

Vote 13

Education

Budget summary

R million	2009/10				2010/11	2011/12
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	225.9	223.1	0.2	2.6	244.1	258.1
System Planning and Monitoring	115.4	112.2	–	3.1	127.1	135.4
General Education	315.5	137.4	177.5	0.7	342.3	363.9
Further Education and Training	210.9	153.9	55.6	1.4	295.8	427.8
Social and School Enrichment	2 890.9	495.5	2 394.5	0.9	4 188.3	5 135.8
Higher Education	17 498.1	23.3	17 474.5	0.3	19 908.0	21 774.1
Auxiliary and Associated Services	30.5	18.5	11.8	0.1	32.2	33.9
Total expenditure estimates	21 287.2	1 164.0	20 114.1	9.1	25 137.9	28 129.2
Executive authority	Minister of Education					
Accounting officer	Director-General of Education					
Website address	www.education.gov.za					

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.

Programme purposes

Programme 1: Administration

Purpose: Policy formulation and the overall management of the department.

Programme 2: System Planning and Monitoring

Purpose: Provide strategic direction in the development, implementation and monitoring of education policies, programmes and projects.

Programme 3: General Education

Purpose: Develop, implement, monitor, evaluate and maintain national policy, programmes and systems for general education and quality assurance in support of and in cooperation with provincial education departments.

Programme 4: Further Education and Training

Purpose: Plan, develop, evaluate, monitor and maintain national policy, programmes and systems for further education and training, including national assessments and quality assurance systems in support of and in cooperation with provincial education departments.

Programme 5: Social and School Enrichment

Purpose: Provide strategic direction for the development of policies and programmes to ensure continuous improvement in the quality of learning in schools and for illiterate adults.

Programme 6: Higher Education

Purpose: Provide strategic direction, policy and regulatory frameworks for an effective and efficient higher education system so that it contributes to fulfilling South Africa's human resources, research and knowledge needs. Provide financial support to higher education institutions including funding the National Student Financial Aid Scheme.

Programme 7: Auxiliary and Associated Services

Purpose: Coordinate effective international relations and provide support and advice to provincial education departments.

Strategic overview: 2005/06 – 2011/12

Quality education for all South Africans is the department's key aim and will be achieved by ensuring the full and effective implementation of successful policies developed over the past decade, and by reviewing and refining those that have presented problems.

Legislative changes

Parliament's approval of the following pieces of legislation is likely to lead to changes in the education and training environment over the medium term: the National Qualifications Framework Bill, the Higher Education Amendment Bill, the General and Further Education and Training Quality Assurance Amendment Bill and the Skills Development Amendment Bill. The proposed amendments are aimed at clarifying the revised roles and responsibilities of institutions within the national qualifications framework, such as: Umalusi for the General and Further Education and Training Quality Assurance Amendment Bill; the Council for Higher Education for higher education; and the new Quality Council for Trade and Occupations for the Skills Development Bill. Quality assurance will no longer be the exclusive responsibility of the South African Qualifications Authority, as these entities will be responsible for quality assurance in their respective domains.

Core, scarce and critical skills development for accelerating economic growth will also be improved with the implementation of the revised human resource development strategy for South Africa during 2009/10.

Developments in higher education

The transformation process in the higher education sector, which was consolidated in 2005/06, has been the key focus over the past few years. As part of this process, the boards of the National Institute for Higher Education in Mpumalanga and Northern Cape were established in 2008. National Treasury and the department conducted a collaborative higher education funding review in 2008 to ensure that the sector is financially sustainable and to assist institutions to meet their equity and development goals. The review proposed funding options for block grants and financial aid for students and infrastructure. A new funding formula was devised for distributing funds to universities for clinical training in the health sciences, and determining the additional funds required if student enrolments in clinical training programmes increase.

Appropriate policies and criteria for research and teaching development grants for higher education institutions will be developed. The department will continue to assist institutions with capacity building and to support student leadership councils. A framework for the internationalisation of higher education systems, aimed at promoting student exchanges and collaboration between South Africa and global institutions on issues like research and the mobility of students between institutions, will be developed. The framework also provides for ongoing support to entities in producing quality graduates required for social and economic development.

Policy developments

Policy developments continue to build on the transformation successes of the past. These include programmes on the national curriculum statement, teacher development, inclusive education, literacy, recapitalisation of further education and training colleges, the national school nutrition programme, the education management information system, the integrated quality management system, no-fee schools and higher education reforms.

