

Vote 15

Education

2006/07				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	14 129 233	14 299 176	-	169 943
<i>of which:</i>				
Current payments	575 864	581 778	-	5 914
Transfers and subsidies	13 546 832	13 708 060	-	161 228
Payments for capital assets	6 537	9 338	-	2 801
Executive authority	Minister of Education			
Accounting officer	Director-General of Education			

Aim

The aim of the Department of Education is to develop, maintain and support the South African education and training system for the 21st century.

Changes to programme purposes and measurable objectives

No changes were made to programme purposes or measurable objectives.

Adjusted Estimates of National Expenditure 2006

Table 15.1: Education

Programme		2006/07					
R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
1. Administration	171 813	404	-	(43 707)	-	(43 303)	128 510
2. System Planning and Monitoring	55 304	43	-	(415)	-	(372)	54 932
3. General Education	243 317	6 110	-	(8 359)	-	(2 249)	241 068
4. Further Education and Training	670 887	3 341	-	22 407	-	25 748	696 635
5. Quality Promotion and Development	1 141 976	1 112	-	13 555	-	14 667	1 156 643
6. Higher Education	11 806 793	157 103	-	3 674	-	160 777	11 967 570
7. Auxiliary and Associated Services	39 143	1 830	-	12 845	-	14 675	53 818
Total	14 129 233	169 943	-	-	-	169 943	14 299 176
Economic classification							
Current payments	575 864	10 806	-	(4 892)	-	5 914	581 778
Compensation of employees	217 854	-	-	(932)	-	(932)	216 922
Goods and services	358 010	10 806	-	(3 960)	-	6 846	364 856

Table 15.1: Education (continued)

2006/07							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Transfers and subsidies	13 546 832	157 081	-	4 147	-	161 228	13 708 060
Provinces and municipalities	1 712 660	-	-	(10)	-	(10)	1 712 650
Departmental agencies and accounts	995 813	-	-	-	-	-	995 813
Universities and technikons	10 828 620	157 081	-	3 000	-	160 081	10 988 701
Foreign governments and international organisations	9 739	-	-	10	-	10	9 749
Households	-	-	-	1 147	-	1 147	1 147
Payments for capital assets	6 537	2 056	-	745	-	2 801	9 338
Machinery and equipment	5 026	2 056	-	762	-	2 818	7 844
Software and other intangible assets	1 511	-	-	(17)	-	(17)	1 494
Total	14 129 233	169 943	-	-	-	169 943	14 299 176

Details of adjustments to Estimates of National Expenditure 2006

Roll-overs – R169,943 million

Programme 1: Administration

R404 000 has been rolled over for computer equipment delivered but not paid for by March 2006.

Programme 2: System Planning and Monitoring

R43 000 has been rolled over for computer equipment delivered but not paid for by March 2006.

Programme 3: General Education

R2,721 million has been rolled over for translating the national curriculum statement, R3,342 million for purchasing additional story books for 6 000 foundation phase classes in quintiles 1, 2 and 3, and R47 000 for computer equipment delivered but not paid for by March 2006.

Programme 4: Further Education and Training

R3,192 million has been rolled over for scanning pre-electronic examination results for schools and technical colleges and R149 000 for computer equipment delivered but not paid for by March 2006.

Programme 5: Quality Promotion and Development

R1,051 million has been rolled over for training volunteer food handlers and for workshops for school governing bodies and school management teams as part of the national school nutrition programme. R61 000 has been rolled over for computer equipment delivered but not paid for by March 2006.

Programme 6: Higher Education

R22 000 has been rolled over for computer equipment delivered but not paid for by March 2006. A further R157,081 million has been rolled over for the merger of North West Technikon, Technikon Northern Gauteng and Pretoria Technikon into the Tshwane University of Technology and for

restructuring the University of Zululand and the University of Venda. The funds will be released by the Department of Education once operational plans in place.

Programme 7: Auxiliary and Associated Services

R1,33 million has been rolled over for refurbishing the local area network and implementing a virtual private network, and R500 000 for books for disadvantaged schools.

