



ANNUAL GENERAL MEETING 2015-2016

Integrating talent into the workplace



25 NOVEMBER 2016



AGENDA

- Opening and welcome
- Apologies
- Minutes of the previous AGM and matters arising
- Chairperson's Report
- GM: Operations Report
- CFO's Report (including 2017/18 Business Plan and Planned Budget)
- Approval of 2015/16 Annual Financial Statements and Annual Report
- BANKSETA Board Members
- Skills @ Work Awards
- General
- Closure





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higher education
& training
Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

CHAIRPERSON'S REPORT





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GM: OPERATIONS REPORT



BANKSETA VISION AND MISSION

VISION

To be recognised as a centre of excellence and innovation for skills development in the broader banking and microfinance sector.

MISSION

To support transformation and people development and through partnerships to enable stakeholders to advance the national and global position of the broader banking and microfinance industry.



MANDATE

In terms of the Skills Development Act, 97 of 1998, BANKSETA was established on 20 March 2000 for a five year period ending March 2005.

This was extended for another five years on 03 March 2005.

Subsequent to the move to the Department of Higher Education and Training in 2010, the Minister of Higher Education and Training further announced on 9 November 2010 that the BANKSETA be re-established for an additional five years until 2016.

In accordance with the Government Gazette (No 39260 and 39263 respectively), the SETAs have been re-established for a further two years and the NSDS III extended for a further two-year period until 31 March 2018.



FUNCTIONS (1)

- Develop and implement a sector skills plan
- Promote learning programmes and register agreements for learning programmes
- Liaise with the QCTO regarding occupational qualifications perform any functions delegated to it by the QCTO
- Collect and disburse skills development levies allocated to it in terms of the SDA
- Liaise with the National Skills Authority on the national skills development policy, the national skills development strategy, and its sector skills plan

FUNCTIONS (2)

- Submit to the Director-General budgets, plans and reports as required
- Liaise with appropriate bodies in placement opportunities and between education and skills development providers and the labour market
- Liaise with the skills development forums established in each province
- Appoint staff necessary for the performance of its functions
- Perform any other duties imposed by the SDA or the SDLA

PERFORMANCE INFORMATION

DHET / BANKSETA SLA Goals / Outcome / Outputs	Target	Achieved
4.2.1 Total Workers Entered Learning Programmes	1250	Achieved
4.2.1 Total Workers Completed Learning Programmes	696	Achieved
4.2.1 Total Unemployed Entered Learning Programmes	1700	Achieved
4.2.1 Total Unemployed Completed Learning Programmes	963	Achieved
4.2.1 Recognition Of Prior Learning	1800	Achieved
4.2.3 University Graduate Placement	400	Partially Achieved
4.3.2 TVET Graduate Placement	350	Achieved
4.3.2 University Partnerships	4	Achieved
4.3.2 TVET College Partnerships	6	Achieved
4.3.2 SETA / Employer Partnerships (TVET Related)	10	Not Achieved
4.4. AET Programmes Entered	500	Achieved
4.4. AET Programmes Completed	325	Achieved
4.6.1 Co-operatives	30	Achieved
4.6.2 Small Business Support	40	Achieved
4.8 Career Guidance	500	Achieved

OPERATIONAL HIGHLIGHTS – OVERALL

- Unqualified audit
- Target for submission of Workplace Skills Plans exceeded – 97% payout of Mandatory Grants
- Partnerships to collaborate on skills development initiatives with Amathole District Municipality, Department of Rural Development and Land Reform (EC), Department of Social Development (EC), Department of Agriculture (EC), Treasury (L), NACFISA, MFSA, SARS and SABRIC

STRATEGIC FOCUS AREAS: UNEMPLOYED YOUTH DEVELOPMENT

- 578 Grade 10, 11 and 12 learners assisted with maths and science support across 6 centres in four provinces
- In excess of 900 full bursaries awarded to unemployed youth for qualifications relevant to the sector

STRATEGIC FOCUS AREAS: CAPACITY BUILDING OF PUBLIC TRAINING PROVIDERS

- More than 700 learners across 32 TVETs and UoTs supported on WIL Programmes
- 10 TVET colleges accredited with AAT(SA) to deliver the Accounting Technician level 3 qualification
- 300 learners being trained on the Accounting Technician level 3 qualification
- 30 lecturers supported to obtain a Level 4 Accounting Technician qualification

