays in submission of supporting evidence Data submitted in incorrect format
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of TVET students who complete a National N Diploma Internship
Short definition	Students from public TVET colleges complete an 18 month internship as required for achievement of the National N Diploma
Purpose / Importance	Unemployed TVET learners gain valuable work experience and achieve an NQF level 5 qualification
Source / collection of data	Confirmation of completion letter submitted by employer Data upload from the employer in the required format
Method of calculation	Date of upload of employer data on the Fasset system Data only uploaded upon receipt of supporting evidence
Data limitations	Delays in submission of supporting evidence Data submitted in incorrect format
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of small businesses supported through discretionary funding
Short definition	Levy-paying employers with fewer than 50 employees have access to and participate in skills development initiatives funded by Fasset including grants, TVET projects, and attendance at LL and LPD events.
Purpose / Importance	Small businesses gain access to skills development initiatives to support their business
Source / collection of data	Proof of payment of grant Agreement signed between Fasset and employer Signed attendance register for LL / LPD event
Method of calculation	Employers are counted once only for one of: Date of payment of grant Agreement captured on the Fasset system Delegate attendance captured on the event management system
Data limitations	Employer levy status changes during the course of the period due to increases or decreases in total payroll
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of NLPEs registered with Fasset as part of the sector
Short definition	Levy-exempt employers whose core business relates to the finance and accounting sector can register with Fasset.
Purpose / Importance	Levy-exempt employers are captured on the Fasset system contributing to a more comprehensive understanding of the sector.
Source / collection of data	NLP registration application submitted and approved NLP captured on the Fasset system
Method of calculation	Date of capturing the approved application on the Fasset system
Data limitations	Inability to identify and target potential businesses for registration
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of NLPÉ's supported through discretionary funding
Short definition	Levy-exempt employers have access to and participate in skills development initiatives funded by Fasset including grants, TVET projects, and attendance at LL and LPD events.
Purpose / Importance	Small businesses gain access to skills development initiatives to support their business.
Source / collection of data	Proof of payment of grant Agreement signed between Fasset and employer Signed attendance register for LL / LPD event
Method of calculation	Employers are counted once only for one of: Date of payment of grant Agreement captured on the Fasset system Delegate attendance captured on the event management system
Data limitations	Employer levy status changes during the course of the period due to increases or decreases in total payroll
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	PQA Director

Sub-programme: Special projects (including partnerships)

Indicator title	Number of partnership agreements signed between Fasset and a public higher education institution
Short definition	A contract or agreement is entered into between Fasset and a public higher education institution for specified skills development deliverables.
Purpose / Importance	Partnerships between SETAs and public higher education institutions contribute to an integrated post-school education system.
Source / collection of data	Signed agreement or contract.
Method of calculation	Date of recording of the agreement or contract on the Fasset system.
Data limitations	Delays in finalising contractual arrangements.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of partnership agreements signed between Fasset and a public TVET college
Short definition	A contract or agreement is entered into between Fasset and a public TVET college for specified skills development deliverables.
Purpose / Importance	Partnerships between SETAs and public TVET colleges contribute to an integrated post-school education system.
Source / collection of data	Signed agreement or contract.
Method of calculation	Date of recording of the agreement or contract on the Fasset system.
Data limitations	Delays in finalising contractual arrangements.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Projects Manager

Indicator title	Number of offices opened at a public TVET college
Short definition	SETA footprint is expanded through establishment of offices at public TVET colleges
Purpose / Importance	Increased access to SETA information and services
Source / collection of data	Agreement between Fasset and the public TVET college
Method of calculation	Date of recording the agreement or contract on the Fasset system
Data limitations	Delays in securing office space Delays in identifying a public TVET college at a location of strategic relevance to the Fasset sector
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Executive office

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of lecturers who enter a development programme
Short definition	Lecturers at public TVET colleges teaching subjects relevant to the finance and accounting sector are offered placement at an employer in the Fasset sector to obtain industry experience and exposure
Purpose / Importance	Lecturers gain insight and understanding of industry
Source / collection of data	Agreement between Fasset and employer Placement agreement between employer and TVET lecturer
Method of calculation	Date of recording the agreement on the Fasset system
Data limitations	Lack of interest from TVET college lecturers or employers in the sector
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Executive office