School infrastructure

In 2007, with technical support from the World Bank, the department developed a far reaching policy on an enabling physical teaching and learning environment. The policy provides guidelines on the equitable provision of school infrastructure and the efficient use of resources, and outlines clear roles and responsibilities for all role players in the provision of school infrastructure. Following Cabinet's approval of the policy in November 2008, the proposed norms and standards for school infrastructure were released for public comment.

Organisation for Economic Cooperation and Development policy review

While the policy review conducted by the Organisation for Economic Cooperation and Development in 2008 praised current policies, it also highlighted the need for enforcing reforms due to the implementation challenges encountered by officials, communities, enterprises, educators, parents and students under changing and diverse conditions. A set of key recommendations relating to governance and management, the curriculum, vocational education and its links to the labour market, inclusive education, teacher education and higher education were presented for consideration by the education sector.

Pro-poor funding policy and no-fee schools

School funding norms have improved equity in inputs into schooling and strengthened the pro-poor emphasis in the funding of schools. The no-fee schools policy aims to improve the resourcing of the country's poorest schools to increase access and reduce marginalisation. This policy will also extend government's anti-poverty drive by reducing pressure on poor households to pay school fees. Over the medium term, quintile 3 schools will also become no-fee schools.

Focus over the medium term

Over the MTEF period, the department will continue to address poverty in schools, skills shortages, quality improvements, health in education, institutional development, and higher education. The department is strengthening the educator based appraisal system as part of the integrated quality management system.

A national education evaluation unit will be established to evaluate all schools and teachers over a particular period. Evaluations will be conducted by independent evaluators, and learner performance will be an important indicator. A project to recapitalise 100 technical schools by providing them with infrastructure, new equipment and workshops to support quality curriculum delivery will be introduced during 2009/10. The main emphasis of this project will be on completing frameworks and plans, with the recapitalisation of technical schools set to begin in 2010/11.

The national school nutrition programme will be extended to all secondary schools in quintiles 1 to 3 over the medium term, starting with those in quintile 1 in 2009/10.

Selected performance and operations indicators

Table 13.1 Education

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Total number of students enrolled in higher education institutions	Higher Education	735 000	741 000	761 100	783 900	800 000	816 400	836 810
Proportion of higher education enrolments in science, engineering and technology: business: humanities	Higher Education	29:29:42	29:30:41	28:30:42	30:31:39	30:32:38	30:33:37	30:33:37
Number of higher education graduates per year	Higher Education	120 000	124 000	126 900	133 000	137 000	141 900	147 576
Number of new learners enrolled in the Kha Ri Gude mass literacy campaign per year	Social and School Enrichment	-	-	-	360 000	352 000	356 000	360 000

Table 13.1 Education (continued)

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of learners who completed the Kha Ri Gude course per year	Social and School Enrichment	–	–	–	342 000	334 400	338 200	342 000
Number of primary school learners fed a meal each school day per year	Social and School Enrichment	5 million	6 million	6 million	6.1 million	7.4 million	7.6 million	7.8 million
Percentage of matric maths higher grade (or equivalent) passes at the Dinaledi schools per year ¹	Further Education and Training	64.2% (6 000)	57.3% (6 124)	52.3% (6 105)	50.1% (15 184)	52.65% –	55.28% –	58.04% –
Percentage of matric science higher grade (or equivalent) passes at the Dinaledi schools per year ¹	Further Education and Training	51.4% (6 725)	50.8% (6 936)	43.8% (6 397)	30% (8 289)	31.5% –	33.1% –	34.8% –
Total number of learners captured by the learner unit record information tracking system	System Planning and Monitoring	–	–	–	4.2 million	8.7 million	12.5 million	All learners
Total number of public ordinary schools interacting with learner unit record information tracking system regularly to update learner data	System Planning and Monitoring	–	–	–	7 400	20 000	27 000	All schools
Number of public ordinary schools moderated through school based integrated quality management system evaluations per year	System Planning and Monitoring	–	–	–	–	7 500	8 500	9 500

1. There is no differentiation between higher and standard grade in the national curriculum statement, for which the first Grade 12 exams were written in 2008. A pass percentage of 50 per cent and above in the national curriculum statement is considered an equivalent to higher grade.

