



Working together for a skilled tomorrow

## Guidelines for Skills Programmes for Unemployed Youth

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## Acronyms

ATR	Annual Training Report
FET	Further Education and Training
INSETA	Insurance Sector of Education Training Authority
NSDS	National Skills Development Strategy
PIVOTAL	Professional, vocational, technical and academic learning programmes
QCTO	Quality Council for Trades and Occupations
SDA	Skills development Act
SDL	Skills Development Levies Act
SETA	Sector Education and Training Authorities
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training Colleges
WIL	Work Integrated Learning
WSP	Work Skills Plan

## 1. Preamble

The Insurance Sector Education Training Authority (INSETA's) purpose is to grow the pool and quality of scarce and critical skills in the insurance and related services sector, enhancing the sector and supporting the country's transformation.

The Skills Development Act and the Skills Development Levies Act provide for the collection of levies from employers in the insurance and related services sector and provides directives and/or guidelines on how the funds allocated to each SETA should be disbursed.

The INSETA Learning Division has therefore drafted a formal Skills Programme Guideline for Unemployed Youth between the ages of 18 and 35 years to outline the process and requirements for applying and implementing for skills programmes.

## 2. Grant Regulations

On 3 December 2012, revised Grant Regulations were gazetted, which impacted on the allocation of SETA funding. The intent of the new regulation is to, amongst others: (adapted from Government Gazette no. 34932):

- ❖ Regulate the proportion of funds available for skills development that is spent on administration costs
- ❖ Regulate the proportion of discretionary funds available for skills development
- ❖ Improve the quantity and quality of labour market information received by SETAs through Workplace Skills Plans (WSP), Annual Training Reports (ATR) and PIVOTAL Training Reports, which provide a reflection of skills needs and inform planning.
- ❖ Promote PIVOTAL<sup>1</sup> programmes, which are NQF-registered and quality assured, towards addressing priority scarce and critical skills needs in the sector, as identified through Sector Skills Plans (SSP's) and research.

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<sup>1</sup> According to regulations, "PIVOTAL" is an acronym which means professional, vocational, technical and academic learning programmes that result in qualifications or part qualifications on the NQF as contemplated in regulation 3(6) and (7) as read with regulation 6(11) to (15) (taken from Government Gazette No. 35940).

In response, the INSETA drafted a reviewed Discretionary Grant Funding Policy that was approved by the INSETA Board on 12 March 2014 and the following revisions are effective from 01 April 2013:

- ❖ The discretionary project expenditure increases from 20% to 49.5%
- ❖ 80% of Discretionary funding has to be allocated to PIVOTAL programmes.

### **3. Discretionary Funds**

The Discretionary funds allocation allows the INSETA to exercise discretion in relation to how discretionary grants are utilised towards implementation of the sector skills plan and strategic objectives. The priority focus is on meeting the scarce and critical skills needs of the sector and closing the gap between labour market needs and skills supply.

INSETA will be guided by the following national priorities in the allocation of its discretionary funds:

National strategic goals as set out in the NSDS III, the INSETA strategic plan and annual performance plan and other national priorities as relevant.

Disbursement of discretionary grant funding aims to:

- ❖ Address the scarce and critical skills needs of the sector as identified through the SSP and other relevant research
- ❖ Or, address the requirement of youth to become work ready; and
- ❖ Support public TVET institutions

### **4. Skills Programmes**

INSETA will support the development of work readiness skills through Skills Programmes for unemployed youth with a view to:

- ❖ Addressing the scarce and critical skills as identified in the SSP
- ❖ Promoting the developmental and transformational imperatives of NSDS III

- ❖ Increasing the employability of unemployed youth

## 5. Funding

Skills Programme funding may be allocated to Public learning institutions through funding windows opened at the discretion of INSETA.

Funding windows will be communicated to all Public learning institutions via electronic means. The INSETA call-centre, website and other mechanisms of communication may be used at the discretion of INSETA.

Private learning institutions may be procured through competitive bid processes in line with National Treasury guidelines, the PFMA and INSETA SCM Policy.

## 6. Eligibility for Skills Programme funding

### Unemployed Youth:

- ❖ Learners must be South African citizens
- ❖ Learners must be unemployed and between the ages of 18 and 35 years
- ❖ A learner may not be on more than one INSETA funded programme within a 12 month period
- ❖ Learners that previously exited an INSETA- funded programme prior to completion will not be considered unless special representation has been made. Approvals are at the discretion of INSETA
- ❖ In the event of non-performance by any party funded by INSETA in terms of the learning programme all further funding will be withheld until an investigation is completed
- ❖ No replacement of learners is permitted without INSETA approval

## 7. Duration

Skills programmes must carry a minimum of two credits and will run for at least two days and will require submission of prescribed documentation purposes of payment processing.

## 8. Commencement of Skills Programme

For each skills programme, the following must be submitted:

- ❖ A signed contract or MOA (issued by INSETA and counter signed by the TVET or service provider)
- ❖ A list of learners on prescribed spreadsheet
- ❖ Completed registration form between learning institutions and learner
- ❖ Certified ID copy for all interns applied for;

Once the above documentation has been received and evaluated, the employer will be expected to recruit and contract with unemployed youth according to the criteria set out in these guidelines.

## 9. Payment of Skills Programme Funds to the Learning Institution

- I. Payment will not be made without a duly completed and signed contract or MOA.
- II. No person or entity is entitled to commit INSETA financially or otherwise outside of this guideline, unless they have received INSETA authorisation in writing.
- III. INSETA will not be responsible to pay for any learners who have sourced without INSETA authorisation.

## 10. Code of Conduct

### Learning Institutions

Learning institutions are responsible to inform INSETA of any change in status that may impact the skills programme (this includes drop off of learners and any other status that may adversely affect the financial commitment).

### Learners

INSETA reserves the right to relocate learners to another learning institutions where it is found, upon investigation, that the learners are not deriving the maximum benefit intended from the skills programme.

## **11. Dispute Resolution**

Should any dispute arise from any application made in terms of this policy, the parties will attempt to resolve the dispute in good faith through senior-level negotiations. If the dispute is not resolved through negotiation or mediation within a reasonable time the matter may be escalated to INSETA board.

## **12. Review**

This guideline will be reviewed annually or as required