Indicator title	Number of lecturers who complete a development programme
Short definition	Lecturers at public TVET colleges teaching subjects relevant to the finance and accounting sector are offered placement at an employer in the Fasset sector to obtain industry experience and exposure
Purpose / Importance	Lecturers gain insight and understanding of industry
Source / collection of data	Confirmation of completion of placement issued by employer Feedback form completed by lecturer
Method of calculation	Date of recording the agreement on the Fasset system
Data limitations	Lack of commitment to complete the placement.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Executive office

Indicator title	Number of Government Department WSP/ATR approved
Short definition	Number of Government Department WSP/ATR submitted and approved
Purpose / Importance	Government Departments meet the initial requirement to gain access to Fasset discretionary funding
Source / collection of data	Government Department submits WSP/ATR by 30 April and is approved by Fasset
Method of calculation	Approved WSP/ATR
Data limitations	Number of Government Departments associated with Fasset
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of Government Departments supported through discretionary funding
Short definition	Government Departments have access to and participate in skills development initiatives funded by Fasset including grants, TVET projects, and attendance at LL and LPD events.
Purpose / Importance	Government Departments gain access to skills development initiatives to support their public service capacitation
Source / collection of data	Proof of payment of grant Agreement signed between Fasset and employer Signed attendance register for LL / LPD event
Method of calculation	Employers are counted once only for one of: Date of payment of grant Agreement captured on the Fasset system Delegate attendance captured on the event management system
Data limitations	Number of government departments associated with Fasset
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of rural skills development projects funded
Short definition	Skills development initiatives in rural areas are funded
Purpose / Importance	Rural development
Source / collection of data	Signed agreement between Fasset and service provider
Method of calculation	Date agreement captured on the Fasset system
Data limitations	Inability to appoint relevant service providers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Higher
Indicator responsibility	Projects Manager

Draft Technical Indicator Descriptors 2018/2019

Indicator title	Number of employed learners provided support in the public sector through Discretionary funding.
Short definition	Support public sector employees through discretionary funding to strengthening the skills base.
Purpose / Importance	Support public sector employees through discretionary funding to strengthening the skills base.
Source / collection of data	Agreement between Fasset and public institution Contract between the public institution and learner.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence. Submission of incorrect learner data.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Indicator title	Number of unemployed learners awarded a bursary via the National Student Financial Aid Scheme (NSFAS)
Short definition	Full bursaries are awarded to full time students pursuing higher education qualifications associated with scarce skills in the sector. Bursaries are managed through a partnership with NSFAS.
Purpose / Importance	Award bursaries to students who could potentially address scarce skills in the sector.
Source / collection of data	Bursary contract between NSFAS and student with ID and proof of enrolment. Data submission by NSFAS in the required format.
Method of calculation	Date of data upload on the Fasset system. Data only uploaded once required supporting evidence has been received.
Data limitations	Delays in receipt of supporting evidence. Submission of incorrect learner data.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	PQA Director

Draft Technical Indicator Descriptors 2018/2019

Sub-programme: Monitoring, evaluation and reporting

Indicator title	Number of quarterly management reports submitted to DHET
Short definition	Quarterly management reports submitted to DHET within 10 working days after quarter end. OR Successful upload of data to SETMIS on a quarterly basis as per the published schedule
Purpose / Importance	Good governance
Source / collection of data	Proof of submission to DHET
Method of calculation	Date of loading proof of submission on the Fasset system OR Date of confirmation of successful SETMIS upload
Data limitations	Changes in process or requirements as per DHET
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Exact
Indicator responsibility	QA Manager

Indicator title	Number of quarterly reports submitted to National Treasury (EME reports)
Short definition	Quarterly reports on performance information submitted to National Treasury
Purpose / Importance	Good governance
Source / collection of data	Proof of submission to National Treasury
Method of calculation	Date of loading proof of submission on the Fasset system
Data limitations	Change in process and / or requirements specified by National Treasury
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Exact
Indicator responsibility	Company Secretary

Draft Technical Indicator Descriptors 2018/2019

Sub-programme: Career and Vocational Guidance

Indicator title	Number of career guidance events supported
Short definition	Participation in and exhibiting at career guidance events hosted by DHET, Fasset, professional bodies, other SETAs, public education institutions, and so forth.
Purpose / Importance	Students are made aware of career paths and associated requirements as relevant to the sector
Source / collection of data	Confirmation of participation issued by the organiser
Method of calculation	Date confirmation of participation is loaded on the Fasset system
Data limitations	Delays in receiving confirmation of participation
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher
Indicator responsibility	Marketing and Communications Manager