Expenditure estimates

Table 13.2 Education

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R million								
1. Administration	132.5	147.2	162.6	198.1	198.1	225.9	244.1	258.1
2. System Planning and Monitoring	34.2	36.4	52.0	118.5	109.0	115.4	127.1	135.4
3. General Education	224.5	228.3	258.3	357.7	323.1	315.5	342.3	363.9
4. Further Education and Training	238.5	710.9	1 131.7	1 051.8	1 094.7	210.9	295.8	427.8
5. Social and School Enrichment	1 144.5	1 141.5	1 280.6	2 433.0	2 429.9	2 890.9	4 188.3	5 135.8
6. Higher Education	10 646.8	11 956.9	13 322.9	15 561.7	15 560.0	17 498.1	19 908.0	21 774.1
7. Auxiliary and Associated Services	15.8	28.7	33.2	28.6	28.6	30.5	32.2	33.9
Total	12 436.8	14 249.8	16 241.3	19 749.4	19 743.4	21 287.2	25 137.9	28 129.2
Change to 2008 Budget estimate				891.8	885.8	1 092.8	2 048.4	3 664.4

Economic classification

	480.5	535.6	857.7	1 222.6	1 219.1	1 164.0	1 241.4	1 316.6
Current payments								
Compensation of employees	188.8	207.0	249.7	308.1	308.1	346.0	366.8	384.6
Goods and services	281.2	307.8	576.4	914.5	911.0	818.0	874.6	932.0
of which:								
Administrative fees	0.9	1.0	2.0	1.2	1.2	30.2	32.1	34.1
Advertising	5.2	13.8	40.4	15.8	27.3	12.8	13.4	14.1
Assets less than R5 000	1.9	2.7	3.4	2.0	2.0	1.4	1.3	1.5
Audit costs: External	4.0	2.7	3.2	4.6	4.6	4.0	4.4	4.5
Catering: Departmental activities	0.2	2.4	1.3	4.9	4.3	3.5	3.4	3.9
Communication	5.4	6.2	6.4	6.7	7.0	7.3	8.0	8.4
Computer services	61.4	35.6	47.1	46.2	46.2	47.6	49.6	53.0
Consultants and professional services: Business and advisory service	9.5	9.2	2.2	49.7	2.5	33.1	37.9	41.7
Consultants and professional services: Infrastructure and planning	–	–	0.0	0.5	40.2	1.5	0.9	0.1
Consultants and professional services: Legal costs	0.6	0.6	0.9	1.4	1.4	1.5	1.1	1.2
Contractors	2.4	2.4	14.4	2.3	2.3	5.4	4.0	4.6
Agency and support / outsourced services	35.3	45.7	39.0	91.9	84.0	237.1	263.7	277.7
Government motor transport (Trading account)	0.1	2.8	1.7	1.9	1.9	1.6	1.7	1.8

Table 13.2 Education (continued)

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Economic classification								
Current payments	480.5	535.6	857.7	1 222.6	1 219.1	1 164.0	1 241.4	1 316.6
<i>Inventory: Learner and teacher support material</i>	19.2	15.6	2.4	7.9	23.1	3.3	1.4	3.9
<i>Inventory: Materials and supplies</i>	0.2	0.4	0.1	0.1	0.1	0.1	2.3	0.0
<i>Inventory: Other consumables</i>	0.5	1.2	0.6	0.7	0.7	0.5	0.5	0.5
<i>Inventory: Stationery and printing</i>	11.8	14.1	22.8	239.9	141.0	175.2	176.9	189.3
<i>Lease payments</i>	20.5	24.5	25.1	24.8	5.7	81.2	94.5	101.3
<i>Owned and leasehold property expenditure</i>	1.8	2.1	1.5	3.4	20.1	4.2	4.6	4.5
<i>Travel and subsistence</i>	64.0	66.4	72.2	80.1	87.9	67.8	70.2	75.1
<i>Training and development</i>	1.7	14.7	25.6	37.8	71.1	24.5	25.9	27.6
<i>Operating expenditure</i>	24.4	30.2	251.9	272.4	318.2	56.4	57.8	61.7
<i>Venues and facilities</i>	9.4	12.9	11.8	17.6	17.6	17.3	18.1	20.7
Financial transactions in assets and liabilities	10.5	20.8	31.6	–	–	–	–	–
Transfers and subsidies	11 942.2	13 708.7	15 375.7	18 518.3	18 512.3	20 114.1	23 887.5	26 803.5
Provinces and municipalities	1 249.0	1 712.7	2 008.0	2 915.4	2 909.4	2 571.9	3 931.4	4 978.1
Departmental agencies and accounts	943.1	995.9	1 412.7	1 787.3	1 787.3	2 233.0	2 426.7	2 809.3
Universities and technikons	9 740.3	10 985.7	11 941.5	13 803.4	13 803.4	15 297.2	17 516.7	19 002.7
Foreign governments and international organisations	9.4	9.0	11.0	11.5	11.5	11.9	12.6	13.3
Non-profit institutions	–	–	0.1	0.1	0.1	0.1	0.1	0.1
Households	0.3	5.5	2.4	0.6	0.6	–	–	–
Payments for capital assets	14.1	5.5	7.9	8.5	12.0	9.1	9.0	9.2
Machinery and equipment	13.8	5.4	7.6	8.3	10.0	9.0	8.9	9.1
Software and other intangible assets	0.3	0.0	0.3	0.2	2.0	0.1	0.0	0.1
Total	12 436.8	14 249.8	16 241.3	19 749.4	19 743.4	21 287.2	25 137.9	28 129.2

