

Vote 14

Education

2007/08				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	16 000 923	16 386 752	–	385 829
<i>of which:</i>				
Current payments	731 023	992 252	–	261 229
Transfers and subsidies	15 265 892	15 386 303	–	120 411
Payments for capital assets	4 008	8 197	–	4 189
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 a South African education and training system for the 21st century.

Adjusted Estimates of National Expenditure 2007

Table 14.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	180 855	–	–	(35 244)	–	(35 244)	145 611
2. System Planning and Monitoring	89 864	5 000	–	1 674	–	6 674	96 538
3. General Education	281 291	11 572	–	5 811	–	17 383	298 674
4. Further Education and Training	864 822	108 355	200 000	26 787	(10 000)	325 142	1 189 964
5. Quality Promotion and Development	1 213 390	70 902	–	(5 476)	–	65 426	1 278 816
6. Higher Education	13 330 873	–	–	(3 943)	–	(3 943)	13 326 930
7. Auxiliary and Associated Services	39 828	–	–	10 391	–	10 391	50 219
Total	16 000 923	195 829	200 000	–	(10 000)	385 829	16 386 752
Economic classification							
Current payments	731 023	85 289	200 000	(14 060)	(10 000)	261 229	992 252
Compensation of employees	263 295	–	–	13 233	–	13 233	276 528
Goods and services	467 728	85 289	200 000	(27 293)	(10 000)	247 996	715 724
Transfers and subsidies	15 265 892	110 540	–	9 871	–	120 411	15 386 303
Provinces and municipalities	1 905 633	110 540	–	600	–	111 140	2 016 773
Departmental agencies and accounts	1 405 487	–	–	6 964	–	6 964	1 412 451
Universities and technikons	11 944 151	–	–	(1 400)	–	(1 400)	11 942 751
Foreign governments and international organisations	10 621	–	–	1 157	–	1 157	11 778
Non-profit institutions	–	–	–	50	–	50	50
Households	–	–	–	2 500	–	2 500	2 500
Payments for capital assets	4 008	–	–	4 189	–	4 189	8 197
Machinery and equipment	3 573	–	–	4 624	–	4 624	8 197
Software and other intangible assets	435	–	–	(435)	–	(435)	–
Total	16 000 923	195 829	200 000	–	(10 000)	385 829	16 386 752

Details of adjustments to Estimates of National Expenditure 2007

Roll-overs – R195.829 million

Programme 2: System Planning and Monitoring

R5 million has been rolled over for the education management information system enhancement project.

Programme 3: General Education

R1 million has been rolled over for the national early childhood development integrated plan, R1.873 million for the national curriculum statement documents, and R8.699 million for the HIV and Aids conditional grant.

Programme 4: Further Education and Training

R69.174 million has been rolled over for the national senior certificate examinations, R2.5 million for the printing and distribution of the life orientation curriculum and mathematics, science and technology documents, R1.191 million earmarked for the recapitalisation of further education and training colleges and R35.49 million for the FET colleges recapitalisation conditional grant.

Programme 5: Social and School Enrichment

R4.551 million has been rolled over for security in schools and R66.351 million for the national school nutrition programme conditional grant.

Unforeseeable and unavoidable expenditure – R200 million

Programme 4: Further Education and Training

R200 million has been allocated for the national recovery plan to address the loss of teacher-learner contact time and the disruption of examinations and tests following the unexpected labour action by teachers.

Virements

Table 14.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(39 048)	3 804	
Current payments	(38 721)	2 004	
Compensation of employees	–	2 004	Funds shifted from compensation of employees in programme 7 will be used for new posts that have been filled in this programme.
Goods and services	(38 721)	–	Savings of R30 million are mainly due to delayed expenditure on the new head office building because of delays in signing the concession agreement. Savings of R8.721 million are from funds centrally provided for commissions and committees. The funds have been shifted to: goods and services in programme 4 (R21.937 million); transfers and subsidies in programme 3 (R2 million) and programme 7 (R10.652 million); households in this programme (R1.764 million); households (R700 000) and transfers and subsidies (R600 000) in programme 4; goods and services in programme 3 (R622 000); and machinery and equipment in programme 3 (R92 000) and programme 7 (R354 000).
Transfers and Subsidies	(36)	1 800	
Departmental agencies and accounts	(36)	–	– Savings on the contribution to the Education and Training SETA was shifted to households.
Households	–	1 800	Funds shifted from goods and services (R1.764 million) and departmental agencies and accounts (R36 000) will be used for paying severance packages.
Payments for capital assets	(291)	–	
Machinery and equipment	(197)	–	– Savings mainly due to a moratorium on buying certain furniture and equipment that might not be compatible with the new head office building have been shifted to machinery and equipment in programme 7.
Software and other intangible assets	(94)	–	– Incorrectly classified funds have been shifted to machinery and equipment in programme 7.

