


		<b>TRANSPORT AND EDUCATION TRAINING AUTHORITY</b>  <b>QUALITY MANAGEMENT SYSTEM</b> <b>Procedure Manual</b>	
Procedure Title	Mandatory Grant Policy	Procedure and Rev No:	rev 002
Department	Skills Development Unit	Effective date	01 April 2009
Approved		1 <sup>st</sup> Issue Date	



## MANDATORY GRANT POLICY

**2009-2010**

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## 1. Background



TETA is committed to a grant environment that enables participation in grant payments by all its levy paying organisations. From time to time grant regulations are issued by the Department of Labour in order to standardise and provide a guide on SETA grant disbursement to its levy paying organisations. TETA would like to ensure that it complies with these regulations while it supports levy paying organisations in its grant allocations and payment programme.

## 2. Purpose of the policy

- 2.1 To provide guidelines to TETA and the sector on Mandatory grant requirements
- 2.2 To maintain a framework within which TETA mandatory grants will be allocated and paid
- 2.3 To ensure that Workplace Skills Plan (WSP) support the implementation of Sector Skills Plan

## 3. Application of the policy

This policy applies to TETA and TETA Registered Levy Paying Organisations for the financial year commencing 1 April 2009 to 31 March 2010. The Mandatory Grant Criteria will be supported by the Mandatory Grant Criteria Guidelines.

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## 4. Criteria for Mandatory Grants



- 4.1 Employer who has registered for the first time in terms of section 5 of the Skills Development Levies Act that has submitted an application for a WSP grant within six months of registration is exempted from submitting the previous years ATR.
- 4.2 A duly signed WSP & ATR must be simultaneously submitted in accordance with the Organisational Framework for Occupations (OFO) and the formats prescribed by the Department of Labour (DoL) as amended by TETA.
- 4.3 An original signed edition of the template must be submitted by 30 June 2009.
- 4.4 For companies with 50 or more employees, the Training Committee minutes should reflect the approval/signatories of WSP/ATR by members of the Training committee.
- 4.5 Minimum of 40% of planned training must be Unit Standard Credit/Skills Programmes/Short Courses registered with SAQA, Full Qualifications on the NQF, TETA scarce and critical skills, regulated training as contained in the current signed MOU between TETA and regulatory authorities or any other formally recognised tertiary qualifications.
- 4.6 WSP must address the EE + BBBEE compliance (85% Blacks, 54% women and 4% people with disabilities, including youth in all categories.
- 4.7 Stakeholders will be required to submit all National Qualifications Framework learner information in support of the ATR on a Quarterly basis.

### 4.7.1 Submission date of NQF learner information:

**Quarter 1: 20 SEPTEMBER.**

**Quarter 2: 5 DECEMBER.**

**Quarter 3: 20 MARCH.**

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## Quarter 4: 20 JUNE

- 4.8 Employers registered but not participating are encouraged to submit a WSP which will be reviewed as part of Discretionary Grants process.
- 4.9 No consolidated Levy numbers will be accepted. Each company should have one levy number.
- 4.10. 50% of planned training must be achieved on the ATR.



## 5. Submission Date

An application for a mandatory grant must be submitted by 30 June for the current financial year. (It should be noted that the TETA financial year period is 1<sup>st</sup> April of one year to 31<sup>st</sup> March of the following year).

**N.B.** No late submissions will be accepted.

## 6. Allocation of Mandatory grants by TETA

Once the above criteria has been met, TETA will automatically pay a mandatory grant equivalent to 50% of the total levies paid by the employer in terms of section 3(1) read with section 6 of the Skills Development Levies Act for the financial year 2009 – 2010 on a quarterly basis in arrears as indicated in Section 7 of this document.

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## 7. Grant disbursement schedule

Once TETA Board has approved the mandatory grants, Finance Unit will automatically pay the Mandatory Grants. (ATR/WSP HAS BEEN APPROVED) **on the dates below:**

**Quarter 1: 30 SEPTEMBER.**



**Quarter 2: 15 DECEMBER.**

**Quarter 3: 31 MARCH.**

**Quarter 4: 30 JUNE.**

TETA will verify the information supplied by the relevant levy paying organisation through a reconciliation process,, using SARS data for the period under review.

TETA reserves the rights to request information with Stakeholders where it has identified gaps within the levy payment of company through SARS.

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## 8. Unclaimed grants

TETA registered companies who do not participate in the Mandatory Grant by the end of the year under review, will forfeit such grant. Unclaimed grants will automatically be transferred to the Discretionary Grant fund for reallocation into sector beneficial projects. This clause will not affect newly registered companies who have six months from registration to submit applications for grants.

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