

FINANCE	Doc Nr	FIN/POL/10/2020
DISCRETIONARY GRANT POLICY	Version	03
	Issue Date	January 2021
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## DISCRETIONARY GRANT POLICY

### Signatories

The signatories hereof, confirm their acceptance of the contents and recommend the adoption thereof.

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## SERVICES SETA

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### 1. Background

1.1 The Service SETA was established in terms of the Skills Development ACT (SDA). In accordance with the SDA the Minister of Higher Education and Training published Grant Regulations governing the allocation of SETA levy income in the form of monetary and discretionary grant. The Regulations also regulate the manner in which the discretionary funds are allocated, and they enjoin the Services SETA to develop a policy relating thereto.

1.2 This document constitutes the policy referred to above.

### 2. Purpose/ Philosophy

2.1 Funds In line with the SETA Grant Regulations and DHET Guidelines on the implementation of the Regulations, the purpose of this policy is to set out how the Services SETA intends to disburse grants to support the implementation of its SSP and APP. The SSP has been developed on the basis of the best available research and in consultation with relevant stakeholders and seeks, through skills development, to: -

- (a) facilitate the growth of the services sector,
- (b) expand employment opportunities in the services sector; and
- (c) assist the services sector to adapt to changes in the economy and within the general business environment

2.2 The Services SETA will monitor the use of funds and will measure the successful achievement of its objectives by, amongst others, measuring its impact on individuals, enterprises, subsector development, and the development of the services sector as a whole.

2.3 This policy furthermore aims at: -

- 2.3.1 informing the Services SETA member companies and stakeholders how grants and Services SETA funded projects can be accessed to enable their proper participation;
- 2.3.2 ensuring that the skills levy is effectively utilised to meet the skills needs of employers and employees in the services sector; and
- 2.3.3 highlighting how the Services SETA aims, through various interventions, to achieve certain national objectives as set out in the NSDS).
- 2.3.4 NGSP

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### 3. Definitions and terms

Abbreviations	Explanation
AA	Accounting Authority
APP	Annual Performance Plan
ATR	Annual Training Plan
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
DHET	Department of Higher Education and Training
HDI	Historically Disadvantaged Individual
MOA	Memorandum of Agreement
NGDP	National Graduate Development Programme
NQF	National Qualification Framework
NSDS III	National Skills Development Strategy 3
NSF	National Skills Fund
PIVOTAL	Professional, vocational, technical and academic learning programmes that results in qualifications or part qualifications on the NQF and as contemplated in the grant regulations
Public education and training institution	Means a public higher education institution as defined in the Higher Education Act, 1997 (Act No. 101 of 1997) and a public college as defined in the Further Education and Training Act, 2006 (Act No. 16 of 2006) and any amendments thereof promulgated into law in the future
QMD	Quality Management Division

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QCTO	Quality council for Trades and Occupations established in terms of section 26H of the SDA
RPL	Recognition of prior learning
SAQA	South African Qualifications Authority
SDA	Skills Development Act (Act No. 97 of 1998, as amended)
SDLA	Skills Development Levies Act (Act No. 9 of 1999, as amended)
SETA	Sector Education and Training Authority
SP	Strategic Plan
SSP	Sector Skills Plan
WSP	Workplace Skills Plan

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#### 4. Key principles to be applied in respect of the implementation of this policy

4.1 Section Without being exhaustive, and without detracting from the Accounting Authority's discretion, the following key principles will be applied in the implementation of the policy:

- a. Funding will be directed to scarce and critical skills as set out in the SSP and the APP.
- b. The allocation of funds will be based on equitable, fair and transparent processes without prejudice to any individual or stakeholder.
- c. The Services SETA will balance its performance agreement with the minister, sector and national priorities.
- d. The Services SETA will ensure the prevention of fruitless and wasteful expenditure.

#### 5. Purpose and allocation of Discretionary grants

5.1. As indicated above Discretionary Grants are allocated to ensure the proper implementation and achievement of the goals and objectives of the Services SETA.

Having said that the allocation of such grants is informed by: -

- 5.1.1. the discretion of the Accounting Authority in response to the overall performance of the Services SETA in relation to its Discretionary Grant portfolio;
- 5.1.2. National skills development imperatives in respect of the sectors covered by the Services SETA, the NSDS, the New Growth Path, the Industrial Policy Action Plan, the National Skills Accord, the Green Accord, the Beneficiation Strategy of South Africa, the National Development Plan, Strategic Integrated Projects, the Rural Development Strategy, the Environmental Strategy, the Human Resource Development Strategy and the Green Paper on Post-School Education and Training; and
- 5.1.3. Ministerial pronouncements and injunctions.