Indicator title	Fasset career guide annual update complete
Short definition	Career guide is reviewed and updated in collaboration with relevant stakeholders
Purpose / Importance	Distribution of up to date information to scholars and students.
Source / collection of data	Career guide is approved and published
Method of calculation	Date confirmation of final approved career guide is loaded on the Fasset system
Data limitations	Delays in obtaining feedback and input from relevant stakeholders
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Exact
Indicator responsibility	Marketing and Communications Manager

Draft Technical Indicator Descriptors 2018/2019

Programme 4: Quality Assurance

To be populated in next submission.

Annexure 5: Draft Service Level Agreement 2018/19



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by GF Qonde, duly authorized thereto
by virtue of his capacity as the Director-General),

and

FINANCE AND ACCOUNTING SERVICES SECTOR EDUCATION AND TRAINING AUTHORITY (FASSET)

(hereinafter referred to as "SETA" represented by **Shahied Daniels** duly authorised
thereto in his/her capacity as Acting Chairperson of the Accounting
Authority/Administrator)

A handwritten signature in black ink, appearing to be 'Shahied Daniels', with a small circular stamp or mark to its right.

1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This service level agreement is entered into between the above mentioned parties to agree on the minimum service levels required by the SETA in performing its statutory functions, meeting the National Skills Development Strategy targets and implementing its strategic plan and annual performance plan.

2. DURATION OF THE SERVICE LEVEL AGREEMENT

The service level agreement is entered into for the period of 1 April 2018 to 31 March 2019

3. OBLIGATIONS OF THE SETA

3.1 The SETA undertakes to :

- 3.1.1 perform its functions as required by the Skills Development Act;
- 3.1.2 meet the targets in the National Skills Development Strategy;
- 3.1.3 implement the approved Strategic Plan and Annual Performance Plan;
- 3.1.4 submit all documentation and reports as may be required by the Department on the times specified; and
- 3.1.5 adhere to the requirements of the Public Finance Management Act and Treasury Regulations;
- 3.1.6 address all findings raised by the Auditor-General in the previous financial year;
- 3.1.7 submit comprehensive plan of action to the department.

3.2 Perform and provide the information and/or reports on the activities listed below:

- 3.2.1 assessment of the skills required for each sector and to identify scarce skills;
- 3.2.2 how the levels of education will be improved in the sector;

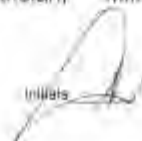
 2

- 3.2.3 partnerships between SETAs and public Technical and Vocational Education and Training (TVET) colleges, Universities, training providers and industry;
- 3.2.4 the number of bursaries awarded/to be awarded to deserving South African citizens in critical skills at 25 Universities and 50 TVET colleges;
- 3.2.5 scarce and critical skills needs in the sector, how it will be addressed and reflected in the number of learners that will be trained and placed, as well as the companies involved;
- 3.2.6 number of agreements signed with public TVET colleges, Universities and other training providers as well as the amount approved per agreement which should also reflect the number of learners that will be trained, types of training programmes and programmes that are in place;
- 3.2.7 targets as reflected in the Annual Performance Plan must be credible and linked to a "Baseline";
- 3.2.8 placement of lecturers in industry as part of the Service Level Agreement;
- 3.2.9 rural development programmes and how it will be implemented;
- 3.2.10 support the revitalization of rural and township economy;
- 3.2.11 progress in the implementation of Recognition of Prior Learning;
- 3.2.12 establish working relationships with TVET colleges, Universities and industry for the purpose of placement of students and graduates;
- 3.2.13 ensure the placement of TVET students, University of Technology students and University graduates requiring Work Integrated Learning (WIL) in the relevant sector and provide report on quarterly basis;
- 3.2.14 maintain and operationalize SETA offices in (name of colleges where offices are/is):
 - Waterberg TVET College
- 3.2.15 support offices opened by other(Lead SETA) SETAs in TVET colleges;
- 3.2.16 conclude work from previous performance years commitments and submit reports as required by the Department;
- 3.2.17 sector funded training identified and reported on quarterly basis.



