

# Vote 17

## Higher Education and Training

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>36 866 681</b>	<b>36 866 681</b>	–	–
<b>of which:</b>				
Current payments	610 534	620 602	–	10 068
Transfers and subsidies	36 252 470	36 242 495	(9 975)	–
Payments for capital assets	3 677	3 584	(93)	–
<b>Direct charge against the National Revenue Fund</b>	<b>13 440 000</b>	<b>13 200 000</b>	<b>(240 000)</b>	–
Executive authority	Minister of Higher Education and Training			
Accounting officer	Director-General of Higher Education and Training			
Website address	www.dhet.gov.za			

### Aim

*Develop and support a quality higher and vocational education sector. Promote access to higher and vocational education and skills development training opportunities.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2014/15 as published in the 2014 ENE	Achieved in the first six months of 2014/15 (April to September)	Changed target for 2014/15
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	994 067	– <sup>1</sup>	–
Proportion of higher education enrolments in science, engineering and technology: business: humanities	University Education		28:29:43	– <sup>1</sup>	–
Number of higher education graduates per year	University Education		173 771	– <sup>1</sup>	–
Number of headcount enrolments in further education and training colleges per year	Vocational and Continuing Education and Training		800 000	454 226	–
Number of full time equivalents enrolled in further education and training institutions per year	Vocational and Continuing Education and Training		348 772	248 399	–
Number of new artisans registered for training each year	Skills Development		27 000	10 688 <sup>2</sup>	–
Number of artisan learners competent each year	Skills Development		13 000	4 560 <sup>2</sup>	–

1. Audited data for the 2013 academic year will only be available from universities by October 2014.

2. Figures as at 31 August 2014.

### Mid-year progress

The department is on track with its enrolment targets for total headcount and full time equivalents in further education and training colleges. The number of registered and competent artisan learners as at 31 August 2014 already exceeds the biannual targets set in the 2014/15 annual performance plan for the two performance indicators. This increases the likelihood of the annual targets being achieved by the end of the financial year.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Administration	217 101	-	-	3 806	-	-	-	3 806	220 907
Human Resource	48 785	-	-	1 770	-	-	-	1 770	50 555
Development, Planning and Monitoring Coordination									
University Education	30 448 037	-	-	(4 289)	-	-	-	(4 289)	30 443 748
Vocational and Continuing Education and Training	6 042 177	-	-	2 994	-	-	-	2 994	6 045 171
Skills Development	110 581	-	-	(4 281)	-	-	-	(4 281)	106 300
<b>Total</b>	<b>36 866 681</b>	-	-	-	-	-	-	-	<b>36 866 681</b>
<b>Direct charge against the National Revenue Fund</b>	<b>13 440 000</b>	-	-	-	-	-	(240 000)	(240 000)	<b>13 200 000</b>
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353
<b>Total</b>	<b>50 306 681</b>	-	-	-	-	-	(240 000)	(240 000)	<b>50 066 681</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>610 534</b>	-	-	<b>10 068</b>	-	-	-	<b>10 068</b>	<b>620 602</b>
Compensation of employees	426 540	-	-	6 085	-	-	-	6 085	432 625
Goods and services	183 994	-	-	3 983	-	-	-	3 983	187 977
<b>Transfers and subsidies</b>	<b>49 692 470</b>	-	-	<b>(9 975)</b>	-	-	(240 000)	<b>(249 975)</b>	<b>49 442 495</b>
Provinces and municipalities	2 631 346	-	-	-	-	-	-	-	2 631 346
Departmental agencies and accounts	19 699 869	-	-	-	-	-	(240 000)	(240 000)	19 459 869
Higher education institutions	24 155 093	-	-	-	-	-	-	-	24 155 093
Foreign governments and international organisations	2 915	-	-	-	-	-	-	-	2 915
Non-profit institutions	3 203 247	-	-	(10 000)	-	-	-	(10 000)	3 193 247
Households	-	-	-	25	-	-	-	25	25
<b>Payments for capital assets</b>	<b>3 677</b>	-	-	<b>(93)</b>	-	-	-	<b>(93)</b>	<b>3 584</b>
Machinery and equipment	3 677	-	-	(93)	-	-	-	(93)	3 584
<b>Total</b>	<b>50 306 681</b>	-	-	-	-	-	(240 000)	(240 000)	<b>50 066 681</b>