#### 6. Sector Development

6.1 As indicated above the development of key sub-sectors is one of the objectives of the Services SETA. Such development will be carried out in line with the Service SETA's SSP and APP.

6.2 The following sub-sectors are central to the Services SETA's delivery on its mandate:

- a. Cleaning and Hiring.
- b. Communication Management.
- c. Labour and Collective Services.
- d. Management and Business Services.
- e. Personal Care Services.

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f. Real Estate and Related Services

6.3 In developing these key sub-sectors, the Services SETA shall focus on scarce skills, critical skills and small to medium and micro enterprises. Priority will be given to programmes that lead to full qualifications, support career growth, and enhance productivity.

**6.4 Small and micro enterprises**

- a. In relevant small and micro enterprises will be empowered through both the skills development and the allocation of projects to them for delivery. Funds will be provided to, inter alia, provide external mentoring, training of business owners and managers as mentors, bursaries, internships, as well as appropriate skills programmes.

**6.5 Development of the funding criteria**

- a. The AA shall approve the criteria or principles of each allocation to be funded.

**7. Funding model – percentages and types of grants**

7.1. In terms of SETA Grant Regulations, the levy grant system is allocated as follows:

LEVY GRANT SYSTEM ELEMENT	ALLOCATION %	CONDITIONS	AMENDMENT TIMELINES
Total levy	N/A	1% of Remuneration Costs of companies obliged by legislation	As required by the Grants Regulation
NSF	20%	% prescribed	
SETA Administration	10.5%	Maximum of 0.5% to QCTO	
Mandatory Grant	20%	Unclaimed swept to Discretionary Grants by 15 October each year	
Discretionary Grant	49.5%	Discretionary Grants for direct costs (learning interventions)	



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		<p>shall be allocated after deduction of the support cost and infrastructure projects</p> <p>ii) Minimum of 80% to PIVOTAL Programmes</p> <p>iii) Maximum of 20% to other Programmes</p>	
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## 8. Use of Discretionary grants funding for Discretionary grants project

The Services SETA Discretionary Grants funding for projects is divided between Special Projects and Regular Projects.

### 8.1. Special projects

- 8.1.1. Special Projects are projects aimed at ensuring the participation of public institutions and non-profit making organisations in the Services SETA's skills development work. The purpose of these projects is to provide training in the priorities of government and/or the AA.
- 8.1.2. These types of projects originate primarily from analyses of the Services SETA's responsiveness to, amongst others, performance against its own objectives and to government pronouncements.
- 8.1.3. Special projects shall be addressed through special initiatives in line with the Services SETA's development requirements as approved by the AA, and can be embarked upon at any point during the financial year. Approval for special projects rests with the Services SETA's Accounting Authority.

### 8.2. Regular projects

- 8.2.1. Regular projects are normal projects that address Services SETA objectives as set out in the Service Level Agreement between the Services SETA and Department of Higher Education and Training (DHET).
- 8.2.2. One or more funding windows shall be created during a financial year for entities to submit their applications for funding for regular projects.
- 8.2.3. Approval for regular projects rests with the AA and is in line with the requirements set out in this policy. The allocation criteria shall be reviewed and determined by the AA.

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### 8.3. Discretionary grant and administration costs

8.3.1. Up to a maximum of 7.5% of the DG funding shall be allocated to administer the project as follows:

8.3.1.1. Of the 7.5%, a maximum 6.5% is allocated to Project management fee; and

8.3.1.2. 8.3.2 Of the 7.5% a maximum of 1% is allocated to recruitment cost. 50% of this shall be claimed together with the first stipend claim, and the remaining 50% during the project midterm.

### 8.4. Discretionary grants support cost

7.5% test shall not be applicable to the following, which are also referred to as indirect costs to support projects:

8.4.1. Salaries of core business staff;

8.4.2. Expenditure as a result of support to project conceptualise, implementation and closure;

8.4.3. Launches;

8.4.4. Legal costs;

8.4.5. Travel and accommodation; and

8.4.6. Consulting to support Service SETA strategic goals.

### 8.5. Non-standard projects

8.5.1. These are projects amongst others which include SMMEs, Cooperatives, etc. all cost related to these projects will be classified as direct cost.