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- 3.2.18 annual targets for registered and completed artisan learners by listed trade as agreed with the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 1;
- 3.2.19 monthly reports in a format determined by the Chief Directorate: INDLELA of the actual number of registered and completed artisan learners to address HRDC ATD-TTT Bottleneck 1;
- 3.2.20 implementation of the Policy on Generic National Artisan Learner Grant Funding and Administration System to address HRDC ATD-TTT Bottleneck 2;
- 3.2.21 the number of persons supported to become qualified artisans within the national artisan learner Recognition of Prior Learning system determined by the Chief Directorate: INDLELA to address HRDC ATD-TTT Bottleneck 3;
- 3.2.22 provide financial support to world skills South Africa through the DHET approved structure;
- 3.2.23 submit an implementation plan of the commitments made in this SLA within the first quarter of the financial year;
- 3.2.24 In relations to the 13 priority trade needed for the construction and maintenance of the government Strategic Integrated Projects (SIPs) the SETA should:
 - 3.2.24.1 Increase by at least 5% the number of grants issued for these trades in 2015/16. If no grants were issued for any or all these trades last year, the SETA is not obliged to offer such grants in 2016/17, but is encouraged to do so if at all possible;
 - 3.2.24.2 coordinate all relevant SETAs with regards to the development work being undertaken by DHET for the implementation of the QCTO qualifications in targeted TVET colleges (Centre's of Specialization);
 - 3.2.24.3 support the work of the coordinating SETAs for each of the following trades: Bricklayer, Electrician, Millwright,


Initials  4

Boilermaker, Plumber, Mechanic including automotive mechanic, Diesel mechanic, Carpenter and Joiner, Welder, Rigger, Fitter and turner, Mechanical fitter and Pipe fitter;

3.2.24.4 report on these SIPs commitments as required.

3.2.25 meet minimum targets as reflected in the table below:

NSDS III GOAL	PERFORMANCE INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED TARGETS
Establishing a credible institutional mechanism for skills planning	Large Firms	62	60	
	Medium Firms	95	90	
	Small Levy Paying Firms	513	550	
Increase access to occupationally directed programmes	Unemployed Entered Learnerships	3 995	1 460	3390
	Unemployed Entered Bursaries	350	1 275	
	Unemployed Entered Internships	0	0	
	Unemployed Entered Skills Programmes	1 808	2 480	
	Unemployed Completed Learnerships	2 333		2580
	Unemployed Completed Bursaries	79	1 000	
	Unemployed Completed Internships	0	0	
	Unemployed Completed Skills Programmes	2 963	1 456	
	Artisans Entered	0	0	
	Artisans Completed	0	0	
	Encouraging better use of workplace-based-skills programmes	Workers Entered Learnerships	282	0
Workers Entered Bursaries		155	400	
Workers Entered Skills Programmes		12 944	29 200	
Workers Completed Learnerships		252	0	230
Workers Completed Bursaries		0	0	
Workers Completed Skills Programmes		12 944	29 200	
Candidacy Programme Entered		0	0	

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	Candidacy Programme Completed	0	0	
	Recognition of prior Learning (RPL)	0	0	
Promoting the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities	TVET Student Placement Entered	278	480	
	TVET Student Placement Completed	114	210	
	Universities Student Placement Entered	906	0	
	Universities Student Placement Completed	0	0	
	SETA/TVET College Partnerships	2	15	
	SETA/Universities Partnerships	3	5	
	SETA/Employer Partnerships	23	15	
	Lecturer Development Programmes Entered	0	0	
	Lecturer Development Programmes Completed	0	0	
	Number of SETA Offices opened in TVET Colleges (List the names of the VET Colleges opened)	0	2	
	Addressing the low level of youth and adult language and numeracy skills to enable additional training	AET Programmes Entered	0	0
AET Programmes Completed		0	0	
Encouraging and supporting the co-operatives, small enterprises, worker initiatives, NGO and community	Cooperatives Supported	0	0	
	Small Business Supported	765	400	
	NGOs	0	0	
	NLPE	313	320	
	CBO	0	0	
	Trade Unions	0	0	

Inhas

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training Initiatives				
Building Career Guidance and Vocational guidance	Career Guidance Events	31	40	
NSDS III Projects	Number of Provincial and Rural Projects Planned	0	5	
Governance	Number of Governance Charter Reports submitted	0	4	

4. OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING

- 4.1 The Department undertakes to:
- 4.1.1 consult the SETA on policy and strategic matters that may affect the functioning of the SETA;
 - 4.1.2 provide the SETA with guidance on sector skills plans, strategic plans and any matter that may be requested by the SETA in relation to its functions; and
 - 4.1.3 assist the SETA where applicable in performing its functions and responsibilities.
 - 4.1.4 validate and verify the accuracy and usefulness of reports submitted by SETAs and provide feedback quarterly.