Expenditure trends

Expenditure increased from R12.4 billion in 2005/06 to R19.7 billion in 2008/09 at an average annual rate of 16.7 per cent, and is expected to grow at an average annual rate of 12.5 per cent over the medium term to reach R28.1 billion in 2011/12. Increases for both periods are mainly due to increases in the national school nutrition programme, the higher education subsidy and the mass literacy campaign.

Spending is dominated by the *Higher Education* programme, which comprises an average of 81 per cent of total expenditure annually. This programme consists mainly of transfers to higher education institutions and the National Student Financial Aid Scheme. The decrease in provincial transfers from R2.9 billion in 2008/09 to R2.6 billion in 2009/10 is because the conditional grant for further education and training recapitalisation ended in 2008/09, after which the allocation is phased into the provincial equitable share. This also explains the expected decline in the *Further Education and Training* programme in that year. However, the additional allocations provided for the technical schools recapitalisation conditional grant (R80 million in 2010/11 and R200 million in 2011/12) increase expenditure in the *Further Education and Training* programme to R427.8 million in 2011/12.

Expenditure on goods and services fluctuates over the seven-year period. The 87.3 per cent increase in 2007/08 was due to the additional allocation for the recovery plan after the teacher strike in 2007, and the 58.6 per cent increase in 2008/09 is due mainly to an additional allocation of R107 million for the mass literacy project in the 2008 adjusted Budget. These once-off allocations also explain the fluctuating trend in inventory: stationery and printing and operating expenditure, as well as the more moderate projected growth of 0.6 per cent in goods and services over the medium term.

Expenditure in the *General Education* programme declines by 11.8 per cent in 2009/10. This is due mainly to the once-off increase of R50 million in 2008/09 for the department to conduct a systemic evaluation of schools for grades 1 to 6.

The rapid increase in expenditure over the medium term in the *Social and School Enrichment* programme, at an average annual rate of 28.3 per cent, is due to the provision for the mass literacy campaign and increases in the national school nutrition programme.

The 2009 Budget provides additional allocations over the MTEF period of R1.1 billion (2009/10), R2.1 billion (2010/11) and R3.7 billion (2011/12), mainly for:

- the national school nutrition programme conditional grant (R577.3 million, R1.3 billion and R2.1 billion)
- monitoring the national school nutrition programme (R6 million, R6.6 million and R7.3 million)
- higher education institutions (R480.2 million, R583 million and R1.1 billion)
- the National Student Financial Aid Scheme (R63 million, R101 million and R344 million)
- the national education evaluation unit (R6 million, R12 million and R13 million)
- technical secondary schools recapitalisation (R5 million, R80 million and R200 million)
- personnel inflation adjustments (R7.4 million, R6.6 million and R6.9 million)
- capital inflation adjustments (R263 000, R437 000 and R560 000).

Savings and reprioritisation

Efficiency savings of R159 million over the MTEF period have been identified in all programmes:

- R151.9 million on goods and services
- R2.6 million on transfers to departmental agencies and accounts
- R4.6 million on capital assets.

Under goods and services, cuts will mainly be made in travel and subsistence, printing and publications, and consultancy fees.