STRATEGIC FOCUS AREAS: SKILLS FOR THE EMPLOYED

- 709 bursaries to employees in the sector for management, leadership, masters, doctoral and post doctoral studies
- Launch of E- Learning material designed and developed for the sector:
 - Introduction to Compliance
 - Data Protection Overview
 - Business Conduct Overview
 - Anti-Money Laundering and Terrorism Financing Overview
 - Governance and Prudential Requirements Overview
 - The National Credit Act (focusing on the credit lifecycle)- Full Training
 - FICA – Full Training

STRATEGIC FOCUS AREAS: SME SUPPORT

- Training Material developed for
 - Development Finance Loan Officer
 - Management Development Programme for Development Finance Sub Sector
 - Executive Development Programme in Inclusive Finance (Kenya and Uganda)

STRATEGIC FOCUS AREAS: RESEARCH AND BENCHMARKING

- Banking Sector Skills Plan
- Inclusive Banking Sector Skills Plan

2016/17 PROGRESS UPDATE

- Establishment of an Assessment Centre for QCTO Qualifications underway
- Establishment of an RPL Centre underway
- Consolidation of projects and a full impact assessment for NSDS III period in progress
- Digitisation research planned for Jan – March 2017

2017/18 STRATEGIC PLAN

BANKSETA plans to implement the following programmes and Sub Programmes:

Programme 1: Administration

Sub-Programme 1.1: Corporate Services

Sub-Programme 1.2: Finance

Sub-Programme 1.3: Governance

Programme 2: Skills Planning

Programme 3: Learning Programmes

Sub-Programmes for Unemployed Youth Development, Skills for the Employed, SME Support and Public Training Providers

Programme 4: Quality Assurance



QUESTIONS?





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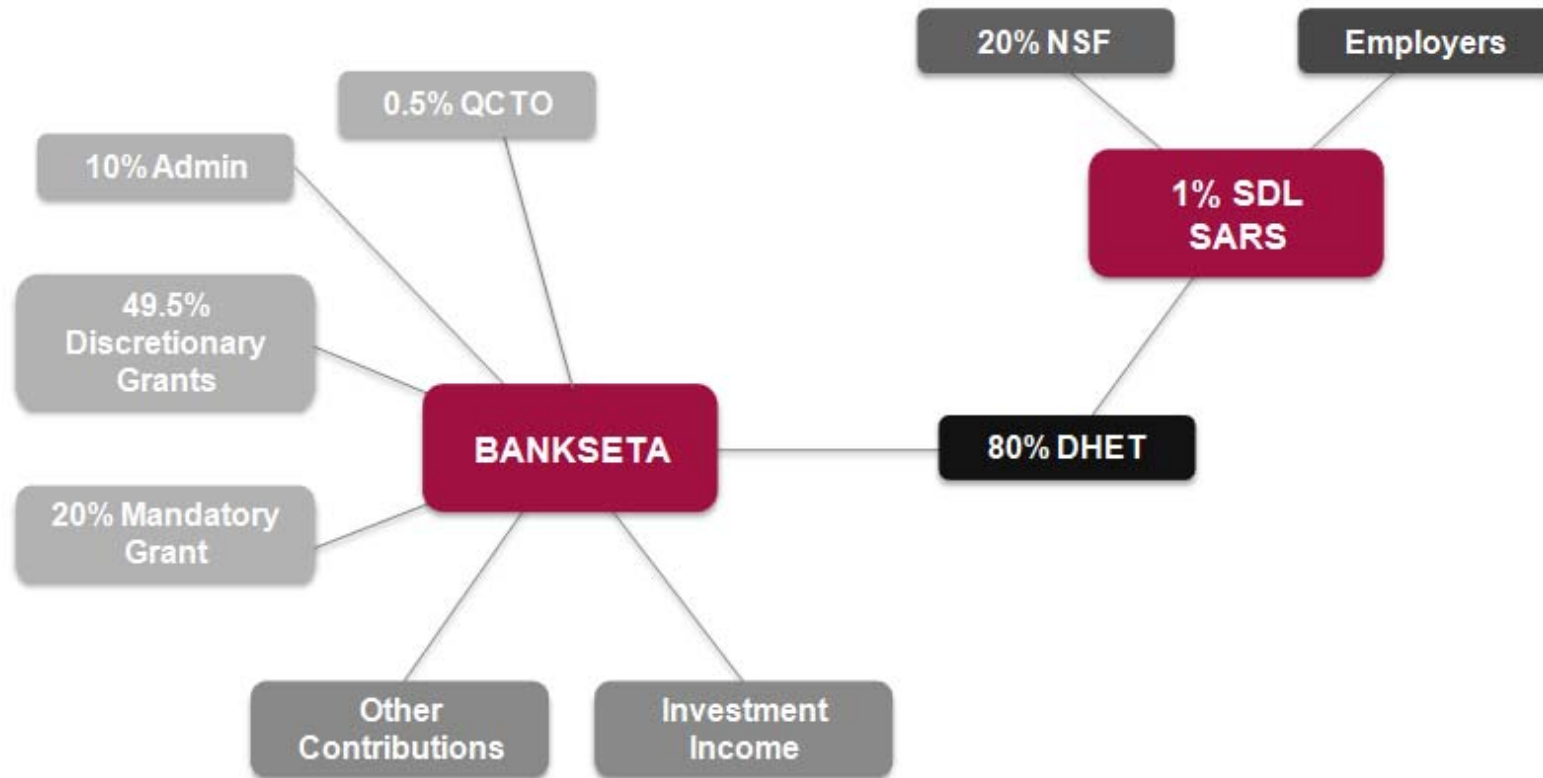
CHIEF FINANCIAL OFFICER REPORT



