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Important Tips for Skills Development and SETA Accredited Training



Why is Skills Development important for the BEE scorecard?

With the implementation of the amended BEE Codes, Skills Development has become a strategic priority for businesses that wish to retain or attain an acceptable BEE level and in the same time also meet the requirements of the Skills Development Act. With the revised BEE scorecard, companies can earn maximum *Skills Development* points if they spend the required 3% or 6% of their annual payroll on Sector Education Training Authority (SETA) accredited training initiatives. For most businesses these targets may be overwhelming and challenging to justify as they can be seen as huge training expenditure costs. By participating in SETA accredited *learnership programmes and training initiatives*, businesses will not only obtain full points on the Skill Development element in the BEE scorecard but they are also able to do this in a cost-effective manner. SERR Synergy has compiled a very unique and affordable training product whereby businesses can benefit from skills development and SETA accredited training within their organisation.

The SETA and scarce skills

The short supply of skilled staff (scarce skills) remains a serious obstacle to the competitiveness of various industries in South Africa. There are millions of individuals throughout South Africa who desperately want and need to learn new skills. The unemployment rate in South Africa fell to 26.5 percent in the last three months of 2016 which indicates Employment rose as more people continued to join the labour force. Skills development along with training and education, are vital elements for developing the people in South Africa and for the growth of our economy. The Sector Education and Training Authority (SETA) is instrumental in nurturing our nation into being a successful group of intelligent and highly skilled individuals. When we graduate at matric or university level, our world only just opens to a new platform of opportunities. Completing secondary or tertiary education is *not* where learning and training stops. In fact, entering a working world is where the real learning begins. As a business owner you can ensure that you fulfil your responsibility of being a great leader by providing efficient skills development opportunities for your employees or participate in learnership programmes for unemployed individuals.

How does the SETA work?

There is a list of business sector authorities that are in charge of developing and implementing the National Skills Development Strategy and B-BBEE skills development plans. The B-BBEE Code's Learning Matrix sets a number of areas where skills development is possible and the SETAs are bolstering these learnerships, internships, apprenticeships and skills programmes. Each sector (as seen below) is responsible for providing funds and promoting accredited training and learnership programmes that are relevant to their sectors. Benefit of sending staff members for SETA accredited training programmes:

- Qualify for additional learnership tax rebates and SETA funding
- Maximise your company's BEE points and qualify for additional bonus points
- Optimise skills development levy funds
- Build a strong workforce of highly skilled, motivated employees

The *list of different sectors* that are responsible SETA accredited training, learning and skills development programmes are as follows:

- *Agricultural*
- *Bank*
- *Construction Education*
- *Chemical Industries*
- *Culture Arts, Tourism, Hospitality and Sports*
- *Energy and Water*
- *Education Training and Development Practices*
- *Financial and Accounting Services*
- *Fibre, Processing & Manufacturing*
- *Food and Beverage Manufacturing Industry*
- *Health and Welfare*
- *Insurance*
- Local Government
- Media, Advertising, Information and Communication Technologies
- Manufacturing, Engineering and Related Services
- Mining Qualifications Authority
- Public Service
- Safety and Security
- Services
- Transport
- Wholesale and Retail

SETA refund changes for businesses

Government has indicated that a new format for refunding businesses from the SETAs would be introduced shortly. This change in policy was necessitated by the student uprising and the need to find funds to finance tertiary education. We will inform clients in this regard as soon as more details become available. Since all SERR Synergy learnership programmes and accredited training programmes are SETA-accredited, businesses qualify for a bigger refund on their Skills Development Levies (SDLs). Important to remember that depending on the needs and scarce skills of the sector / industry SETA specific requirements, businesses can expect a maximum of 69.5% of their SDLs to be refunded. To find out more about our mandatory training in various fields such as first aid, firefighting and occupational health and safety, *contact SERR Synergy today.*

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