Virements

Table 15.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(45 675)	1 968	25% of the total allocation to this programme will be shifted to other programmes, mainly due to delayed expenditure on the new head office building because of delays in signing the concession agreement.
Current payments	(45 426)	939	
Compensation of employees	-	939	Funds shifted from current payments (in programme 3) will be used for benefits attached to new posts that have been filled.
Goods and services	(45 426)	-	Savings are mainly due to delayed expenditure on the new head office building because of delays in signing the concession agreement.
Transfers and subsidies	(5)	1 029	
Provinces and municipalities	(5)	-	Savings arose because RSC levies were phased out after June 2006.
Households	-	1 029	Funds shifted from current payments (in programme 3) will be used for paying severance packages. This is a new initiative in government and staff apply randomly for the package.
Payments for capital assets	(244)	-	
Machinery and equipment	(200)	-	Savings arose because staff were promoted and there was thus no need to buy new machinery and equipment for new staff. There is also a moratorium on buying certain furniture and equipment since it might not be compatible with the new head office building.
Software and other intangible assets	(44)	-	Savings are mainly due to reprioritised programme activities.
2. System Planning and Monitoring	(1 156)	741	
Current payments	(889)	741	
Compensation of employees	(889)	-	Savings are due to vacant posts as a result of resignations, transfers and staff members taking severance packages.
Goods and services	-	741	Funds shifted from compensation of employees in (programme 2) will be used for administrative costs for the school infrastructure support programme
Transfers and subsidies	(6)	-	
Provinces and municipalities	(6)	-	Savings arose because RSC levies were phased out after June 2006.
Payments for capital assets	(261)	-	
Machinery and equipment	(50)	-	Savings arose because staff were promoted and there was thus no need to buy new machinery and equipment for new staff. There is also a moratorium on buying certain furniture and equipment that might not be compatible with the new head office building.
Software and other intangible assets	(211)	-	Savings are mainly due to reprioritised programme activities, and vacant posts.
3. General Education	(8 386)	27	
Current payments	(8 382)	-	
Compensation of employees	(2 359)	-	Savings are due to vacant posts because of proposed changes to the establishment and resignations and transfers.
Goods and services	(6 023)	-	Funds allocated to this programme for teacher training will be shifted to programme 4, following the shift of the teacher training function.
Transfers and subsidies	(4)	-	
Provinces and municipalities	(4)	-	Savings arose because RSC levies were phased out after June 2006.
Payments for capital assets	-	27	
Machinery and equipment	-	25	Funds shifted from goods and services (in this programme) will be used to buy computer equipment.
Software and other intangible assets	-	2	Funds shifted within this programme will be used for reprioritised programme activities.