2015-16 ANNUAL FINANCIAL STATEMENTS

- **Clean Audit – unqualified, no material errors or non-compliance**
- Sound financial performance, revenue above budgets
- Levy payers: 2016-651, 2015-648, 2014-653, 85% of stakeholders
- Levy and penalties income R693 million, increase 9%,
- Investment Income R39 million, 39% increase
- Total income R732 million, increase 8%
- DG spend 26% up to R423 million
- Mandatory grant rate still at 97%
- Surplus at R83 million
- Sound financial position.
- R580 million, 98% of assets in cash and cash equivalents
- Reserves up 10% at R530 million, Committed R526 million representing 99% of reserves
- First year Finance and IT in-house

CURRENT FUNDING MODEL

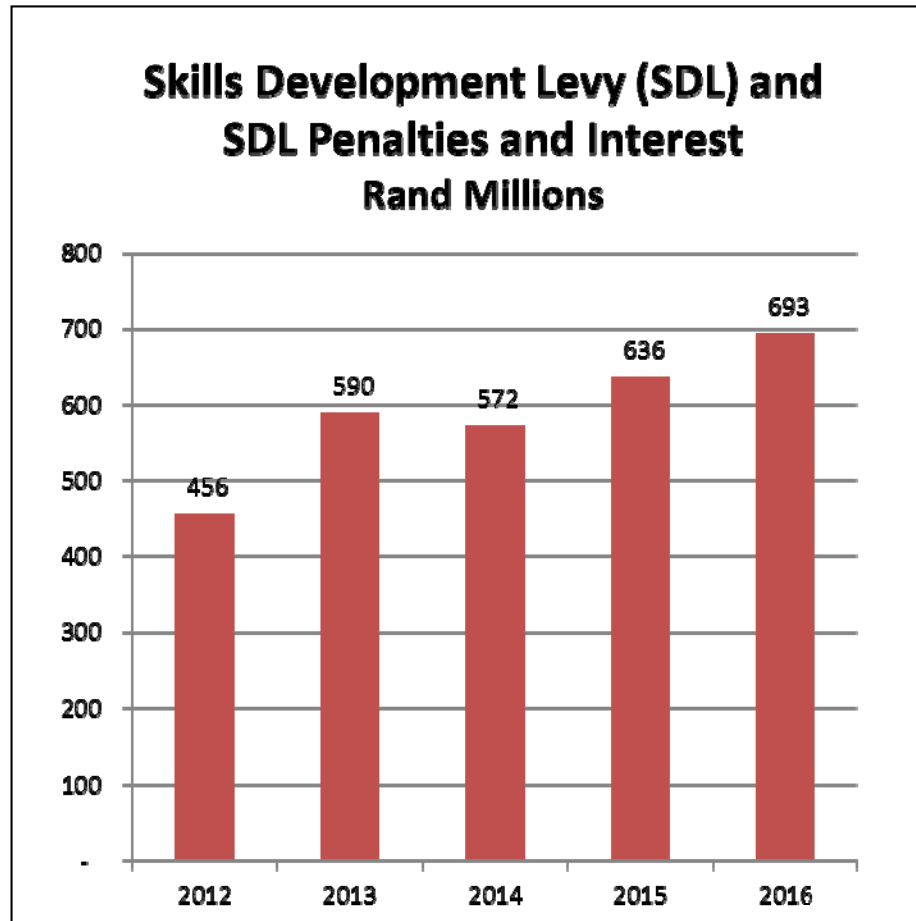


BANKSETA FINANCIAL PERFORMANCE

Year Ended March	2016	2015	%	
Rand Millions	Actual	Actual	Var	Comment
Audit outcome	Clean	Clean		
Revenue				
Levy (SDL) income	674	599	13%	Salary increases averaged 6%, larger bonuses than prior year
SDL Penalties and Interest Income	20	37	-48%	Reflects better compliance with tax legislation in the sector
Total SDL	694	636	9%	
Investment Income	38	28	39%	Rates increased from average 5.58% in prior year to 6.4%. Fund increased by 2%.
Donations	-	16		Final portion of the co-funding agreements with ABSA ended in 2015
Other income	-	0		R51 thousand in grants received.
Total Revenue	732	680	8%	
Expenditure				
Mandatory grants	163	134	22%	Increase partially due to higher SDL
Discretionary grants and projects	423	337	26%	Higher amounts available due to accumulated surpluses from prior years.
Admin expenditure	62	56	11%	Main items are employee costs R32 million, due to higher staff numbers needed to deliver programs. BANKSETA maintained 3 offices.
Finance expenditure	1	3	-67%	On FET loan paid off in March 2016
DG Surrender to NSF	-	2		Nil this year as BANKSETA is at 99% level.
Total Expenditure	649	532	22%	
Net Surplus	83	148	-44%	