## Programme 1: Administration

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Ministry	31 560	-	-	(2 105)	-	-	-	(2 105)	29 455
Department Management	29 635	-	-	3 441	-	-	-	3 441	33 076
Corporate Services	63 189	-	-	5 149	-	-	-	5 149	68 338
Office of the Chief Financial Officer	41 662	-	-	103	-	-	-	103	41 765
Internal Audit	5 200	-	-	218	-	-	-	218	5 418
Office Accommodation	45 855	-	-	(3 000)	-	-	-	(3 000)	42 855
<b>Total</b>	<b>217 101</b>	-	-	<b>3 806</b>	-	-	-	<b>3 806</b>	<b>220 907</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>215 373</b>	-	-	<b>3 711</b>	-	-	-	<b>3 711</b>	<b>219 084</b>
Compensation of employees	114 987	-	-	8 793	-	-	-	8 793	123 780
Goods and services	100 386	-	-	(5 082)	-	-	-	(5 082)	95 304
<b>Transfers and subsidies</b>	<b>173</b>	-	-	<b>25</b>	-	-	-	<b>25</b>	<b>198</b>
Departmental agencies and accounts	173	-	-	-	-	-	-	-	173
Households	-	-	-	25	-	-	-	25	25
<b>Payments for capital assets</b>	<b>1 555</b>	-	-	<b>70</b>	-	-	-	<b>70</b>	<b>1 625</b>
Machinery and equipment	1 555	-	-	70	-	-	-	70	1 625
<b>Total</b>	<b>217 101</b>	-	-	<b>3 806</b>	-	-	-	<b>3 806</b>	<b>220 907</b>

**Programme 2: Human Resource Development, Planning and Monitoring Coordination**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Human Resource Development, Planning and Monitoring Coordination	2 823	-	-	34	-	-	-	34	2 857
Human Resource Development, Strategic Planning and Coordination	11 320	-	-	1 387	-	-	-	1 387	12 707
Planning, Information, Monitoring and Evaluation Coordination	8 753	-	-	783	-	-	-	783	9 536
International Relations	10 284	-	-	166	-	-	-	166	10 450
Legal and Legislative Services	11 241	-	-	(782)	-	-	-	(782)	10 459
Social Inclusion in Education	4 364	-	-	182	-	-	-	182	4 546
<b>Total</b>	<b>48 785</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>50 555</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>45 488</b>	<b>-</b>	<b>-</b>	<b>1 822</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 822</b>	<b>47 310</b>
Compensation of employees	38 125	-	-	1 307	-	-	-	1 307	39 432
Goods and services	7 363	-	-	515	-	-	-	515	7 878
<b>Transfers and subsidies</b>	<b>2 915</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 915</b>
Foreign governments and international organisations	2 915	-	-	-	-	-	-	-	2 915
<b>Payments for capital assets</b>	<b>382</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>330</b>
Machinery and equipment	382	-	-	(52)	-	-	-	(52)	330
<b>Total</b>	<b>48 785</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 770</b>	<b>50 555</b>