5. GENERAL

In year amendments to the approved Service Level Agreement must not be encouraged.

SIGNED AT Midrand ON THIS 30th DAY OF August 2017





ACCOUNTING AUTHORITY/ADMINISTRATOR

(Represented by Shahied Daniels who warrants that he/she is duly authorised to this agreement)

SIGNED AT _____ ON THIS ___ DAY OF _____ 2017

DIRECTOR-GENERAL

(Represented by GF Qonde, duly authorized thereto)

_____ 8

Acronyms and Abbreviations

APP - Annual Performance Plans

DG - Director General of Higher Education and Training

DHET - Department of Higher Education and Training

HRDC ATDTTT – Human Resource Development Council- Artisan Development Technical Task Team

Minister - Minister of the Department of Higher Education and Training

M & R - Sub-directorate; Monitoring and Reporting of the SPM

NC (V) - National certificate (Vocational)

NSDS - National Skills Development Strategy

RPL - Recognition of Prior Learning

SETA - Sector Education and Training Authority

SLA - Service Level Agreement

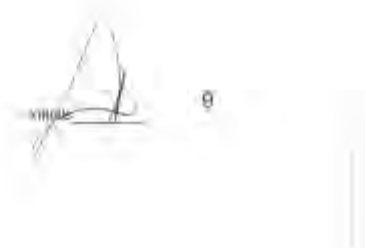
SPM - SETA Performance Management of the DHET

SP - Strategic Plans

SSP - Sector Skills Plans

TVET - Technical and Vocational Education and Training (formerly FET)

WIL - Work Integrated Learning



Annexure 6: DHET NSDS III Goals, Outcomes and Outputs

#	NSDS goal	NSDS outcome	#	NSDS output
1	Establishing a credible institutional mechanism for skills planning	National need in relation to skills development is researched, documented and communicated to enable effective planning across all economic sectors	1.1.1	Capacity is established within the DHET to coordinate research and skills planning.
			1.1.2	Sector Skills Plans are professionally researched, provide a sound analysis of the sector and articulate an agreed sector strategy to address skills needs.
			1.1.3	Sector and nationally commissioned research and data is analysed, validated and captured in an integrated database that is accessible to stakeholders
2	Increasing access to occupationally-directed programmes	Middle-level skills needs are identified and addressed in all sectors	2.1.1	SETAs research and identify middle-level skills needs in their sectors and put in place strategies to address them, particularly through the use of the public Further Education and Training (TVET) colleges and universities of technology working in partnership with employers providing workplace-based training.
			2.2.1	SETAs establish projects and partnerships to enable the relevant number of artisans for their sector to be trained, to qualify and become work-ready
		10 000 artisans per year qualify with relevant skills and find employment	2.2.2	The National Artisan Bridging Project developed by Joint Implementation Plan for Skills Acquisition (JIPSA) and located in the DHET and a Monitoring and Evaluation (M&E) framework, is planned, managed and reported on, with interventions made where blockages occur.
			2.3.1	Sector Skills Plans identify the supply challenges in relation to high-level scarce skills gaps and set out strategies for addressing them.
		High-level national scarce skills needs are being addressed by work-ready graduates from higher education institutions	2.3.2	Agreements are entered into between SETAs, university faculties and other stakeholders on appropriate interventions to support improved entry to priority programmes, increased work experience and experiential learning for students and access to post-graduate work.
			2.4.1	Sector Skills Plans identify the focal areas for research, innovation and development
	Relevant research and development and innovation capacity is developed and innovative research projects established	2.4.2	Agreements are entered into between SETAs, university faculties and other stakeholders on flagship research projects linked to sector development in a knowledge economy.	
		2.4.3	Programmes are put in place that focus on the skills needed to produce research that will be relevant and have an impact on the achievement of economic and skills development goals.	
		3.1.1	The NCV is reviewed with inputs from stakeholders and the curriculum is revised to ensure that it provides a sound foundational basis for building labour market relevant skills.	
3	Promote the growth of a public TVET college system that is responsive to sector, local, regional and national skills needs and priorities	The National Certificate (Vocational) (NCV) and N-courses are recognised by employers as important base qualifications through which young people are obtaining additional vocational skills and work experience, entering the labour market with marketable skills, and obtaining employment	3.1.2	The programmes offered to meet industry needs, including those supporting apprenticeships and N-courses, are reviewed, updated and made available to and accessed by employers.
			3.1.3	A highly articulated system of qualifications between the TVET and universities programmes.
			3.2.1	The capacity of TVET colleges to provide quality vocational training is reviewed. Each college has a Strategic Plan in place to build capacity and engage in skills development programmes, including programmes offered in partnership with employers.
		Partnerships between DHET, SETAs, employers, private providers and public TVET colleges are resulting in increased capacity to meet industry needs throughout the country	3.2.2	SETAs identify TVET colleges with relevant programmes and put in place partnerships to offer vocational courses and work experience for college learners.
			3.3.1	The capacity of college educators to deliver programmes is reviewed. Skills development programmes, including work placement opportunities, are devised to meet the needs of the college educators.
		The academic staff at colleges are able to offer relevant education and training of the required quality	4.1.1	A DHET-led process, including stakeholders, develops a strategy supported by all stakeholders.
4.1.2	A national database tracks training and work opportunities, and reports on implementation of the strategy.			
4.1.3	The DHET partners with stakeholders in the youth sector to put in place training and work experience projects for young people.			
4	Addressing the low level of youth and adult language and numeracy skills to enable additional training	A national strategy is in place to provide all young people leaving school with an opportunity to engage in training or work experience, and improve their employability	5.1.1	SETA stakeholders agree on the provision of substantial quality programmes for employed workers and report on the impact of the training.
5				