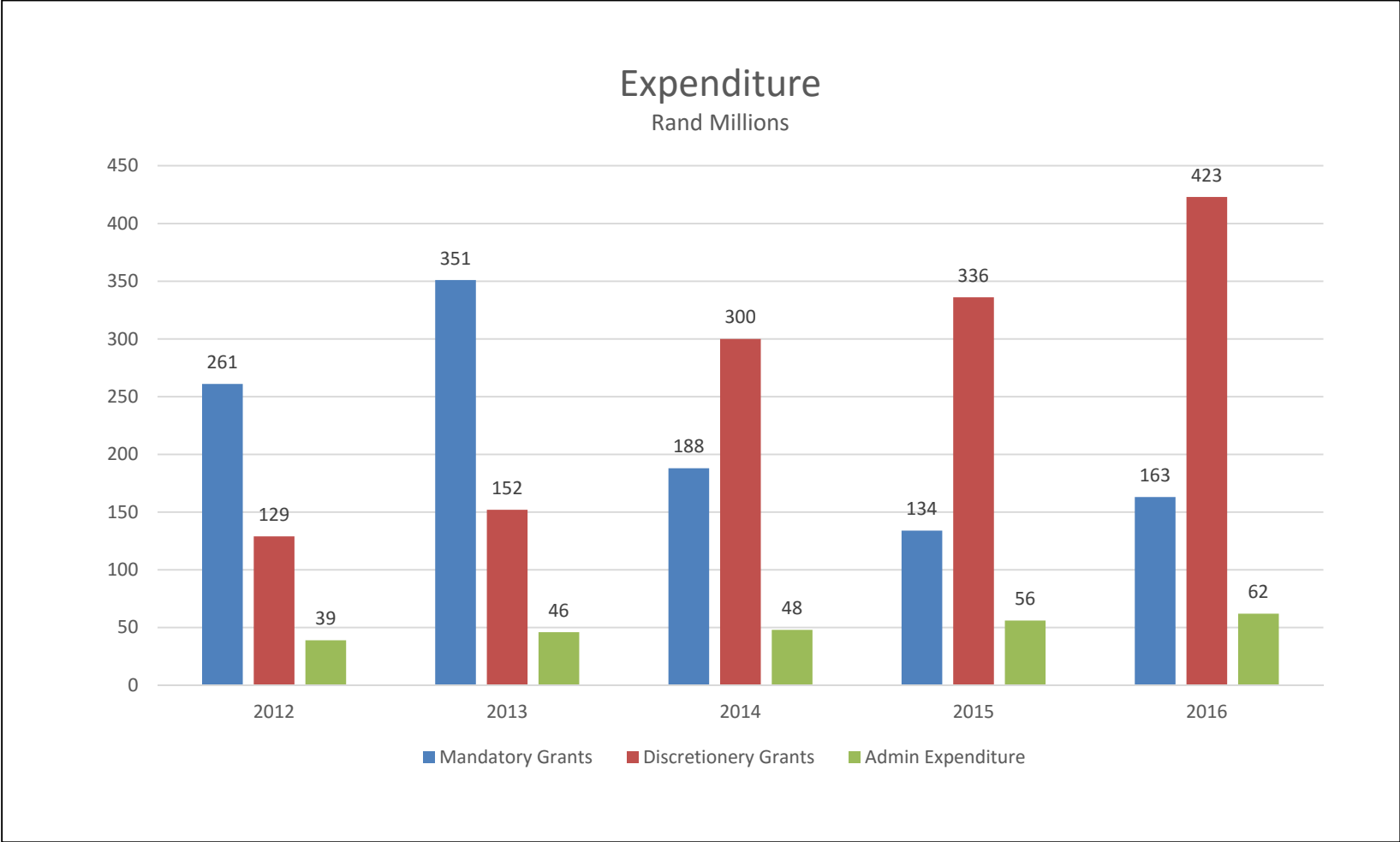
BANKSETA FINANCIAL PERFORMANCE