**Programme 3: University Education**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: University Education	2 761	-	-	(1 294)	-	-	-	(1 294)	1 467
University: Academic Planning and Management	6 248 320	-	-	101	-	-	-	101	6 248 421
University: Financial Planning and Information Systems	8 916	-	-	(565)	-	-	-	(565)	8 351
University: Policy and Development	21 925	-	-	(2 007)	-	-	-	(2 007)	19 918
Teacher Education	11 022	-	-	(524)	-	-	-	(524)	10 498
University Subsidies	24 155 093	-	-	-	-	-	-	-	24 155 093
<b>Total</b>	<b>30 448 037</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>30 443 748</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>48 637</b>	<b>-</b>	<b>-</b>	<b>(4 256)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 256)</b>	<b>44 381</b>
Compensation of employees	42 466	-	-	(4 076)	-	-	-	(4 076)	38 390
Goods and services	6 171	-	-	(180)	-	-	-	(180)	5 991
<b>Transfers and subsidies</b>	<b>30 399 042</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 399 042</b>
Departmental agencies and accounts	6 236 529	-	-	-	-	-	-	-	6 236 529
Higher education institutions	24 155 093	-	-	-	-	-	-	-	24 155 093
Non-profit institutions	7 420	-	-	-	-	-	-	-	7 420
<b>Payments for capital assets</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>(33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33)</b>	<b>325</b>
Machinery and equipment	358	-	-	(33)	-	-	-	(33)	325
<b>Total</b>	<b>30 448 037</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 289)</b>	<b>30 443 748</b>

**Programme 4: Vocational and Continuing Education and Training**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Vocational and Continuing Education and Training	6 392	-	-	3 401	-	-	-	3 401	9 793
Planning and Institutional Support	5 845 926	-	-	(13 265)	-	-	-	(13 265)	5 832 661
Programmes and Qualifications	15 703	-	-	(416)	-	-	-	(416)	15 287
National Examination and Assessment	174 156	-	-	13 274	-	-	-	13 274	187 430
<b>Total</b>	<b>6 042 177</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>6 045 171</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>214 358</b>	<b>-</b>	<b>-</b>	<b>13 093</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 093</b>	<b>227 451</b>
Compensation of employees	157 734	-	-	4 099	-	-	-	4 099	161 833
Goods and services	56 624	-	-	8 994	-	-	-	8 994	65 618
<b>Transfers and subsidies</b>	<b>5 827 173</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 000)</b>	<b>5 817 173</b>
Provinces and municipalities	2 631 346	-	-	-	-	-	-	-	2 631 346
Non-profit institutions	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
<b>Payments for capital assets</b>	<b>646</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>547</b>
Machinery and equipment	646	-	-	(99)	-	-	-	(99)	547
<b>Total</b>	<b>6 042 177</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 994</b>	<b>6 045 171</b>

**Programme 5: Skills Development**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management: Skills Development	3 025	-	-	(1 916)	-	-	-	(1 916)	1 109
SETA Coordination	75 225	-	-	(237)	-	-	-	(237)	74 988
National Skills Development Services	9 164	-	-	(2 128)	-	-	-	(2 128)	7 036
Quality Development and Promotion	23 167	-	-	-	-	-	-	-	23 167
<b>Total</b>	<b>110 581</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>106 300</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>86 678</b>	<b>-</b>	<b>-</b>	<b>(4 302)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 302)</b>	<b>82 376</b>
Compensation of employees	73 228	-	-	(4 038)	-	-	-	(4 038)	69 190
Goods and services	13 450	-	-	(264)	-	-	-	(264)	13 186
<b>Transfers and subsidies</b>	<b>23 167</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 167</b>
Departmental agencies and accounts	23 167	-	-	-	-	-	-	-	23 167
<b>Payments for capital assets</b>	<b>736</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>757</b>
Machinery and equipment	736	-	-	21	-	-	-	21	757
<b>Total</b>	<b>110 581</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 281)</b>	<b>106 300</b>

**Direct charges against the National Revenue Fund**

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353
<b>Total</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>
<b>Economic classification</b>									
<b>Transfers and subsidies</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>
Departmental agencies and accounts	13 440 000	-	-	-	-	-	(240 000)	(240 000)	13 200 000
<b>Total</b>	<b>13 440 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240 000)</b>	<b>(240 000)</b>	<b>13 200 000</b>

## Details of adjustments to the Estimates of National Expenditure 2014

### Virements and shifts

#### Programmes

1. Administration
2. Human Resource Development, Planning and Monitoring Coordination
3. University Education
4. Vocational and Continuing Education and Training
5. Skills Development