8.5.2. Expenses will be classified between Pivotal and Non-Pivotal depending on the nature of the project

### 8.6. Non-pivotal projects

Non-pivotal projects shall not have a 7.5% as all cost allocated are deemed to be critical to the success of those projects.

### 8.7. Compliance reporting

Calculation shall be based on the Discretionary Grants funding amount remaining after deduction of the support cost and infrastructure projects.

## 9. Allocation of discretionary grants

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**9.1. The Services SETA shall direct funds to programmes as follows:**

- 9.1.1. Discretionary Grants Support cost;
- 9.1.2. Infrastructure development and capital projects for Public institutions (including tribal authorities);
- 9.1.3. A minimum of 80% to PIVOTAL learning programmes; and
- 9.1.4. A maximum of 20% to other programmes.

**9.2. PIVOTAL learning programmes include:**

- 9.2.1. Maximum of 12-month learning programmes directed at Unemployed learners, delivered by a private training provider, and resulting in qualifications that can improve the work placement of the qualified learner, and which align with sector objectives.
- 9.2.2. Formal full time and part time programmes delivered by an education and training provider that result in an occupational qualification, such programmes may attract bursaries.
- 9.2.3. Apprenticeships leading to a trade test and artisanal qualification.
- 9.2.4. Internships for learners studying for an occupational qualification and who require work experience and learning as part of the qualification.
- 9.2.5. Internships for learners who have completed their occupational qualification and who are seeking a period of workplace experience in their chosen occupation. The work experience must be structured and supervised by a suitably qualified person.
- 9.2.6. Graduate placement programmes that enable qualified individuals to become professionally registered. Part qualification skills programmes, made up of a combination of unit standards that fall within a qualification, with the aim of increasing the skill level of employed learners.
- 9.2.7. Recognition of prior learning for people with the experience but not the formal qualification in the services sector.
- 9.2.8. Adult Education and Training.
- 9.2.9. In allocating discretionary funds, Services SETA will prioritise PIVOTAL programmes. The proportion of funds ultimately allocated to each of these categories will be determined by the AA by taking into account the priorities for the year as set out in the Sector Skills Plan (SSP) and the Annual Performance Plan (APP) of Services SETA.

**10. Eligibility for regular projects funding from the Services SETA Discretionary grants**

- 10.1. It is the intention of the Services SETA to ensure the fair and equitable distribution of discretionary funds and to ensure that such discretionary funds are disbursed in such a manner that the Services SETA's objectives and goals are met.
- 10.2. Whilst it is important for as many entities as possible, including small and micro enterprises, to benefit from Services SETA funded programmes; it is the ultimate

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responsibility and sole prerogative of the Services SETA to determine the allocation criteria. The said may include but not limited to: -

- 10.2.1. The number of years which the applicant has been in business;
- 10.2.2. The number of successful training interventions that have been delivered by the applicant;
- 10.2.3. The applicants' turnover; and
- 10.2.4. The geographic location of the applicant.

**10.3. Project proposals addressing one (or several) of the following themes shall be considered for funding:**

- 10.3.1. PIVOTAL programmes delivered through public education and training institutions.
- 10.3.2. Learning interventions aligned to SAQA-registered qualifications and unit standards where such qualifications and unit standards are available, and where the programme addresses a critical or scarce skill as set out in the SSP.
- 10.3.3. Artisan training in terms of which the entity enrolls an apprentice, ensuring that s/he is exposed to theoretical learning, workshop training and practical work experience, with the combined programme culminating in a trade test.
- 10.3.4. The provision of a period of workplace learning for a student who must do practical work as part of his/her qualification, or in order to gain professional registration after qualifying.
- 10.3.5. The provision of a structured work placement for students who have completed a qualification regarded as a scarce skill, and who are seeking practical experience in such an occupation in the form of an internship.
- 10.3.6. Enrolment of an unemployed young person in a learnerships or employed staff member in a skills programme that addresses a scarce or critical skill need. The learnerships or skills programmes must be linked to occupationally directed qualifications.
- 10.3.7. Provision of basic education services to adults within the services sector, with the aim to improve their ability to be enrolled in full or part-qualification programmes within the sector.
- 10.3.8. Recognition of employed learners prior learning through on the job or other learning programmes to enable the employee to acquire more formal recognition of their abilities.