Table 15.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Further Education and Training	(49)	22 456	
Current payments	-	21 810	
Compensation of employees	-	972	Funds shifted from programme 5 will be used to increase the number of permanent staff, increase in the number of examiners and moderators and for improvements in their conditions of service. The department only provided for an inflation related increase for examiners and moderators, but their remuneration was significantly improved.
Goods and services	-	20 838	Funds shifted mainly from programmes 1 and 3 will be for teacher training for FET, improved printing processes, and ICT for the national examinations. A large portion of the funds will be spent on the maintenance and repairs of printing machinery.
Transfers and subsidies	-	118	
Households	-	118	Funds shifted from programme 5 will be used for paying capped leave.
Payments for capital assets	(49)	528	
Machinery and equipment	-	528	Funds shifted from programme 5 will be used to replace obsolete computers.
Software and other intangible assets	(49)	-	Savings are mainly due to a moratorium on buying certain furniture and equipment that might not be compatible with the new building.
5. Quality Promotion and Development	(1 314)	14 869	
Current payments	(1 115)	14 520	
Compensation of employees	(1 115)	-	Savings are due to vacant posts because of resignations and transfers, and to over-budgeting for the national school nutrition programme (earmarked for compensation of employees).
Goods and services	-	14 520	Funds shifted from programme 1 will mainly cover ABET learner support materials, school security, reprinting South Africa, My Country, increasing student participation in sports, arts and culture, and whole school development.
Transfers and subsidies	(1)	-	
Provinces and municipalities	(1)	-	Savings arose because RSC levies were phased out after June 2006.
Payments for capital assets	(198)	349	
Machinery and equipment	(198)	-	Savings are mainly due to a moratorium on buying certain furniture and equipment that might not be compatible with the new building.
Software and other intangible assets	-	349	Funds shifted from programme 1 and within this programme will be used mainly for software user rights for ABET learner support material.
6. Higher Education	(61)	3 735	
Current payments	-	728	
Compensation of employees	-	675	Funds shifted from programme 3 will be used for an increase in the staff complement.
Goods and services	-	53	Funds shifted will be used for increased travel and subsistence and consultant services costs.
Transfers and subsidies	-	3 007	
Provinces and municipalities	-	7	Funds shifted will be used for RSC levies.
Universities and technikons	-	3 000	Funds shifted from programme 1 will be used for a project that will provide for eligible and qualified South African graduates to be placed in training positions with companies in the United States of America.
Payments for capital assets	(61)	-	
Machinery and equipment	(32)	-	Savings are due to a moratorium on buying certain furniture and equipment that might not be compatible with the new building.
Software and other intangible assets	(29)	-	Savings are due to a moratorium on buying certain furniture and equipment that might not be compatible with the new building.
7. Auxiliary and Associated Services	(36)	12 881	
Current payments	-	12 182	
Compensation of employees	-	845	Funds shifted from programme 3 will be used mainly for an increase in the staff complement, and for merit awards.
Goods and services	-	11 337	Funds shifted from programme 1 will be used for the 16th conference of commonwealth education ministers and for software licences.

Table 15.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
Transfers and subsidies	(1)	10	
Provinces and municipalities	(1)	-	Savings arose because RSC levies were phased out after June 2006.
Foreign governments and international organisations	-	10	Funds shifted will be used for a transfer to the Association of African Universities. When preparing the ENE 2006, South Africa's obligations to the association had not yet been agreed.
Payments for capital assets	(35)	689	
Machinery and equipment	-	689	Funds shifted from programme 1 will be used mainly for an increase in the staff complement, and for upgrading computer equipment.
Software and other intangible assets	(35)	-	Savings are mainly due to a moratorium on buying certain equipment that might not be compatible with the new building.
Total for vote	(56 677)	56 677	

Expenditure 2005/06 and preliminary expenditure 2006/07

Table 15.3: Education

Programme	2005/06				2006/07		
	Expenditure outcome				Preliminary expenditure		
	Adjusted appropriation	Apr 2005 - Sep 2005	Apr 2005 - Mar 2006	Apr 05 - Mar 06 % of adjusted appropriation	Adjusted appropriation	Apr 2006 - Sep 2006	% change 05/06 - 06/07 Apr - Sep
R thousand							
1. Administration	113 931	50 041	108 539	95,3	128 510	42 464	(15,1)
2. System Planning and Monitoring	44 914	18 373	36 005	80,2	54 932	12 274	(33,2)
3. General Education	253 337	87 184	221 100	87,3	241 068	97 009	11,3
4. Further Education and Training	223 984	88 061	238 462	106,5	696 635	322 361	266,1
5. Quality Promotion and Development	1 153 558	468 955	1 147 902	99,5	1 156 643	569 009	21,3
6. Higher Education	10 808 154	8 606 391	10 646 832	98,5	11 967 570	9 256 207	7,6
7. Auxiliary and Associated Services	32 038	9 373	38 525	120,2	53 818	14 641	56,2
Total	12 629 916	9 328 378	12 437 365	98,5	14 299 176	10 313 965	10,6
Current payments	525 582	176 397	481 106	91,5	581 778	183 676	4,1
Compensation of employees	197 199	93 548	188 818	95,7	216 922	99 080	5,9
Goods and services	328 383	82 789	281 791	85,8	364 856	84 594	2,2
Financial transactions in assets and liabilities	-	60	10 497	-	-	2	(96,7)
Transfers and subsidies	12 090 008	9 144 911	11 942 149	98,8	13 708 060	10 127 324	10,7
Provinces and municipalities	1 249 072	524 518	1 249 020	100,0	1 712 650	856 411	63,3
Departmental agencies and accounts	930 598	681 408	943 091	101,3	995 813	729 563	7,1
Universities and technikons	9 899 491	7 937 623	9 740 334	98,4	10 988 701	8 539 430	7,6
Foreign governments and international organisations	10 673	1 185	9 413	88,2	9 749	10	(99,2)
Households	174	177	291	167,2	1 147	1 910	979,1
Payments for capital assets	14 326	7 070	14 110	98,5	9 338	2 965	(58,1)
Buildings and other fixed structures	-	2	-	-	-	-	-
Machinery and equipment	13 410	7 042	13 830	103,1	7 844	2 965	(57,9)
Software and other intangible assets	916	26	280	30,6	1 494	-	(100,0)
Total	12 629 916	9 328 378	12 437 365	98,5	14 299 176	10 313 965	10,6