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(5 434)</b>	<b>Programme 1</b>		<b>1 872</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(555)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	555
	Reallocation of funds due to delays in the finalisation of the office accommodation lease contract, which resulted in slow spending on this item <sup>1</sup>	(870)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	870
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(25)	Households	Social benefits to employees who left the public service	25
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(422)	Machinery and equipment	Motor vehicle for the ministry protectors that was not originally budgeted for	422
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending <sup>1</sup>	(1 296)	<b>Programme 2</b>		<b>1 426</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(130)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	1 296
	Reallocation of funds due to delays in finalisation of the office accommodation lease contract, which resulted in slow spending on this item <sup>1</sup>	(1 784)	Goods and services	Printing of Government Gazette to develop the articulation and recognition of prior learning policy, and travel costs for the roadshow to promote the policy	130
			<b>Programme 4</b>		<b>1 784</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12 <sup>1</sup>	1 784
			<b>Programme 2</b>		<b>65</b>
Machinery and equipment	Costs of purchasing being lower than budgeted for	(65)	Machinery and equipment	Upgrading of computer equipment	65
	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff	(287)	<b>Programme 4</b>		<b>287</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	287
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>1.6%</b>			

2014 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(244)</b>	<b>Programme 2</b>		<b>244</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(69)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	69
Compensation of employees	Vacant posts	(58)	Goods and services	Provision for the investment report to be published before the end of 2014/15, as well as for the function shifting from the provincial to the national sphere of government, which impacts on travel and subsistence costs that were not originally budgeted for	58
Machinery and equipment	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff; cost of purchasing office equipment lower than budgeted for; and the realignment of funds to cater for expenditure not originally budgeted for	(117)	Goods and services	Provision for the investment report; cost containment measures effected on items such as communication to avoid over-expenditure on assets less than R5 000 due to price increases; and for the payment of outstanding invoices on stationery, printing and travel from the previous year	117
Shifts within the programme as a percentage of the programme budget		0.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 3</b>		<b>(4 481)</b>	<b>Programme 2</b>		<b>228</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(228)	Goods and services	Travel and subsistence for the function shifting from the provincial to the national sphere of government; activities not originally budgeted for; and the printing of the Government Gazette to develop the articulation and recognition of prior learning policy, including travel costs for the roadshow to promote the policy	228
			<b>Programme 4</b>		<b>144</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(144)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	144
			<b>Programme 1</b>		<b>3 330</b>
Compensation of employees	Vacant posts	(3 330)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	3 330
			<b>Programme 4</b>		<b>746</b>
	Vacant posts	(746)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	746
			<b>Programme 3</b>		<b>17</b>
Machinery and equipment	Reallocation of funds due to delays in the purchasing of office equipment for newly appointed staff	(17)	Goods and services	Overspending on travel and subsistence relating to an international trip that was not originally budgeted for, due to the depreciation of the Rand	17
			<b>Programme 4</b>		<b>16</b>
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(16)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	16
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 4</b>		<b>(11 105)</b>	<b>Programme 2</b>		<b>19</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(19)	Goods and services	Provision for the investment report to be published before the end of 2014/15	19
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(62)	<b>Programme 3</b>		<b>129</b>
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending <sup>1</sup>	(67)	Goods and services	Travel costs for an international trip that was not originally budgeted for	62
	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(858)	Goods and services	Travel costs for an international trip that was not originally budgeted for <sup>1</sup>	67
			<b>Programme 4</b>		<b>858</b>
			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	858
			<b>Programme 2</b>		<b>32</b>
Machinery and equipment	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(32)	Goods and services	Shifting of funds to avoid over-expenditure on travel and subsistence and venues and facilities items not originally budgeted for due to the function shifting from the provincial to the national sphere of government	32
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(46)	<b>Programme 3</b>		<b>46</b>
	Reallocation of funds as a result of delays in the purchasing of office equipment for newly appointed staff	(21)	Goods and services	Travel costs for an international trip that was not originally budgeted for	46
			<b>Programme 5</b>		<b>21</b>
			Machinery and equipment	Upgrading of old computer equipment	21
			<b>Programme 4</b>		<b>10 000</b>
Non-profit institutions	Reprioritisation of budget to address shortfalls on function shift project <sup>1</sup>	(10 000)	Goods and services	Provision for the management of the function shift from the provincial to the national sphere of government as well as to cater for travelling in the monitoring and evaluation of further education and training colleges	10 000
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(4 302)</b>	<b>Programme 4</b>		<b>264</b>
Goods and services	Cost containment measures effected on items such as contractors, stationery and travel and subsistence to cater for items on which there was overspending	(264)	Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	264
	Vacant posts	(4 038)	<b>Programme 1</b>		<b>4 038</b>
Compensation of employees			Compensation of employees	Upgrading of salary levels 9 and 11 to 10 and 12	4 038
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>3.9%</b>			
<b>Total</b>		<b>(25 566)</b>			<b>25 566</b>