**10.4. The Service SETA shall not provide grant funding for:**

- 10.4.1. Projects that have already commenced prior to the approval of the application. (This prohibition shall, however, not apply to projects which need to be implemented to finalise previously commenced projects which are yet to be finalised).
- 10.4.2. Set-up costs, e.g., start-up costs.
- 10.4.3. Capital expenditure, e.g., building costs and the cost of equipment etc. excluding public institutions.

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10.4.4. Existing operating expenses, e.g., salaries of current employees who will undergo training.

10.4.5. Organisational policy development.

10.4.6. Interventions that result only in "awareness" for participants.

10.4.7. Employees who are employed by entities that are not operating within the services sector or who are not Services SETA member companies, other than artisan related qualifications.

10.4.8. Learners to attain qualifications other than Services SETA or Service SETA OFO related qualifications, with the exception of artisan programmes.

10.4.9. Learners who participated in other Services SETA learning programmes excluding progressions

10.4.10. Learner drop outs and completions

#### **10.5. Funding for Pivotal Programmes:**

10.5.1. Funding for PIVOTAL programmes will be subject to:

10.5.1.1. the appointment of training providers may jointly be done by the Services SETA and the entity funded, and on the basis of a process by the Services SETA;

10.5.1.2. approved learning intervention(s) are accredited and lead to a recognised qualification.

10.5.1.3. in instances where training is for a short course, the value and benefit of the training programme(s) to the learner and (potential) employer(s) must be clearly demonstrated.

10.5.1.4. all funding applications must demonstrate capacity to successfully implement the proposed project and will be subject, amongst others, to the Services SETA verifying that the organisation has the capacity to deliver effectively, efficiently, and in a timely manner.

10.5.1.5. Hosting of learners outside the funded entity is permitted, provided that the practical learning experience aligns with the learning programme being delivered and the practical experience required. The host employer must accept terms and conditions for the Services SETA to conduct due diligence and monitoring visits to ensure learners are hosted correctly, and are being provided with the relevant practical experience.

10.5.1.6. Entities may not start with training before confirmation of a work placement.

## **11. Targeted beneficiaries**

**11.1.** The Services SETA is a public institution and is therefore obliged to provide business and skills development training opportunities to all South Africans who meet its requirements.

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- 11.2.** All stakeholders and role-players with the requisite capacity and good standing who comply with the criteria as determined by Services SETA may apply for Services SETA-funded projects.
- 11.3.** Given, however, the special nature of skills development broadly and SETAs specifically, the Services SETA's discretionary funding is applicable, in the main, to levy paying companies, non-levy paying companies in the services sector, training providers, NGOs, CBO, Public Institutions, including public Further Education and Training (TVET) Colleges, Trade Unions and other role players in the services sector.
- 11.4.** The Service SETA will prioritise the approval of applications that contribute to economic growth and human resource development, transformation and employment equity in line with the NSDS. It is important that training contributes to:
- 11.4.1. Employment equity (improving the employee profile at all levels in terms of race, class, gender and disability).
  - 11.4.2. Provision of opportunities for young people (particularly those not currently in education and training or in work).
  - 11.4.3. Enabling access to special groups, such as women, youth, and people with disabilities.
  - 11.4.4. Addressing the challenge of managing and reducing the spread of HIV and AIDS within the sector.
  - 11.4.5. Supporting enterprise development within the sector, including co-operatives and community-based entities.
  - 11.4.6. Extending access to Service SETA priority programmes to rural areas.
  - 11.4.7. Improving the skills profile of those from poorer socio-economic backgrounds and assisting in career-pathing from lower graded to higher graded jobs within entities.
  - 11.4.8. Services SETA discretionary funding is aimed, in the main, to benefit designated groups, including:
    - 11.4.8.1. Black South Africans.
    - 11.4.8.2. Women.
    - 11.4.8.3. People with disability. The Services SETA has developed guidelines on disability allowance. The guideline is available upon request from the Service SETA.
    - 11.4.8.4. Broad Based Black Economic Empowerment (BBBEE) entities.
    - 11.4.8.5. Small Medium and Micro Enterprise (SMME) Businesses.
    - 11.4.8.6. Non-levy paying entities in the services sector, Non-profit Organisations (NGO) and Community Based Organisations (CBO).
    - 11.4.8.7. Youth.
    - 11.4.8.8. Cooperatives.