Departmental receipts

Departmental receipts are not significant and arise mainly from the repayment of government loans by higher education institutions and fees for technical examinations. In 2005/06, there was an increase in income from administration fees, mainly from examination fees.

Table 13.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Departmental receipts	13 429	6 761	8 738	7 231	7 914	7 767	7 987	8 200
Sales of goods and services produced by department	2 607	876	1 095	1 015	1 257	1 330	1 401	1 466
Sales of scrap, waste, arms and other used current goods	16	5	–	61	91	150	102	108
Transfers received	627	43	193	13	45	–	–	–
Interest, dividends and rent on land	4 300	4 158	4 050	4 110	4 110	4 192	4 276	4 286
Sales of capital assets	–	236	32	50	50	–	–	–
Financial transactions in assets and liabilities	5 879	1 443	3 368	1 982	2 361	2 095	2 208	2 340
Total	13 429	6 761	8 738	7 231	7 914	7 767	7 987	8 200

Programme 1: Administration

Expenditure estimates

Table 13.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Minister ¹	1.0	1.1	1.1	1.2	1.7	1.8	1.9
Deputy Minister ¹	0.8	0.8	1.0	1.0	1.4	1.5	1.6
Management	37.5	44.3	54.1	52.9	59.2	62.3	65.2
Corporate Services	76.5	82.5	87.7	122.0	140.4	152.9	162.3
Property Management	16.7	18.4	18.7	21.1	23.2	25.6	27.1
Total	132.5	147.2	162.6	198.1	225.9	244.1	258.1
Change to 2008 Budget estimate				(4.5)	6.5	4.7	3.6

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

	127.0	142.5	157.5	196.1	223.1	241.4	255.4
Current payments							
Compensation of employees	50.5	54.3	63.6	77.8	85.8	89.7	93.8
Goods and services	66.1	77.6	76.3	118.3	137.3	151.7	161.6
<i>of which:</i>							
Administrative fees	0.1	0.1	0.3	0.6	1.1	1.2	1.2
Advertising	2.0	5.6	6.0	3.8	3.2	3.5	3.6
Assets less than R5 000	0.6	1.1	1.0	0.5	0.3	0.3	0.4
Audit costs: External	4.0	2.7	3.2	3.8	3.7	4.0	4.1
Catering: Departmental activities	0.2	0.1	0.2	0.2	0.3	0.1	0.1
Communication	2.6	2.7	2.9	2.9	2.8	2.9	3.0
Computer services	10.2	14.2	15.1	14.7	16.3	18.9	20.4
Consultants and professional services:							
Business and advisory service	2.7	8.4	1.6	43.4	0.7	0.3	0.3
Consultants and professional services:							
Infrastructure and planning	–	–	–	0.5	1.5	0.9	0.1
Consultants and professional services:							
Legal costs	–	0.0	–	–	0.5	0.1	0.1
Contractors	1.3	1.0	1.9	0.6	1.7	0.3	0.3
Agency and support / outsourced services	2.4	0.6	1.2	2.2	0.6	1.1	0.2
Entertainment	0.5	0.2	0.3	0.4	0.3	0.4	0.4
Government motor transport (Trading account)	0.0	1.5	1.1	1.0	0.7	0.8	0.8
Inventory: Learner and teacher support material	0.0	0.4	1.0	0.3	0.3	0.3	0.3
Inventory: Other consumables	0.4	0.3	0.4	0.6	0.5	0.5	0.5
Inventory: Stationery and printing	2.4	2.8	1.9	3.4	2.8	2.8	3.0
Lease payments	16.7	19.1	18.6	20.1	76.8	90.1	96.4
Owned and leasehold property expenditure	1.8	1.7	1.4	3.4	3.6	4.0	3.8
Travel and subsistence	12.8	10.6	14.1	11.9	14.9	15.0	17.2
Training and development	0.4	1.0	0.9	0.4	0.5	0.5	0.5
Operating expenditure	4.2	2.8	2.2	2.8	2.4	2.6	2.6
Venues and facilities	0.4	0.2	0.8	0.4	1.4	0.9	1.9
Financial transactions in assets and liabilities	10.4	10.6	17.6	–	–	–	–
Transfers and subsidies	0.4	1.6	2.0	0.5	0.2	0.2	0.2
Provinces and municipalities	0.2	0.0	–	–	–	–	–
Departmental agencies and accounts	0.1	0.1	0.2	0.1	0.1	0.1	0.2
Non-profit institutions	–	–	–	0.1	0.1	0.1	0.1
Households	0.1	1.4	1.9	0.3	–	–	–
Payments for capital assets	5.1	3.0	3.1	1.5	2.6	2.5	2.5
Machinery and equipment	5.0	3.0	3.0	1.5	2.6	2.5	2.5
Software and other intangible assets	0.1	0.0	0.1	0.1	0.0	0.0	0.0
Total	132.5	147.2	162.6	198.1	225.9	244.1	258.1