Table 14.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
2. System Planning and Monitoring	(16 380)	18 054	
Current payments	(16 336)	14 879	
Compensation of employees	–	14 879	R1.906 million shifted from compensation of employees in programme 4 will be used for new posts that have been filled in this programme as well as from goods and services in this programme for the Integrated Quality Management System project (R12.973 million).
Goods and services	(16 336)	–	R3.131 million has been shifted from the education management information systems (EMIS) improvement project to machinery and equipment for the same project. Savings of R232 000 on information monitoring and evaluation have been shifted to goods and services in programme 3. Savings of R12.973 million on the IQMS project will be used for compensation of employees in the same project.
Payments for capital assets	(44)	3 175	
Machinery and equipment	–	3 175	Funds shifted from goods and services (R3.131 million) and software and other intangible assets (R44 000) will be used for the EMIS improvement project.
Software and other intangible assets	(44)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
3. General Education	(90)	5 901	
Current payments	–	3 719	
Compensation of employees	–	2 341	Funds shifted from compensation of employees in programme 6 will be used for new posts that have been filled in this programme.
Goods and services	–	1 378	Funds shifted from goods and services in programme 1 (R622 000), programme 2 (R232 000) and programme 5 (R524 000) will be used for ministerial committees that were set up in this programme.
Transfers and Subsidies	–	2 000	
Departmental agencies and accounts	–	2 000	Funds shifted from goods and services in programme 1 will be used for the introduction of a transfer payment to the South African Council for Educators.
Payments for capital assets	(90)	182	
Machinery and equipment	–	182	Funds shifted from software and other intangible assets in this programme (R90 000) and goods and services in programme 1 (R92 000) will be used for computer equipment.
Software and other intangible assets	(90)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
4. Further Education and Training	(1 773)	28 560	
Current payments	(1 666)	22 136	
Compensation of employees	(1 666)	–	Savings due to vacancies that were not filled as projected were shifted to compensation of employees in programme 2 (R1.906 million) and programme 5 (R20 000). Funds shifted from goods and services will be used for the NCS assessment project (R260 000).
Goods and services	–	22 136	Funds shifted from goods and services in programme 1 (R21.937 million) and programme 5 (R459 000) will be used for projects such as the integrated examination computer system, the review and selection of learner support materials, FET connectivity, and invoices for government printing from previous years for the NCS. R260 000 has been shifted to compensation of employees.
Transfers and Subsidies	–	6 300	
Provinces and municipalities	–	600	Funds shifted from goods and services in programme 1 will be used for the Ehlanzani College in Mpumalanga (part of the FET college recapitalisation programme).
Departmental agencies and accounts	–	5 000	Funds shifted from goods and services in programme 5 will be used for an increased transfer payment to Umalusi.
Households	–	700	Funds shifted from goods and services in programme 1 will be used for severance packages.
Payments for capital assets	(107)	124	
Machinery and equipment	–	124	Incorrectly allocated funds have been shifted from software and other intangible assets in this programme and from goods and services in programme 5.
Software and other intangible assets	(107)	–	Incorrectly allocated funds have been shifted to machinery and equipment.
5. Quality Promotion and Development	(6 669)	1 193	
Current payments	(6 595)	524	
Compensation of employees	–	524	Funds have been shifted from compensation of employees in programme 4 (R20 000), programme 6 (R357 000) and programme 7 (R147 000) due to the improvement of conditions of service.
Goods and services	(6 595)	–	Savings on various projects in this programme (increasing student participation in sport, arts and culture; rural education; social issues management) have been shifted to departmental agencies and accounts in programme 4 (R5 million), goods and services in programme 4 (R459 000) and programme 3 (R524 000), and machinery and equipment in this programme (R595 000) and programme 4 (R17 000).
Payments for capital assets	(74)	669	
Machinery and equipment	–	669	Funds shifted from goods and services and software and other intangible assets will be used for computer equipment for the mass literacy programme.
Software and other intangible assets	(74)	–	Incorrectly allocated funds have been shifted to machinery and equipment. .