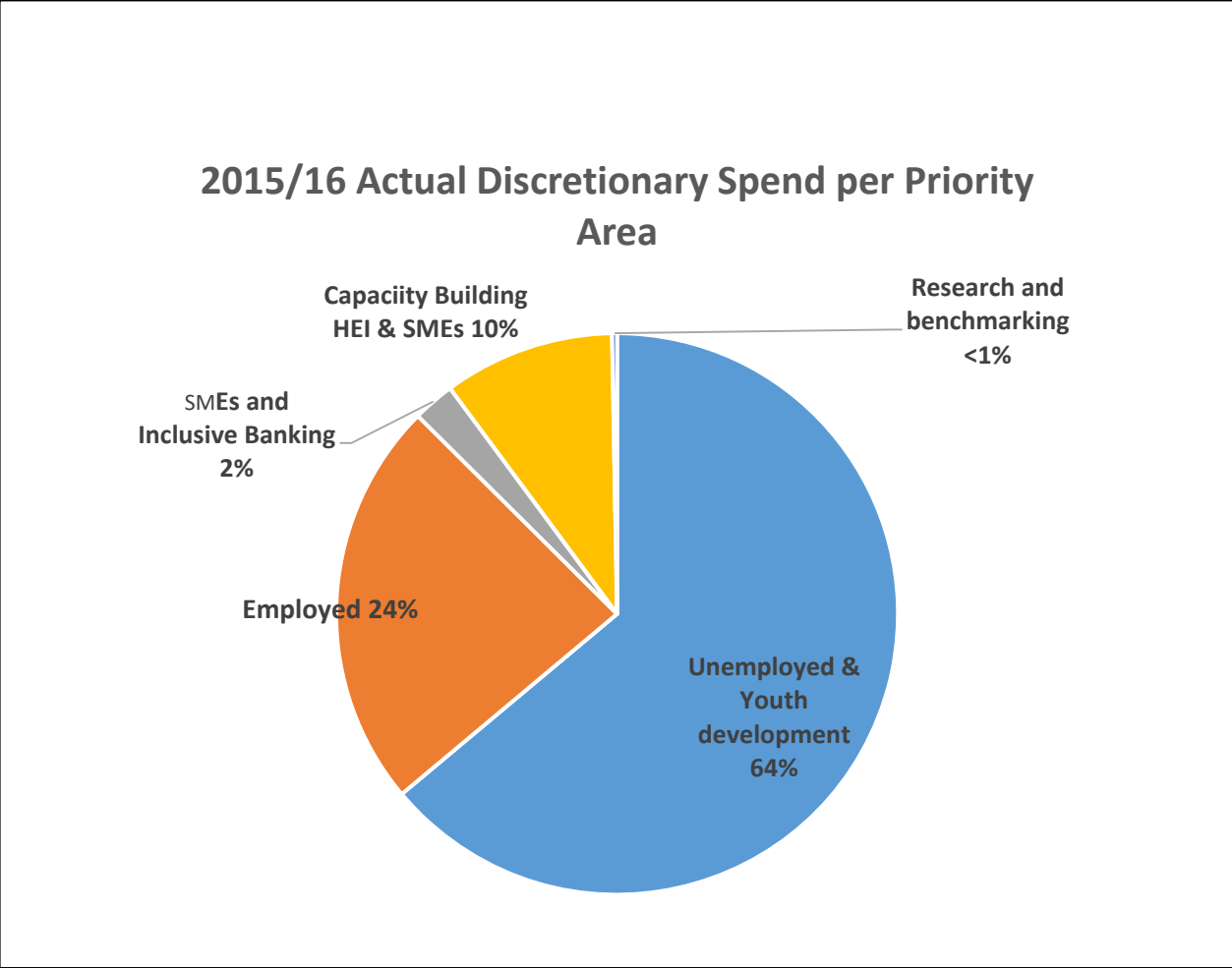
SDL and SDL Penalties and Interest
Rand Millions

