



**Energy Sector Education and Training Authority**  
**Discretionary Grants Policy**

**WEF 2008**

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## INTRODUCTION

The Minister of Labour has published Funding Regulations (Gazette 27801 of 18 July 2005) on grants to be paid by Sector Education and Training Authorities (SETAs).

The Energy SETA has developed this policy document in order to provide advice to employers and others on how to claim these grants.

**This policy is valid for 1<sup>st</sup> April 2006 and will be amended from time to time by additional annexure as approved by the ESETA board.**

There are two types of Grants, namely: - Mandatory Grants and Discretionary Grants.

In terms of the *mandatory grants* ESETA has to implement this grant type as per the Regulations Gazette no. 27801 of 18 July 2005 provisions. Below is the explanation of the *discretionary grants* policy of ESETA.

### 1. MANDATORY GRANTS

The mandatory grants are fully covered in the Grants Regulations Gazette 27801 of 18 July 2005.

### 2. DISCRETIONARY GRANTS

#### Introduction

There are fourteen (14) kinds of discretionary grants which a SETA could disburse according to the current Grants Regulations Gazette 27801 of 18 July 2005. These grants are governed by the needs in the sector and the availability of funds.

The objective of the grants is to encourage employers to implement learning programmes and sector skills development initiatives. The discretionary grant of the ESETA is meant to support training done by stakeholders and not necessarily to pay for training costs. The cost of training still remains a responsibility of the stakeholder.

The SETA encourages the employers to apply for the following types of discretionary grants as explained below.

#### 2.1 Learnership Grant

##### Principles

The ESETA learnership grant is not prescriptive but is expected to be used towards these costs for the learner:

- Learner Allowances to unemployed learners
- Training Provider costs

**The disbursement of these grants is subject to availability of funds and any additional requirements by the ESETA.**

- 2.1.1 Any organisation within the sector may seek a grant from ESETA to support the implementation of learnerships. ESETA will determine the level of grants and details.
- 2.1.2 Stakeholders are requested to note the principles above to ensure that learners are not in any way disadvantaged in the implementation of learnerships.
- 2.1.3 The learner allowance must be paid in terms of Learnership Sectorial Determination No. 5 of the Basic Conditions of Employment Act published on 15 June 2001.
- 2.1.4 ESETA will make grants available in tranches of:
  - ❖ 50%, on registration; and
  - ❖ 50% on certification of the Learnership.
- 2.1.5 ESETA will disburse the first tranche on registration of the Learnership agreement. Please note that the ESETA takes about 30 days to register the Learnership Agreement and another 30 days to process the payment.
- 2.1.6 Companies who want to register learners in Learnerships and claim grants from ESETA must complete Annexure A of this document and submit together with the Learnership Agreement.
- 2.1.7 All discretionary grants will be paid directly to the employer or nominated agency as per agreement with the ESETA.
- 2.1.8 Employers may, however, be required to submit invoices and proof of payment to ESETA from the accredited training providers before the payment of the second tranche.
- 2.1.9 Only accredited providers where applicable will be considered for learnership grants.
- 2.1.10 For the Learnership Grant amounts see Annexure C.

## **2.2 Skills programmes**

### **Principles**

Companies wishing to apply for skills programmes grants must inform the ESETA before any training takes place. This is to ensure that the ESETA has enough funds to cover these grants.

**Applications for programmes which have already commenced will not be considered.**

- 2.2.1 Any organisation in the sector may seek a grant from ESETA towards providing the Skills Programmes.
- 2.2.2 ESETA will determine arrangements for the application for grants and amounts to be paid.
- 2.2.3 Any application for a grant **must be submitted to ESETA and be approved before the Skills Programme commences.**
- 2.2.4 Companies who want to claim grants for skills programmes must complete Annexure A of this document.
- 2.2.5 ESETA will assess each application individually.

2.2.6 Each application shall be evaluated on merit and for the grant amounts see Annexure C.

## 2.3 Apprenticeships

**There are, and will still be apprenticeships until the Minister of Labour repeals the remaining sections of the Manpower Training Act**

2.3.1 Any organisation in the sector which seeks to indenture apprentices in the apprenticeship may apply to ESETA for financial support.

2.3.2 Companies who want to claim grants must complete Annexure A of this document.

2.3.3 ESETA will make grants available in tranches of:

- ❖ 50%, on registration; and
- ❖ 50% on certification of the apprenticeship.

2.3.4 For the grant amounts see Annexure C.

## 2.4 On the Job Training (Experiential Training and Internships)

### Principles

Companies wishing to apply for Experiential learning grants must inform the ESETA before any training takes place. This is to ensure that the ESETA has enough funds to cover these grants.

**Applications for training which have already commenced will not be considered.**

2.4.1 Any organisation, which seeks to employ learners under this category, may apply to ESETA for financial support.

2.4.2 This grant type shall be made available to companies that employ experiential trainees and interns who need to qualify for programmes within ESETA's scope of coverage.