Table 14.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
6. Higher Education	(4 114)	171	
Current payments	(2 698)	156	
Compensation of employees	(2 698)	–	Savings due to unfilled posts have been shifted to compensation of employees in programme 3 (R2.341 million) and programme 5 (R357 000).
Goods and services	–	156	Savings on various projects were shifted to goods and services (R37 000) and transfers and subsidies (R1.207 million) in programme 7. R1.4 million shifted from universities and technikons will be used for the national review of the clinical training of health professionals.
Transfers and Subsidies	(1 400)	–	
Universities and technikons	(1 400)	–	Funds provided for the review of academic training of health professionals were shifted to goods and services for the department to conduct a national review of clinical training.
Payments for capital assets	(16)	15	
Machinery and equipment	–	15	Incorrectly classified funds have been shifted from software and other intangible assets to buy computer equipment.
Software and other intangible assets	(16)	–	Incorrectly allocated funds have been shifted to machinery and equipment in this programme and programme 7.
7. Auxiliary and Associated Services	(2 161)	12 552	
Current payments	(2 151)	10 689	
Compensation of employees	(2 151)	–	Savings due to unfilled posts have been shifted to compensation of employees in programme 1 (R2.004 million) and programme 5 (R147 000).
Goods and services	–	10 689	Funds shifted from goods and services in programme 1 (R10.652 million) and programme 6 (R37 000) will be used for the Conference of Ministers of Education of the African Union III.
Transfers and Subsidies	–	1 207	
Foreign governments and international organisations	–	1 157	Funds shifted from goods and services in programme 6 will be used for increased transfers to the Association for the Development of Education in Africa and the Commonwealth of Learning, and a new transfer payment to the Organisation for Economic Co-operation and Development.
Non-profit institutions	–	50	Funds shifted from goods and services in programme 6 will be used for a new transfer payment to Childline South Africa.
Payments for capital assets	(10)	656	
Machinery and equipment	–	656	Funds shifted from goods and services, machinery and equipment, and software and other intangible assets in programme 1, and software and other intangible assets in this programme will be used for the integrated document management system.
Software and other intangible assets	(10)	–	Incorrectly allocated funds have been shifted to machinery and equipment in this programme.
Total for Vote	(70 235)	70 235	

Other adjustments – (R10 million)

Savings

Programme 4: Further Education and Training

Savings of R10 million have been declared on the ICT project.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 14.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	128 510	42 464	119 146	92.7	145 611	59 787	40.8
2. System Planning and Monitoring	54 932	12 274	36 430	66.3	96 538	14 222	15.9
3. General Education	241 068	97 009	228 257	94.7	298 674	114 276	17.8
4. Further Education and Training	696 635	322 361	710 891	102.0	1 189 964	496 900	54.1
5. Quality Promotion and Development	1 156 643	569 009	1 141 481	98.7	1 278 816	592 376	4.1
6. Higher Education	11 967 570	9 256 207	11 956 879	99.9	13 326 930	10 375 109	12.1
7. Auxiliary and Associated Services	53 818	14 641	56 721	105.4	50 219	17 925	22.4
Total	14 299 176	10 313 965	14 249 805	99.7	16 386 752	11 670 595	13.2
Current payments	581 778	183 676	535 624	92.1	992 252	319 348	73.9
Compensation of employees	216 922	99 080	207 019	95.4	276 528	111 606	12.6
Goods and services	364 856	84 594	307 835	84.4	715 724	207 591	145.4
Financial transactions in assets and liabilities	–	2	20 770	–	–	151	7 450.0
Transfers and subsidies	13 708 060	10 127 324	13 708 722	100.0	15 386 303	11 349 300	12.1
Provinces and municipalities	1 712 650	856 411	1 712 656	100.0	2 016 773	952 829	11.3
Departmental agencies and accounts	995 813	729 563	995 861	100.0	1 412 451	1 095 371	50.1
Universities and technikons	10 988 701	8 539 430	10 985 688	100.0	11 942 751	9 298 076	8.9
Foreign governments and international organisations	9 749	10	8 971	92.0	11 778	1 797	17 870.0
Non-profit institutions	–	–	–	–	50	50	(100.0)
Households	1 147	1 910	5 546	483.5	2 500	1 177	(38.4)
Payments for capital assets	9 338	2 965	5 459	58.5	8 197	1 947	(34.3)
Machinery and equipment	7 844	2 965	5 447	69.4	8 197	1 915	(35.4)
Software and other intangible assets	1 494	–	12	0.8	–	32	(100.0)
Total	14 299 176	10 313 965	14 249 805	99.7	16 386 752	11 670 595	13.2