1. National Treasury approval has been obtained.

## Other Adjustments – R240 million

### Direct charges against the National Revenue Fund – R240 million

Based on the actual spending to date, projected spending on the skills development levy has been reduced by R240 million. Therefore, the revised projected expenditure on the levy in 2014/15 is R13.2 billion, of which the sector education and training authorities are to receive R10.560 billion and the National Skills Fund is to receive R2.639 billion.

### Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14					2014/15				
	Audited outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 13 - Sep 13	adjusted % of appropriation	Apr 13 - Mar 14	adjusted % of appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted % of appropriation	
Administration	189 659	100 743	53.1	203 044	107.1	220 907	0.4	122 732	55.6	
Human Resource	47 440	21 616	45.6	43 535	91.8	50 555	0.1	22 014	43.5	
Development, Planning and Monitoring Coordination										
University Education	28 300 740	21 074 282	74.5	28 299 279	100.0	30 443 748	60.8	23 908 507	78.5	
Vocational and Continuing Education and Training	5 691 008	2 990 169	52.5	5 686 388	99.9	6 045 171	12.1	3 268 240	54.1	
Skills Development	105 053	48 835	46.5	99 723	94.9	106 300	0.2	52 179	49.1	
<b>Subtotal</b>	<b>34 333 900</b>	<b>24 235 645</b>	<b>70.6</b>	<b>34 331 969</b>	<b>100.0</b>	<b>36 866 681</b>	<b>73.6</b>	<b>27 373 672</b>	<b>74.3</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>12 300 000</b>	<b>5 616 086</b>	<b>45.7</b>	<b>12 090 186</b>	<b>98.3</b>	<b>13 200 000</b>	<b>26.4</b>	<b>6 415 632</b>	<b>48.6</b>	
Sector education and training authorities	9 840 592	4 492 929	45.7	9 673 818	98.3	10 560 647	21.1	5 132 551	48.6	
National Skills Fund	2 459 408	1 123 157	45.7	2 416 368	98.2	2 639 353	5.3	1 283 081	48.6	
<b>Total</b>	<b>46 633 900</b>	<b>29 851 731</b>	<b>64.0</b>	<b>46 422 155</b>	<b>99.5</b>	<b>50 066 681</b>	<b>100.0</b>	<b>33 789 304</b>	<b>67.5</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>579 550</b>	<b>290 159</b>	<b>50.1</b>	<b>576 584</b>	<b>99.5</b>	<b>620 602</b>	<b>1.2</b>	<b>341 220</b>	<b>55.0</b>	
Compensation of employees	402 700	199 876	49.6	398 450	98.9	432 625	0.9	230 720	53.3	
Goods and services	176 850	90 283	51.1	178 134	100.7	187 977	0.4	110 500	58.8	
<b>Transfers and subsidies</b>	<b>46 048 679</b>	<b>29 559 145</b>	<b>64.2</b>	<b>45 840 512</b>	<b>99.5</b>	<b>49 442 495</b>	<b>98.8</b>	<b>33 446 520</b>	<b>67.6</b>	
Provinces and municipalities	2 454 188	1 371 907	55.9	2 454 188	100.0	2 631 346	5.3	1 534 972	58.3	
Departmental agencies and accounts	18 182 606	10 496 768	57.7	17 972 736	98.8	19 459 869	38.9	11 271 198	57.9	
Higher education institutions	22 388 767	16 183 053	72.3	22 388 767	100.0	24 155 093	48.2	19 037 073	78.8	
Foreign governments and international organisations	2 864	–	0.0	2 927	102.2	2 915	0.0	–	0.0	
Non-profit institutions	3 020 189	1 506 610	49.9	3 020 189	100.0	3 193 247	6.4	1 603 219	50.2	
Households	65	807	1241.5	1 705	2623.1	25	0.0	58	232.0	
<b>Payments for capital assets</b>	<b>5 671</b>	<b>2 427</b>	<b>42.8</b>	<b>5 059</b>	<b>89.2</b>	<b>3 584</b>	<b>0.0</b>	<b>1 564</b>	<b>43.6</b>	
Machinery and equipment	5 446	2 209	40.6	5 032	92.4	3 584	0.0	1 564	43.6	
Software and other intangible assets	225	218	96.9	27	12.0	–	0.0	–	0.0	
<b>Total</b>	<b>46 633 900</b>	<b>29 851 731</b>	<b>64.0</b>	<b>46 422 155</b>	<b>99.5</b>	<b>50 066 681</b>	<b>100.0</b>	<b>33 789 304</b>	<b>67.5</b>	