2.4.3 For the amount paid see Annexure C.

## 2.5 ABET

### Principles

Companies wishing to apply for Experiential learning grants must inform the ESETA before any training takes place. This is to ensure that the ESETA has enough funds to cover these grants.

**Applications for training which have already commenced will not be considered.**

2.5.1 Any organisation in the energy sector which seeks to train learners in ABET programmes may apply to ESETA for financial support.

2.5.2 ESETA will subsidise on full completion of an ABET level (1-4) for each learner that gets taken by an employer.

2.5.3 For the amount paid see Annexure C.

### **3. BROAD CRITERIA FOR ACCESSING THE DISCRETIONARY GRANTS**

- 3.1 ESETA recommends that the grants will be offered to organisations that focus on:
- 3.2 Designated groups.
- 3.3 Implementation of HIV/AIDS and other dread diseases programmes.
- 3.4 Bursary schemes for designated groups focussing on SMME sector.
- 3.5 Social upliftment programmes relating to skills development in the sector.
- 3.6 Training of the unemployed, underemployed and pre-employed.
- 3.7 Research and development of energy-related technologies and funding of these activities.
- 3.8 Organisations that claim must have registered with SARS for skills levy payment and be paying a Skills Development Levy to the ESETA.
- 3.9 Sector Stakeholders who fall outside the threshold of the Skills Development Levy Act may also apply for discretionary grants.
- 3.10 Preference will be given to training provision that had unit standards and qualifications registered on NQF.

### **4 PREFERENCE FOR GRANTS ALLOCATION**

- 4.1 Preference will be given to companies/organisations that provide these skills development initiatives to the unemployed and pre-employed.
- 4.2 50% of learners in the programmes must be women especially from historically disadvantaged communities.
- 4.3 SMME's are the priority area of focus for disbursement of Grants.
- 4.4 An organisation which is not up to date with the monthly levy payments does not qualify for Grants.
- 4.5 Documentation for all the intended programmes must be made available to ESETA prior the commencement of the initiatives.

### **5 GENERAL INFORMATION**

- 1.1 The above categories of stakeholders should be falling within the ESETA scope of coverage.
- 2.2 Providers and Workers who wish to apply for grants shall fill Annexure B of this document.

## **6 AMENDMENTS TO THE POLICY**

- 6.1 This policy shall be reviewed when the need arises to ensure alignment with the Energy sector priorities.
- 6.2 Annexure C shall be reviewed in alignment with the annual budget of the ESETA and availability of funds.



**ANNEXURE A**

**SKILLS DEVELOPMENT ACT No. 97 of 1998 as amended**

**ESETA APPLICATION FOR DISCRETIONARY GRANT BY THE EMPLOYER**

**Note:**

*The employer must complete this form if the employer applies for a discretionary grant for skills development programmes and activities that assist the SETA to implement its sector skills plan. **These grants will only be made if the SETA has funds available***

Submission Date:.....

**Details of Employer/Organisation**

1. Name of Organisation:.....
2. Postal Address:.....
3. Physical Address:.....
4. Contact person of the Organisation:.....
5. Telephone number:.....
6. Mobile telephone number:.....
7. E-mail address:.....
8. Fax number:.....
9. Skills Development Levy (SDL) number.....
10. Banking details

<b>Name of Bank</b>	
<b>Address of Bank</b>	
<b>Bank Sort Code</b>	
<b>Account number</b>	

**LEARNERSHIPS**

Are you applying for a grant?	Yes/No
Is the learnership agreement registered with the ESETA	Yes/No
What is the learnership registration code?	
What is the number of the learnership agreement?	
What is the date the learnership was agreed by ESETA?	
What are the names of the learners in the learnership for which a grant is sought? <b>(please attach list)</b>	
What is the amount of the grant claimed?	
Is this for implementation of a learnership?	Yes/No
Is this for learner allowance for section 18(2) learners?	Yes/No
If "yes" please state the amount claimed for the learner allowance	

**SKILLS PROGRAMMES**

Are you applying for a grant?	Yes/No	
Do you have an agreement with the SETA for this grant?	Yes/No	
If "yes", please confirm the date of the agreement with ESETA		
Are the skills programmes that you are offering in accordance with section 20 of the Skills Development Act?	Yes/No	
If "No" please explain		
<b>NAME OF PERSON COMPLETING SKILLS PROGRAMME</b>	<b>DETAILS OF PROGRAMME COMPLETED</b>	<b>AMOUNT CLAIMED</b>
	<b>TOTAL</b>	

**Note:** The total of any grants paid to an employer in respect of employees who earn sufficient credits in terms of skill programmes to achieve a full learnership qualification may not be greater than the grants that the employer would have received grants for the relevant learnership.

**APPRENTICESHIPS**

Are you applying for a grant?	Yes/No
What is the date of the registration of the apprenticeship?	
What is the contract number?	
What is the date of commencement of the apprenticeship?	
What is the date of the completion of the apprenticeship?	
What does the grant cover? (e.g. off-the-job-training costs)	
What are the name(s) of the apprentices in respect of whom a grant is sought?	
What is the amount being claimed?	

