



LGSETA
CREATING GREATER IMPACT

47 van Buuren Road, Bedfordview 2007 P O Box 1964, Bedfordview 2008
Telephone 011-456-8579 Facsimile 011-450-4948 Email info@lgseta.org.za Website www.lgseta.org.za

REF: DISCRETIONARY GRANT PROCESS FOR 2017/18

25 April 2017

**To: The Municipal/City Manager
CEO/Director**

**Cc: Director: Corporate Services
Skills Development Facilitator
LGSETA Provincial Manager**

CIRCULAR TO ALL MUNICIPALITIES REGARDING THE DISCRETIONARY GRANT PROCESS FOR 2017/18

1. PURPOSE

1.1 The purpose of this Circular is to communicate with levy payers the Discretionary Grant process that will be followed for the 2017/18 financial year.

2. BACKGROUND

2.1 The SETA Grant Regulations Notice no 39592 regarding monies received by a SETA and related matters are intended to strengthen the skills development system, reduce wastage, and ensure that SETAs spend their entire allocated budget within the relevant financial year, and not accumulate surpluses. The regulations also require that SETAs spend at least (80%) of the Discretionary Grant funding on PIVOTAL (Professional, Vocational, Technical and Academic Learning) programmes informed by the needs of the sector.

2.5 The SETA Discretionary Grant application process for 2017/18 is outlined in section 3 below.

3. DISCRETIONARY GRANT 2016/17 PROCESS

3.1 The SETA will utilise the Workplace Skills Plan 2017/18 due to be submitted on 30 April 2017 to guide Discretionary Grant funding allocation to levy-paying entities. The list of interventions and qualifications to be prioritised and funded for 2017/18, in line with the Sector Skills Plan, will be *verified against the Workplace Skills Plan and where discretionary grant funding has been indicated as the potential source of funding for the training. Thus the Municipality/Entity is requested to complete and signed attached form and return to the Provincial office on or before 31 May 2017.*

3.2 The SETA will consider individual applications as well as joint application by entities, where entities at a district level, identify skills needs in line with the SETA's priority focus areas and available funding.

3.3 The SETA will appoint a panel of accredited training service providers, taking into account provincial spread, to implement training on behalf of levy payers. This approach will enable the SETA to follow equitable allocations but without entities having to implement a lengthy

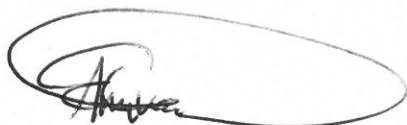
procurement process that might result in implementation delays. Contracting will therefore be between the LGSETA and the appointed training provider.

- 3.4 The SETA will consider specific requests to utilise accredited training service providers in certain instances that include but are not limited to instances where entities have accredited training centres and where accredited training providers had already been appointed.
- 3.5 The SETA will notify entities of their specific allocations by 15 June 2017 after which, entities will be given up until 30 June 2017 to accept or decline the allocation. The due diligence/workplace vetting process, where applicable, will be concluded by the SETA.

5. CONCLUSION

All enquiries with respect to the process may be directed in writing to the Provincial Managers.

Yours sincerely,

A handwritten signature in black ink, enclosed within a hand-drawn oval. The signature appears to be 'Khulekani Mkhize'.

Khulekani Mkhize
COO: Local Government Sector Education and Training Authority