	2012	2013	2014	2015	2016
SDL	450	575	568	599	674
Growth		28%	-1%	5%	13%
SDL Interest & penalties	6	15	3	38	20
Growth		164%	-77%	977%	-48%
Total	456	590	572	636	693
Growth		29%	-3%	11%	9%

BANKSETA FINANCIAL PERFORMANCE



BANKSETA FINANCIAL PERFORMANCE

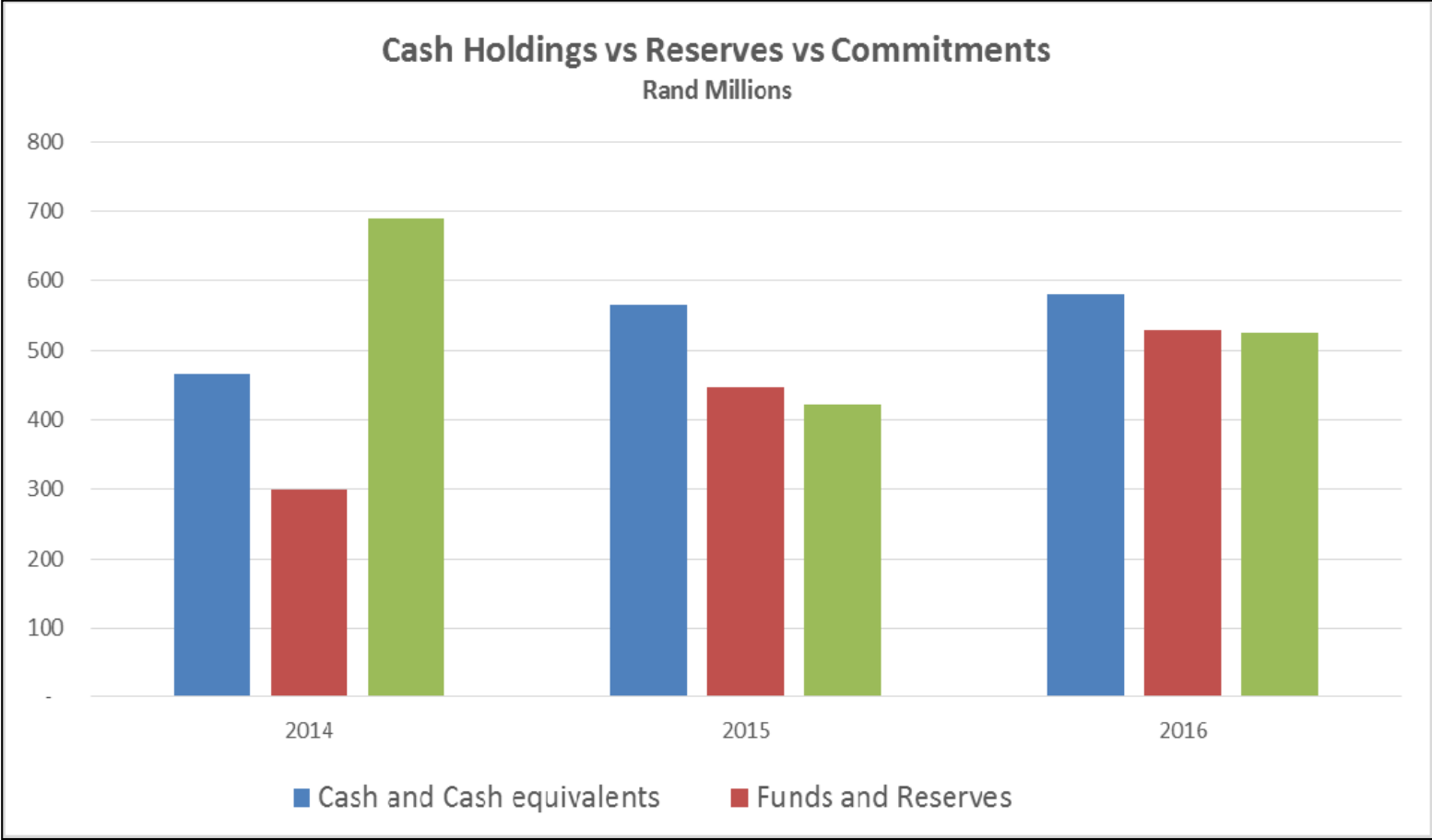


BANKSETA FINANCIAL POSITION

Year ended 31 March	2016	2015	%	
Rand millions	Actual	Actual	Var	Commentary
Assets				
Non Current Assets - PPE	3	2	75%	Head office renovations
Accounts receivable	5	19	-74%	Decrease in grant over payment to stakeholders
Cash and Cash equivalents	580	565	3%	Slight increase due to accumulated surpluses
Total Assets	588	586	0%	
Liabilities				
Trade and other payables	38	122	-69%	FET liability settled by March 2016. Grant payables reduced.
Provisions	20	17	18%	Performance bonuses paid out after year end in 2016.
Total Liabilities	58	139	-58%	
Net Assets	530	447	19%	
Funds and Reserves	530	447	19%	R83 million net surplus in 2015/16
Commitments	526	423	24%	
% Committed	99.2%	94.6%		No forfeiture to NSF this year. Grant regulations iro forfeitures overturned.



BANKSETA FINANCIAL POSITION



QUESTIONS?