Selected expenditure trends for the first half of the 2006/07 financial year

Expenditure in the first six months of 2006/07 was R10,3 billion, or 72,1 per cent of the adjusted appropriation of R14,3 billion for the year as a whole.

Expenditure in the first six months of 2006/07 increased by 10,6 per cent compared to the same period of the previous financial year. The main increases are because transfers to provinces grew by 63,3 per cent due to inflation related increases to conditional grants, and due to the introduction of a new conditional grant, FET college recapitalisation.

Payments for capital assets decreased by 58,1 per cent due to: delays on the new building and the resulting moratorium on purchasing machinery and equipment, the roll-over for machinery and equipment, and the packing and distribution machine which was delivered in 2005/06.

Transfers to foreign governments decreased by 99,2 per cent because the major transfers to the UN Educational Scientific and Cultural Organisation and to the Commonwealth of Learning (accounting for 98 per cent of transfers to foreign governments), will only be made in January 2007.

Summary of changes to transfers and subsidies, and conditional grants

Table 15.4: Summary of changes to transfers and subsidies per programme

2006/07							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	152	-	-	1 024	-	1 024	1 176
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	42	-	-	(5)	-	(5)	37
Regional Service Council levies	42	-	-	(5)	-	(5)	37
Households							
Social benefits							
Current	-	-	-	1 029	-	1 029	1 029
Employer social benefit	-	-	-	1 029	-	1 029	1 029
2. System Planning and Monitoring	19	-	-	(6)	-	(6)	13
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	19	-	-	(6)	-	(6)	13
Regional Service Council levies	19	-	-	(6)	-	(6)	13
3. General Education	144 595	-	-	(4)	-	(4)	144 591
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	24	-	-	(4)	-	(4)	20
Regional Service Council Levies	24	-	-	(4)	-	(4)	20
4. Further Education and Training	511 459	-	-	118	-	118	511 577
Households							
Social benefits							
Current	-	-	-	118	-	118	118
Capped leave	-	-	-	118	-	118	118

Table 15.4: Summary of changes to transfers and subsidies per programme (continued)

2006/07							
		Additional appropriation					
R thousand	Main appropriation	Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	Adjusted appropriation
5. Quality Promotion and Development	1 098 050	-	-	(1)	-	(1)	1 098 049
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	14	-	-	(1)	-	(1)	13
Regional Service Council levies	14	-	-	(1)	-	(1)	13
6. Higher Education	11 782 910	157 081	-	3 007	-	160 088	11 942 998
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	10	-	-	7	-	7	17
Regional Service Council levies	10	-	-	7	-	7	17
Universities and technikons							
Current	10 728 394	157 081	-	3 000	-	160 081	10 888 475
Higher education institutions	10 728 394	157 081	-	3 000	-	160 081	10 888 475
7. Auxiliary and Associated Services	9 647	-	-	9	-	9	9 656
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	8	-	-	(1)	-	(1)	7
Regional Service Council levies	8	-	-	(1)	-	(1)	7
Foreign governments and international organisations							
Current	9 639	-	-	10	-	10	9 649
Association for the Development of Education in Africa	10	-	-	10	-	10	20