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 99.5 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R33.789 billion, or 67.5 per cent of the adjusted appropriation of R50.067 billion for the year. In comparison, mid-year expenditure in 2013/14 was R29.852 billion, or 64 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R3.938 billion, or 13.2 per cent. This was mainly due to increases in allocations made to university subsidies; the National Student Financial Aid Scheme for bursaries; accommodation charges; transfers to further education and training colleges; adult education and training examination functions; establishment costs of universities in Mpumalanga and the Northern Cape, and the provision for the improvement of conditions of service for salary adjustments.



## Departmental receipts

R thousand	2013/14					2014/15				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
<b>Departmental receipts</b>	<b>10 915</b>	<b>5 790</b>	<b>53.0</b>	<b>11 880</b>	<b>108.8</b>	<b>9 425</b>	<b>10 323</b>	<b>100.0</b>	<b>6 040</b>	<b>58.5</b>
Sales of goods and services produced by department	5 583	3 128	56.0	6 042	108.2	4 382	5 138	49.7	2 871	55.9
Sales of scrap, waste, arms and other used current goods	60	25	41.7	29	48.3	17	18	0.2	9	50.0
Interest, dividends and rent on land	3 096	1 541	49.8	3 374	109.0	3 394	3 394	32.9	2 852	84.0
Transactions in financial assets and liabilities	2 176	1 096	50.4	2 435	111.9	1 632	1 773	17.2	308	17.4
<b>Total</b>	<b>10 915</b>	<b>5 790</b>	<b>53.0</b>	<b>11 880</b>	<b>108.8</b>	<b>9 425</b>	<b>10 323</b>	<b>100.0</b>	<b>6 040</b>	<b>58.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R6.040 million, or 58.5 per cent of the adjusted revenue estimate of R10.323 million for the year. In comparison, mid-year revenue in 2013/14 was R5.790 million, or 53 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R250 000, or 4.3 per cent. This was mainly due to increased fees received for interest on the department's bank account.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per programme

R thousand	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>									
<b>Households</b>									
<b>Social benefits</b>									
<b>Current</b>	-	-	-	25	-	-	-	25	25
Employee social benefits	-	-	-	25	-	-	-	25	25
<b>Vocational and Continuing Education and Training</b>									
<b>Non-profit institutions</b>									
<b>Current</b>	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
Further education and training colleges	3 195 827	-	-	(10 000)	-	-	-	(10 000)	3 185 827
<b>Direct charge against the National Revenue Fund</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	13 440 000	-	-	-	-	-	(240 000)	(240 000)	13 200 000
Sector education and training authorities	10 752 647	-	-	-	-	-	(192 000)	(192 000)	10 560 647
National Skills Fund	2 687 353	-	-	-	-	-	(48 000)	(48 000)	2 639 353