#	NSDS goal	NSDS outcome	#	NSDS output
	Encouraging better use of workplace-based skills development	Training of employed workers addresses critical skills, enabling improved productivity, economic growth and the ability of the workforce to adapt to change in the labour market	5.1.2	Sector projects are put in place to address specific sector skills gaps.
			5.1.3	Cross-sectoral projects are established to address skills needs along local supply chains aimed at supporting local economic development
6	Encourage and support cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Cooperatives supported with skills training and development expand and contribute to sector economic and employment growth	6.1.1	SETAs identify in their skills planning research, established and emergent cooperatives and their skills needs.
			6.1.2	Sector projects are established by sector stakeholders, supported by the NSF.
			6.1.3	A national database of cooperatives supported with skills development is established and the impact of training reported on.
		Partnership projects to provide training and development support to small businesses are established in all sectors and their impact reported on	6.2.1	SETAs, through their skills planning research, identify the skills needs of small and emerging businesses in their sector, and promote relevant programmes.
			6.2.2	Sector projects are developed that are piloted by SETAs and expanded through partnership funding.
			6.2.3	A national database of small businesses supported with skills development is established and the impact of training reported on.
		Worker, NGO and community-based education programmes are supported and their impact measured and reported on	6.3.1	SETAs engage with trade unions, NGOs and community-based organisations in their sector and identify skills needs and strategies to address needs.
			6.3.2	SETAs establish quality pilot projects.
			6.3.3	Stakeholders expand successful projects with support from the NSF.
7	Increase public sector capacity for improved service delivery and supporting the building of a developmental state	A thorough analysis and reflection is conducted on provision of education and training within the public sector and the contribution of the various role players	7.1.1	SETAs with responsibility for public sector training conduct analysis and reflection on achievements and challenges. Fasset will conduct an analysis of achievements and challenges on organisations within the Fasset scope.
			7.1.2	DHET leads a discussion on factors impacting on provision and publishes proposals on improving the institutional framework for public sector education and training.
		Education and training plans for the public sector are revised and programmes are implemented to build capacity	7.2.1	Sector Skills Plans set out the capacity needs of relevant departments and entities.
			7.2.2	Plans and funding arrangements are agreed between the relevant departments/entities and the SETAs, and are reported on.
8	Building career and vocational guidance	Career paths are mapped to qualifications in all sectors and sub-sectors, and communicated effectively, contributing to improved relevance of training and greater mobility and progression	8.1.1	Career guides are developed with labour market information from SETAs, addressing sub-sectors within their sector.
			8.1.2	Sector stakeholders are engaged and programmes are adjusted to meet the skills and qualification needs to promote comprehensive career development.