Expenditure trends

Expenditure increased at an average annual rate of 14.4 per cent, from R132.5 million in 2005/06 to R198.1 million in 2008/09. It will increase further over the medium term at an average annual rate of 9.2 per cent, reaching R258.1 million in 2011/12. The increase for both periods, evident in the *Corporate Services* subprogramme, can be attributed to the construction of a new head office building for the department, which began in 2007. This also explains the high consultancy fees in 2006/07 and in 2008/09 the rapid increase in lease payments over the MTEF period.

Cost containment measures over the medium term have been identified within this programme, totalling R6.9 million in goods and services.

Programme 2: System Planning and Monitoring

- *Education Human Resources Management* manages human resources, and develops college and school educators, and educator labour relations. Funding is mainly used for the integrated quality management system project.
- *Information Monitoring and Evaluation* develops information systems for the education and training sector, and monitors and evaluates the performance of the education system. Funding is mainly used for the education management information system project.
- *Financial and Physical Planning and Analysis* focuses on cross-cutting aspects, such as financial and physical resource planning and coordination with provinces for implementing national policy. It also provides support to provinces on budgetary matters. Funding is mainly used for salaries, and other personnel related costs.
- *Legal and Legislative Services* manages the legal and legislative service for the department, and monitors and supports provincial education departments in legal and legislative matters. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Improve infrastructure planning and monitoring by providing up to date information for the fourth quarter of 2008/09 to provinces by March 2010.
- Improve planning and monitoring of the equitable distribution of education funding in support of education policies by:
 - producing 2 monitoring reports by June and December each year
 - ensuring that the norms and standards, including for inclusive education and special schools, are implemented over the next 3 years.
- Improve optimal budgeting processes by producing final sector priority papers by August each year.
- Ensure coordination and integration of short, medium and long term provision of core, scarce and critical skills by establishing an interdepartmental committee to implement the revised human resource development strategy for South Africa 2009 to 2014, and completing the stakeholder consultation in 2009/10.
- Improve monitoring and evaluation of education by developing a monitoring and evaluation framework using macro and service delivery indicators by March 2010.
- Ensure the availability of critical system information by collecting data according to the education management and information system standards and producing a database and reports every year.
- Develop a human resource management system and implement it at 50 per cent of office based institutions in the education sector by March 2010.
- Monitor the implementation of signed collective agreements on conditions of service for educators and analyse the implications by producing a report annually.

Service delivery and spending focus

The revised human resource development strategy was approved by Cabinet for consultation with social partners. A draft rollout plan was developed and discussed among all stakeholders in 2008. The mapping of existing human resource systems onto the draft human resource development strategy began in-house and was released to stakeholders for comment in 2008.

A draft simplified integrated quality management system was developed. A ministerial committee for the national education evaluation unit was established.

The national education information management system server was moved from the service provider to the South African State Information Technology Agency to allow departmental officials to have direct access and thus generate reports more quickly.

The development of the learner unit record information tracking system was completed and implementation was rolled out in all provinces. Learner data is being uploaded onto the system daily, using the South African schools administration management system school software package.

A service provider was appointed to evaluate the implementation of the school funding norms and standards and to develop a longer term monitoring strategy for the national funding norms. Revised further education and training funding norms were also developed.

The main focus of this programme over the MTEF period is to establish a national education evaluation unit to evaluate all schools and teachers over a particular period. Evaluations will be conducted by independent evaluators, and learner performance will be an important indicator in these evaluations. In addition, the integrated quality management system unit will be expanded over the medium term to strengthen the educator based appraisal system.