## **12. Criteria for the allocation of Discretionary grants for regular projects**



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**12.1.** Depending on the availability of funds, and at the sole discretion of the AA, the following criteria will, inter alia, be considered in the Services SETA's allocation of discretionary funding for regular projects: -

- 12.1.1. Learning programmes that cover both employed and unemployed learners.
- 12.1.2. Applications targeting and/or involving designated groups.
- 12.1.3. A dedicated focus on learners with disability.
- 12.1.4. Equity imperatives such as women (55%), youth (18-35 years) (55%), and HDI (85%), through dedicated or integrated project strategies.
- 12.1.5. Applications based on partnerships, particularly ones with empowerment elements built into them, and those combining public and private collaboration, will receive priority.
- 12.1.6. Responsiveness to geographical and sub-sectorial considerations.
- 12.1.7. The capacity to develop and place learners provided that this criterion must not be seen as a boundary to counter or negate the Services SETA's strategic imperative to work with and promote delivery of projects with small businesses.
- 12.1.8. Prior skills development experience and/or credibility within the Services SETA or other SETAs.
- 12.1.9. Joint funding of projects with the Services SETA.
- 12.1.10. Focus on scarce and critical skills in the services sector.
- 12.1.11. An acceptance of the Services SETA's terms and conditions for the delivery of grant funded projects is required prior to discretionary funds being allocated for regular projects. Additionally, the applicant must, to the satisfaction of the Services SETA, have the capacity and ability to deliver the project. This will be established through a due diligence process.
- 12.1.12. The payment model will be performance based and tied to delivery and achievements per month.
- 12.1.13. Applications must be submitted as prescribed in the advertisement/s. No exceptions may be granted.

### **13. Application, selection and allocation process for regular projects**

#### **13.1.** Discretionary grants application

- 13.1.1. The AA shall approve a list of discretionary grants and projects for a particular funding window. Once the list has been approved, the Services SETA shall, by way of Discretionary Grant advertisements, invite all member companies, NGOs, Non-levy Paying Members and Public Institutions and any other relevant entity to submit applications for discretionary grant funding.
- 13.1.2. Applications shall be submitted online, via the Discretionary Grant portal or designated email addresses.

#### **13.2.** The Services SETA shall not consider a discretionary grant application if:

- 13.2.1. The discretionary grant criteria aligned to the grant regulations are not met.

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13.2.2. The submission deadline and criteria have not been met.

13.2.3. The Services SETA does not have an adequate funding (reserves) to allocate the required award.

### **13.3. Selection and evaluation of the application**

13.3.1. The allocation criteria set out above, or as specifically determined by the AA shall be applied in the evaluation of discretionary grant applications.

13.3.2. An independent entity will be appointed by the Services SETA to evaluate the grant applications, conduct the due diligence exercise, and recommend allocations based on set criteria. Relevant Services SETA departments and/or units may be involved to the extent that their involvement does not amount to involvement in the recommendation of specific applicants.

### **13.4. Allocation of the discretionary grants**

13.4.1. Allocations will be made via a three-stage process as follows:

13.4.1.1. Stage 1: Selected entities will be subjected for the due diligence exercise.

13.4.1.2. Stage 2: Entities found to be adequate during the due diligence, in terms of the Services SETA requirements, will be given an "Intention to Contract" based on the level of the entities' capacity as determined solely by the Services SETA. The "Intention to Contract" will list requirements to be fulfilled, and applicable timeframes, for the Service SETA to proceed to contract with the entity.

13.4.1.3. Stage 3: if the conditions set out in the "offer to Contract" letter are fulfilled, and within the set timeframes, the Services SETA will develop a contract to be signed between itself and the relevant entity.

### **13.5. Project coordination**

13.5.1. After the Services SETA has expressed its intention to contract with an entity all the documents required in terms of that intention must be submitted to the project coordination department of the Services SETA. The project coordination department together with the learning intervention and quality management departments review the documents and the information submitted and, if satisfied approve them and advise the legal department to proceed with relevant contracting.

13.5.2. After the contracts are signed the learning interventions department will conduct the required induction together with the training provider/employer, including vetting of the work placement. At the induction learners have to sign the relevant learner contracts.



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13.5.3. Once training starts the Services SETA's learning interventions department will conduct regular monitoring and evaluation visits, some of which will be unannounced. Prior to the placement of learners, work place approval visits may also be conducted.

13.5.4. The quality management division of the Services SETA will, on its part, conduct external moderation visits as part of quality assurance of learner achievement.