Selected expenditure trends for the first half of 2007/08

Expenditure in the first six months of 2007/08 was R11.67 billion, or 71.2 per cent of the adjusted appropriation of R16.387 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 13.2 per cent compared to the first six months of 2006/07.

The main increases are related to increases in the improvement of conditions of service, unforeseeable and unavoidable expenditure on the national recovery plan due to the strike action, the growth of 11.3 per cent on transfer payments to provinces due to inflation-related increases, and the allocation to the FET colleges recapitalisation grant, which increased by 26.6 per cent.

Expenditure in 2006/07 was 99.7 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies and conditional grants

Table 14.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
Roll-overs		Unforeseeable /unavoidable	Virement	Other adjustments			
1. Administration	150	-	-	1 764	-	1 764	1 914
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	150	-	-	(36)	-	(36)	114
Sector Education and Training Authority	150	-	-	(36)	-	(36)	114
Households							
Social benefits							
Current	-	-	-	1 800	-	1 800	1 800
Leave gratuity	-	-	-	1 800	-	1 800	1 800
3. General Education	157 795	8 699	-	2 000	-	10 699	168 494
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	157 695	8 699	-	-	-	8 699	166 394
HIV and Aids (Life Skills Education) Grant	157 695	8 699	-	-	-	8 699	166 394
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	-	-	-	2 000	-	2 000	2 000
South African Council for Educators	-	-	-	2 000	-	2 000	2 000
4. Further Education and Training	638 343	35 490	-	6 300	-	41 790	680 133
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	595 000	35 490	-	600	-	36 090	631 090
Further Education and Training College	595 000	35 490	-	600	-	36 090	631 090
Sector Recapitalisation Grant							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	43 343	-	-	5 000	-	5 000	48 343
Umalusi	7 652	-	-	5 000	-	5 000	12 652
Households							
Social benefits							
Current	-	-	-	700	-	700	700
Donations and gifts household cash	-	-	-	700	-	700	700
5. Quality Promotion and Development	1 152 938	66 351	-	-	-	66 351	1 219 289
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 152 938	66 351	-	-	-	66 351	1 219 289
National School Nutrition Programme grant	1 152 938	66 351	-	-	-	66 351	1 219 289
6. Higher Education	13 306 145	-	-	(1 400)	-	(1 400)	13 304 745
Universities and technikons							
Current	11 859 151	-	-	2 600	-	2 600	11 861 751
Higher education institutions	11 859 151	-	-	2 600	-	2 600	11 861 751
Capital	85 000	-	-	(4 000)	-	(4 000)	81 000
Higher education institutions	85 000	-	-	(4 000)	-	(4 000)	81 000
7. Auxiliary and Associated Services	10 521	-	-	1 207	-	1 207	11 728
Foreign governments and international organisations							
Current	10 521	-	-	1 157	-	1 157	11 678
Commonwealth of Learning	1 450	-	-	330	-	330	1 780
Association for the Development of Education in Africa	10	-	-	7	-	7	17
Organisation for Economic Co-operation and Development	-	-	-	820	-	820	820
Non-profit institutions							
Current	-	-	-	50	-	50	50
Childline South Africa	-	-	-	50	-	50	50

Table 14.5: Summary of changes to conditional grants: Provinces¹

		2007/08						
		Additional appropriation				Total additional appropriation	Adjusted appropriation	
R thousand	Main appropriation	Roll- overs	Unforeseeable /unavoidable	Virement	Other adjustments			
3. General Education								
	HIV and Aids (Life Skills Education) Grant	157 695	8 699	–	–	–	8 699	166 394
4. Further Education and Training								
	Further Education and Training College Sector Recapitalisation Grant	595 000	35 490	–	600	–	36 090	631 090
5. Quality Promotion and Development								
	National School Nutrition Programme Grant	1 152 938	66 351	–	–	–	66 351	1 219 289

¹ Main appropriation detail provided in the Division of Revenue Act, 2007.