Expenditure estimates

Table 13.5 System Planning and Monitoring

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Education Human Resources Management	5.9	6.5	7.8	36.3	55.0	63.4	67.4
Information Monitoring and Evaluation	17.0	10.7	31.4	42.5	40.4	42.7	45.9
Financial and Physical Planning and Analysis	7.5	15.5	7.9	33.3	12.5	13.3	13.9
Legal and Legislative Services	3.8	3.8	4.7	6.4	7.4	7.8	8.2
Total	34.2	36.4	52.0	118.5	115.4	127.1	135.4
Change to 2008 Budget estimate				20.4	5.8	11.4	8.5
Economic classification							
Current payments	33.8	33.4	50.8	92.6	112.2	124.0	132.3
Compensation of employees	17.3	18.6	22.1	46.1	62.2	65.7	68.8
Goods and services	16.6	14.8	28.7	46.6	50.0	58.3	63.4
<i>of which:</i>							
Advertising	0.0	0.3	1.5	1.5	0.4	0.5	0.5
Assets less than R5 000	0.2	0.2	0.1	0.1	0.1	0.1	0.1
Catering: Departmental activities	–	0.0	0.1	0.1	0.5	0.6	0.7
Communication	0.3	0.3	0.3	0.4	0.8	1.1	1.1
Computer services	3.3	1.2	10.8	15.7	17.4	18.5	19.6
Consultants and professional services: Business and advisory service	0.0	0.1	–	3.4	17.1	19.0	21.5
Consultants and professional services: Legal costs	0.6	0.6	0.9	1.4	1.0	1.0	1.0
Contractors	0.1	0.2	2.3	0.1	0.0	0.0	0.0
Agency and support / outsourced services	5.8	8.7	8.1	16.5	0.3	0.2	0.2
Inventory: Stationery and printing	0.4	0.4	0.3	1.2	2.5	3.2	3.5
Lease payments	0.0	0.1	0.0	0.1	–	–	–
Travel and subsistence	4.6	1.4	1.8	4.6	8.5	12.0	12.9
Training and development	0.0	0.0	0.0	–	0.5	0.9	1.0
Operating expenditure	0.4	0.8	1.6	1.0	0.3	0.3	0.3
Venues and facilities	0.9	0.5	0.6	0.5	0.7	0.8	0.9
Financial transactions in assets and liabilities	0.0	0.0	0.0	–	–	–	–

Table 13.5 System Planning and Monitoring (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Transfers and subsidies	0.1	2.7	-	22.0	-	-	-
Provinces and municipalities	0.1	0.0	-	22.0	-	-	-
Departmental agencies and accounts	0.0	0.0	-	-	-	-	-
Households	-	2.6	-	0.0	-	-	-
Payments for capital assets	0.3	0.4	1.1	3.9	3.1	3.1	3.1
Machinery and equipment	0.2	0.4	1.1	3.7	3.1	3.1	3.1
Software and other intangible assets	0.1	-	0.1	0.1	-	-	-
Total	34.2	36.4	52.0	118.5	115.4	127.1	135.4

Details of selected transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	-	-	-	22.0	-	-	-
Disaster management grant	-	-	-	22.0	-	-	-

Expenditure trends

Expenditure increased at an average annual rate of 51.3 per cent, from R34.2 million in 2005/06 to R118.5 million in 2008/09. Expenditure is expected to increase more slowly over the medium term, at an average annual rate of 4.6 per cent, reaching R135.4 million in 2011/12. The increases over both periods are evident in the *Education Human Resources Management* and *Information Monitoring and Evaluation* subprogrammes. The increases are due mainly to additional funding for the integrated quality management system introduced in 2007/08, improvements to the education management information system and for the national education evaluation unit to be introduced in 2009/10. These projects also account for the high consultancy fees over the MTEF period.

An additional once-off allocation of R22 million made in the 2008 adjusted Budget to rebuild and repair schools affected by storms in Mpumalanga and KwaZulu-Natal accounts for the increase in transfers to provinces in 2008/09.

Spending on compensation of employees increased rapidly in 2008/09 due to the provision for additional posts for the integrated quality management system.

The department has identified cost containment measures over the medium term within this programme totalling R11.8 million in goods and services.