**SECTOR SKILLS PRIORITIES**

Are you applying for a grant?	Yes/No
What is the name of the project?	
What is the reference number of the project?	
What is the total amount of the grant agreed with the ESETA before the project began?	
What is the amount being claimed?	

**ON THE JOB TRAINING (EXPERIENTIAL TRAINING AND INTERNSHIPS)**

Are you applying for a grant?	Yes/No
What time span will you employ a learner for training?	
Purpose of employment?	
Please attach list of names learners.	
Required by whom?	
What is the amount being claimed?	

**ABET**

Are you applying for a grant?	Yes/No
Which ABET level?	
Please attach list of names learners.	

***Documentary evidence***

<b><u>Declaration by employer</u></b>	
<b>This is to confirm that this information is correct and that the grant(s) will be used solely for the purpose(s) for which it (they) is (are) claimed.</b>	
<b>Name and Position in the Organisation</b>	
.....	
.....	
<b>Signed:</b> .....	
<b>Date:</b> .....	

**For Office Use Only**

<b>RECEIVED BY:</b>
.....
<b>DESIGNATION:</b>
.....
<b>DATE:</b> .....



**ANNEXURE B**

**SKILLS DEVELOPMENT ACT No. 97 of 1998**

**ESETA APPLICATION FOR DISCRETIONARY GRANT BY THE PROVIDER AND WORKER**

*Note: This form must be completed by an education and training provider and worker if that education and training provider and worker applies for a discretionary grant for supporting the SETA with the implementation of its sector skills plan.*

**Submission Date:**.....

**Details of Organisation/Company**

1. Name of Organisation or Company:.....
2. Postal address:.....
3. Physical Address:.....
4. Contact person:.....
5. Telephone number:.....
6. Cell phone number:.....
7. E-mail address:.....
8. Fax number:.....

**Details of project**

- 1. Name:.....
- 2. SETA Reference No:  
.....
- 3. Date of agreement with SETA:  
.....
- 4. Amount of grant agreed by SETA before commencement of Project:  
R.....

**Details of Claim**

Amount claimed:  
R.....

**Banking Details**

Name of Bank	
Address of Bank	
Bank Sort Code	
Account number	

**Documentary evidence**

**RELEVANT SETA TO SPECIFY DOCUMENTARY AND OTHER SUPPORTING EVIDENCE THAT IT MIGHT REQUIRE TO SUBSTANTIATE THE CLAIM**

**Declaration by individual/Organisation**

<p>This is to confirm that this information is correct and that the grant will be used solely for the purpose(s) for which it is claimed.</p> <p><b>Signed:</b>.....</p> <p><b>Individual/Position in organisation:</b>.....</p> <p><b>Date:</b>.....</p>
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**For Office Use Only**

<p><b>RECEIVED BY:</b>.....</p> <p><b>DESIGNATION:</b>.....</p> <p><b>DATE:</b>.....</p> <p><b>CLAIM NO:</b>.....</p> <p><b>APPROVED: YES / NO:</b>.....</p> <p><b>REASONS FOR NON-APPROVAL:</b>.....</p> <p>.....</p> <p>.....</p>
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**Annexure C****From April 2008****Learnership Grant**

<b>NQF Level 1</b>	<b>Unemployed Learners</b>	<b>R18 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R15 000 (18.1)</b>
<b>NQF Level 2</b>	<b>Unemployed Learners</b>	<b>R23 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R20 000 (18.1)</b>
<b>NQF Level 3</b>	<b>Unemployed Learners</b>	<b>R28 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R25 000 (18.1)</b>
<b>NQF Level 4 Certificate</b>	<b>Unemployed Learners</b>	<b>R32 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R30 000 (18.1)</b>
<b>NQF Level 5 Diploma</b>	<b>Unemployed Learners</b>	<b>R35 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R32 000 (18.1)</b>

**Apprenticeships**

For all organisations R15 000

**Experiential Training and Internships**

For all organisations R2 000

**ABET**

For all Organisations R2 000

**Skills Programmes**

For all organisations R10 per credit

**Annexure C****From April 2008****Learnership Grant ( No change)**

<b>NQF Level 1</b>	<b>Unemployed Learners</b>	<b>R18 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R15 000 (18.1)</b>
<b>NQF Level 2</b>	<b>Unemployed Learners</b>	<b>R23 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R20 000 (18.1)</b>
<b>NQF Level 3</b>	<b>Unemployed Learners</b>	<b>R28 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R25 000 (18.1)</b>
<b>NQF Level 4 Certificate</b>	<b>Unemployed Learners</b>	<b>R32 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R30 000 (18.1)</b>
<b>NQF Level 5 Diploma</b>	<b>Unemployed Learners</b>	<b>R35 000 (18.2)</b>
	<b>Employed Learners</b>	<b>R32 000 (18.1)</b>

**Apprenticeships ( No Change)**

For all organisations R15 000

**Experiential Training and Internships (Amended wef April 2006)**

For all organisations R4 000

**ABET**

For all Organisations R3 000

**Skills Programmes**

For all organizations R2 000