**APPROVAL OF 2015/16 ANNUAL
FINANCIAL STATEMENT
25 NOVEMBER 2016**



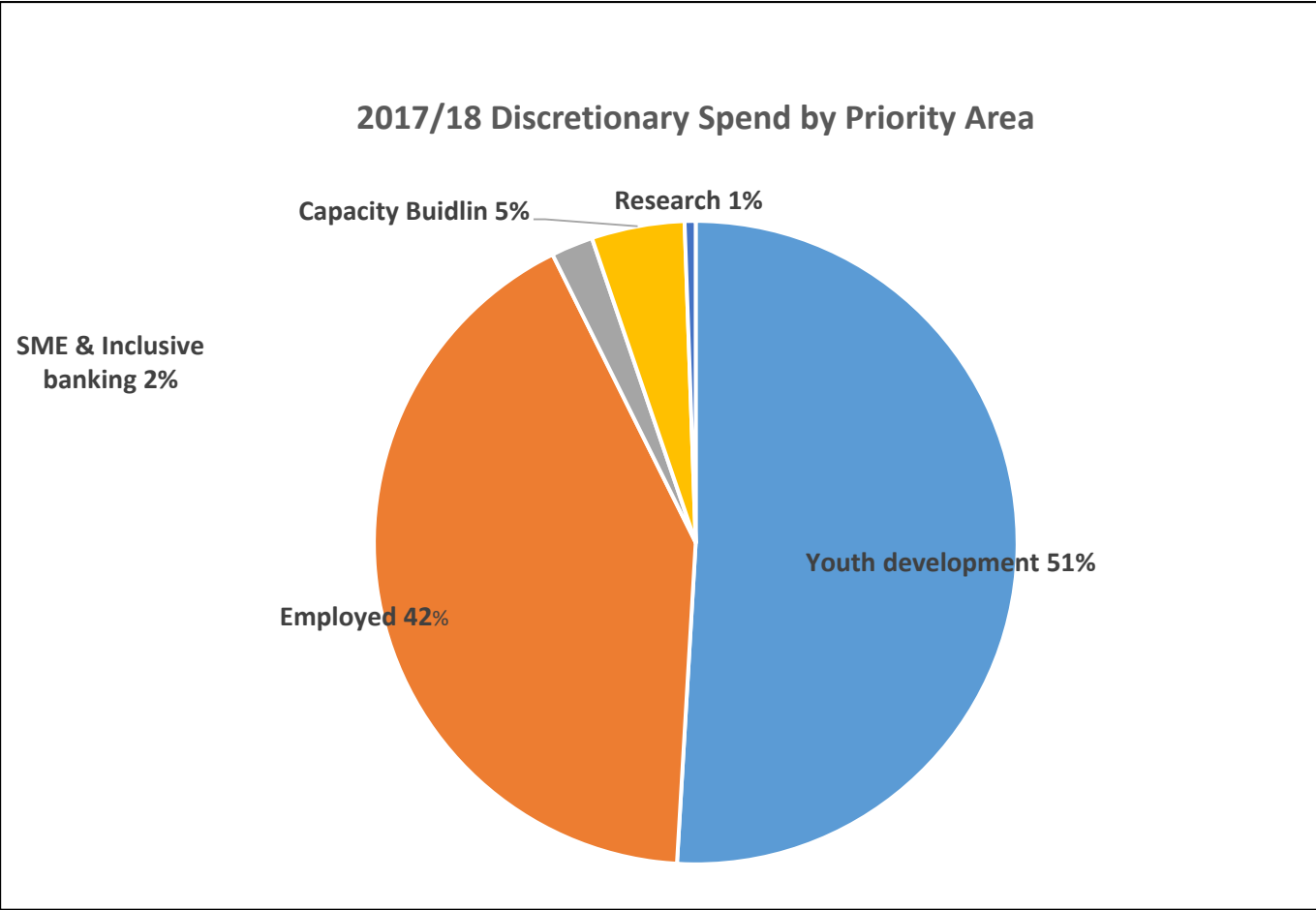
2017/18 BUDGET

- Public entities set budget six months before year end
- Last year of licence, decision on SETAs expected before March 2017
- DG allocation set to levels agreed with Board
- No change in delivery methods, set up or staffing

2017/18 BUDGET

	2016/17 Budget	2017/18 Proposed Budget	% Change	Comment
Revenue				
Levy income	702	737	5%	Projected below inflation
Investment Income	20	30	50%	2016.17 projection was understated
Total revenue	722	767	6%	
Expenditure				
Mandatory grants	170	179	5%	kept at 97% claim level
Discretionary grants and projects	460	492	7%	All excess income allocated to DG
Admin expenditure	92	96	4%	Full 10.5% budgeted though will utilise less
Finance expenditure	0	0		No long term agreements expected
Total expenditure	722	767	6%	
Net Surplus	0	0		Public entities budget for net nil position

2017/18 BUDGET



QUESTIONS?



**APPROVAL OF 2017/18 BUDGET AND
BUSINESS PLAN
25 NOVEMBER 2016**



BANKSETA BOARD MEMBERS

Representing Employee Forum:

- Joe Kokela (Sasbo)
- Samantha Anthony (Sasbo)
- Myan Soobramoney (Sasbo)
- Manny Captain (Sasbo)
- Liesel Hollis (Sasbo)
- Amanda Naude (Sasbo) (joined July 2016)

Representing Employer Forum:

- Abram Thebyane (Nedbank)
- Nathan Motjuwadi (Capitec Bank)
- Sarah Louw (Absa/Barclays)
- Israel Noko (MFSA)
- Sifiso Mthembu (FirstRand Bank) (joined July 2016)
- Sharon Taylor (Standard Bank) (resigned effective from November 2016)



BANKSETA BOARD MEMBERS

Ministerial Appointments

- Martin Mahosi (Chairperson)
- Malesele Maleka

Board member resignations

- Sharon Taylor (Standard Bank) (November 2016)

Board member nominations (awaiting approval by the Minister)

- Vacancy representing Professional Body/Community/Bargaining Council constituencies
- Myen Moodley (Standard Bank)





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SKILLS@WORK AWARDS



GENERAL



THANK YOU