#### 14. Disbursement of the Discretionary grants funds and risk management

14.1. All projects funded in terms of the Services SETA's discretionary grant policy must have special and dedicated bank accounts into which all payment and disbursements will be made. The Services SETA will have access to statements pertaining to the account as and when it requests. Public institutions may open dedicated cost centres rather than special bank accounts.

14.2. In accordance with the monitoring and evaluation procedures applied by the Services SETA and in terms of the service level agreement which will be concluded with the Services SETA, invoices submitted to the Services SETA must be based on work done and must be accompanied by evidence that an activity claimed for has indeed been conducted/delivered.

14.3. Claims unaccompanied by the relevant evidence will not be processed and/or paid.

14.4. It is the responsibility of the entity to ensure that all requirements are met and the supporting documents are provided as per the service level agreement/contract when submitting a claim.

#### 15. Disability allowance and rural allowance

##### 15.1. Introduction

15.1.1. One of the main objectives of the NSDS, which in turn forms part of the Services SETA's obligations, is to ensure increased access to training and skills development opportunities and at the same time address fundamental historical inequities in relation to class, race, gender and disability.

15.1.2. In order to meet this objective, the Services SETA shall ensure that disability allowances are payable in respect of disabled learners and learners from rural areas enrolled by entities or providers allocated a grant.

15.1.3. **The approval and payment of the allowances are solely at the discretion of the Services SETA and shall depend on the availability of funds.**

##### 15.2. Requirements for claiming disability allowance

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15.2.1. The payment of the disability allowance is at the discretion of the AA. The amount payable to both the entity and the learner is as determined by the AA from time to time.

15.2.2. A disability allowance to a maximum of R18 000.00 per annum shall be paid per disabled learner enrolled by the entity allocated a grant. Of this amount, R12 000.00 shall be paid, broken into monthly amounts, to the learner together with monthly stipend to cover additional costs. The balance shall be paid to the entity over the duration of the project

15.2.2.1. The allowance is payable subject to:

15.2.2.1.1. availability of funds to make the payments;

15.2.2.1.2. Submission of a medical certificate and/ or assessment as evidence of disability.

### **15.3. Requirements for claiming rural allowance**

15.3.1. Municipal demarcations/Statistics South Africa classification will be used to inform areas that can be referred to as rural in line with the criteria approved by the Services SETA's Accounting Authority.

15.3.2. Entities are required to submit proof of residence as evidence

15.3.3. The allowance payable to the learner by the Services SETA shall amount to R700. The amount shall be payable to the rural learners that have to travel in order to access programmes offered only in urban areas.

### **15.4. Allowance payable to the entity**

15.4.1. Entities should submit their business cases providing reasons why they should be supported for learning interventions taking place in rural areas. The rural allowance shall be determined and allocated at the discretion of the Services SETA, limited to the maximum of 7.5% of the total project costs. No rural allowance is payable to entities.

## **16. Retention fee**

16.1. In order to ensure that entity properly completes the activities required of it under an agreement.

16.2. The Retention Fee is security held by the Services SETA to guarantee the performance of an entity and to ensure that when an entity fails to complete a project the project is satisfactorily rectified from the budget allocated for such a project

16.3. The AA shall from time to time determine the percentage of the allocated project budget that must be retained by the Services SETA in allocated projects as a Retention Fee.

16.4. The Retention Fee shall be released once the project is completed to the satisfaction of the Services SETA. However, the Retention Fee may be subjected to a set-off by the Services in accordance with the provisions in the agreement entered into with the entity.

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## 17. Unemployment Insurance fund

- 17.1.** With effect from 1 March 2018, employers need to comply with provisions of the Taxation Laws Amendment Act, No. 17 of 2017 which repealed the exclusion clauses in section 4 of the Unemployment Insurance Contributions Act, No 4 of 2002.
- 17.2.** The abovementioned learners and their employers will now need to contribute 1% of the remuneration paid by the employer to the employee. The employer therefore must pay over a total contribution of 2% (1% contributed by the employee and 1% contributed by the employer).
- 17.3.** Employers who have learners that fall within section 18(2) of the SDA will need to amend their payrolls effective 1 March 2018 to include contributions to Unemployment Insurance Fund for these learners and such learners will, on unemployment be able to claim from the UIF.

## 18. Review date

This policy will be reviewed on a regular basis or as when regarded to be necessary.