

CLAIMING BACK ON YOUR SKILLS DEVELOPMENT LEVY:

“A great wind is blowing that gives you either imagination or a headache” Catherine The Great

To put the Skills Development legislation into context, it essentially provides an enabling framework to increase the **volumes** of education and training, while, simultaneously, improving the **quality** of that same education and training.

Both aspects are equally important so there needs to be a balance/synchronization so that as more and more people are trained, quality is not compromised at all.

The strategy embodied by this legislation has elements of ‘push’ and ‘pull’ in it (in other words, ‘stick’ – pay a Skills Development Levy (SDL) and ‘carrot’ – claim something back from your SDL). Thus, the concept is a simple one, but, (and there is always a ‘but’!) in many ways, things have become complicated and onerous. Implementation of the Skills Development legislation has tended to focus on larger providers of education and training, and, in addition, very literal interpretations of the legislative requirements have often resulted in lots of paper and the emergence of a dense, specialized language that smaller, differently-organised providers find quite alienating.

Simultaneously, the South African Qualifications Authority (SAQA) has done some significant research into ways of bringing short courses and skills programmes into the National Qualifications Framework (NQF) system. Ultimately, this will be hugely valuable in terms of clearly defining and standardizing the quality assurance requirements for all sorts of training provision (that doesn’t result in a full or entire qualification). In the meantime though, providers of these short courses and skills programmes have come under growing pressure from employers to be registered and accredited. Employers are under the (mis)apprehension that this is a pre-requisite for repayment of the levy grant to be effected – i.e. the ‘carrot’ referred to above – Indeed, . . . “There is a belief that employers can only claim their levies back when making use of accredited providers. This is not entirely correct. In the Government Gazette (No. 20865 of 7 February 2000) it is clear that the Skills Development Levies Act provides for recovery of the levy payment based on the submission of Workplace Skills Plans (and) Workplace Skills Implementation Plans (WSIPs) The first two grants, for the submission of a Workplace Skills Plan and for the subsequent implementation report on the training provided, MUST be paid by the relevant SETA¹ as long as an employer submits the application correctly, on time, as assessed by the appropriate SETA. The regulations refer to these

¹ Sector Education and Training Authority

as **mandatory grants**. **Discretionary grants** MAY be disbursed by a SETA based on the extent to which providers are facilitating the implementation of the skills plan for the particular sector.”²

So, the intention is to reward employers that use accredited providers (because it is the accreditation process that confirms the quality of the education and training on offer). However, for a variety of reasons, we are not there yet – hence, employers are currently being rewarded for simply participating responsibly in the system.

The goal remains to increase the **volumes** of education and training, while, simultaneously, improving the **quality** of that same education and training, so here and now, you can play your part by:

- **Thinking out of the box** in terms of what training you can/will/should be offering to your employees – both core as well as support skills development initiatives.
- **Preparing to compile and submit** a Workplace Skills Plan (April 2006/March 2007 levy grant year) for your organization in the format required by the SETA to which your SDL is being routed by June 30, 2006.
- **Following up** to confirm that the first part of the mandatory grant has been paid
- **Integrating ways of monitoring and evaluating your progress** into the organisation’s strategy
- **Ensuring that a critical mass of people** in your organization is solidly behind formalizing your skills development strategy and that they are prepared to be accountable for it.

Finally,

“Don’t be afraid to take a big step when one is indicated. You can’t cross a chasm in two small steps.” David Lloyd George

Article by Karen Hinrichs - Maximising People Development

² Criteria and Guidelines for Short Courses and Skills Programmes, SAQA, June 2004 pages 8 and 9.