



Transport Education Training Authority

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CEOs OFFICE: GOVERNANCE AND LEGAL

CIRCULAR NO: 01-2023/2024

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ATTENTION: ALL TETA SERVICE PROVIDERS

SUBJECT: ALLOCATION OF GRANTS BY A SETA

1. Purpose of the circular

3.1. This circular seeks to appraise all TETA stakeholders to the inclusion of additional clauses and Tax compliance matters in the currently active DG contracts.

2. Background

2.1 Section 6(9)(iii) of the SDA: Grant Regulations: Sector Education and Training Authority (SETAs) Grant Regulations regarding monies received by a SETA and Related Matters states that:

"(9) The Discretionary Grant Policy must –

(iii) determine the proportion of discretionary grants that can be used for administration or project management purposes in various grant and project categories provided it indicates that a maximum of 7,5% of any grant or SETA-funded project may be used for administration or project management costs; and..."

2.2 Item 8.2.1 of the TETA Discretionary Grant Policy states that:

"A proportion of the Discretionary Grants can be used for administration or project management purposes in various grant and project categories provided it indicate that it is up to a maximum of 7.5 % of the budget. Where the administration of the project resides with TETA, then the administration cost will be managed by TETA to perform the following, among others:

- *Monitoring and Evaluation;*
- *General Project Support;*

- *Salaries of employees directly linked to the implementation of Discretionary Grants contracts;*
- *Moderation of learning programmes;*
- *Stakeholder capacity building and project management functions;*
- *Advertisements relating to the implementation of learning programmes and projects;*
- *Career guidance programmes;*
- *An advocacy of TETA learning programmes;*
- *TVET capacity building;*
- *Curriculum design and qualification development;*
- *Any other costs related directly to the implementation of discretionary grants (including availability of other resources such as laptops, mobile phones, etc;*
- *Due diligence and workplace verification where applicable.”*

2.3 Pursuant to compliance with the Tax Legislative requirements, stakeholders are requested to confirm that they are tax compliant when obtaining any project funding from TETA and through tranche payments.

3. Instructions

In giving effect to the provisions of the SETA Grant Regulations and the TETA Discretionary Grant Policy:

3.1. Addendum to all signed Discretionary Grant Agreements

An addendum to all our active contracts will be sent to the relevant parties setting out provisions to be added to the contract to ensure compliance with legislative prescripts and the TETA Policies.

Any enquiries pertaining to this circular may be directed to:

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Regards



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