Programme 3: General Education

- *General Education and Training, Curriculum and Assessment* develops and implements the curriculum and related programmes and systems for general education, and for evaluating and maintaining policy initiatives. Funding is mainly used for the transfer payment of the HIV and AIDS conditional grant to provincial education departments, which are divided among the provinces using the education component of the equitable share formula (as explained in Annexure W1 to the Budget Review).
- *Institutional Development* develops policies and programmes to promote district development and management, and governance capacity in education. Funding is mainly used for salaries, and other personnel related costs.
- *Teacher Education* develops policies and programmes to promote the development of educators, and evaluates qualifications for employment in education. Funding is mainly used for the teacher development: mathematics and science project.

- *Quality Promotion and Assurance* strengthens the understanding of the performance of learners and institutions across the education system, and increases the levels of accountability for educational outcomes at all levels of the system. Funding is mainly used for the systemic evaluation project.

Objectives and measures:

- Improve education outcomes by increasing the number of 5-year old learners enrolled in publicly funded Grade R classes in public primary schools and community based early childhood development sites from the current 701 740 to 800 000 by January 2010.
- Improve service delivery of education districts by:
 - conducting an audit of education district capacities and developing a plan for the resourcing of these over the next 3 years
 - developing an implementation plan for the rollout of the policy on the organisation, roles and responsibilities of districts by March 2010.
- Improve school management by March 2010 by:
 - supporting the monitoring and evaluation of the national management of school programmes
 - developing national school management programmes and guidelines
 - setting up a database of trained school managers
 - conducting an impact study on the advanced certificate in education: school leadership
 - developing guidelines for representative councils of learners.
- Improve the teacher provisioning model by developing systems to capture up to date data on teacher provision over the next 3 years.
- Attract more people to become teachers through a recruitment campaign in nationally defined priority areas in 2009/10.
- Coordinate and monitor the delivery of accredited continuing professional development programmes.
- Align and update the policy documents on norms and standards for educators and the criteria for the recognition and evaluation of qualifications for employment in education over the next 3 years.
- Ensure that all teacher qualifications are of an appropriate standard by evaluating and approving qualifications and new or revised programmes for teacher education for purposes of employment in education and relative education qualification values recognition in accordance with relevant policy.
- Strengthen assessment at school level by providing assessment exemplars in the intermediate phase in language and mathematics and national assessment tests for grades 1 to 6 over the next 3 years.
- Strengthen internal school and external school evaluations by training school management teams and whole school evaluation supervisors on how to conduct evaluations over the next 3 years.

Service delivery and spending focus

A diagnostic study of the Grade R sector across provinces was conducted in 2008. The findings of the study will give guidance on how to strengthen national, provincial and district capacity to achieve the 2010 Grade R target of universal Grade R enrolment.

During 2008, an assessment items bank for the foundation phase and the numeracy strategy was finalised. Concept maps for technology, natural sciences and education management systems were developed. A foundation phase conference was held to showcase good teaching practice in literacy and numeracy.

A sample of Grade 3 learners was tested in literacy and numeracy in 2007. Guides and templates to help schools conduct internal evaluations and school improvement plans to address areas of underperformance were developed and distributed to all schools in January 2009.

A successful print and broadcast media advertising campaign for recruiting trainee educators was conducted in 2008, and drew more applications for admission into teacher education programmes in 2009 than in previous years. In 2008, 5 428 full cost bursaries from the Funza Lushaka bursary programme were awarded to initial teacher education students in 23 higher education institutions across the country. 1 058 students graduated at the end of 2008, and will be placed in public schools in all provinces.

Over the medium term, one of the key focus areas will be to strengthen and build the management capacity of schools. The department will be supporting the monitoring and evaluation of the national management of school programmes, developing national school management programmes and guidelines, setting up a database of trained school managers, conducting an impact study on the advanced certificate in education: school leadership, and developing guidelines for representative councils of learners. A further focus is the development of teacher competence by ensuring that teacher qualifications and continuing professional development programmes are of an acceptable standard.

Expenditure estimates

Table 13.6 General Education

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
General Education and Training, Curriculum and Assessment	180.2	189.3	196.0	233.5	234.0	256.5	272.7
Institutional Development	13.6	12.4	12.0	17.5	15.6	16.2	17.1
Teacher Education	22.8	19.4	32.7	42.9	34.0	35.7	38.2
Quality Promotion and Assurance	7.9	7.2	17.6	63.9	32.0	34.0	36.0
Total	224.5	228.3	258.3	357.7	315.5	342.3	363.9
Change to 2008 Budget estimate				9.5	(15.1)	(16.6)	(6.7)
Economic classification							
Current payments	84.6	82.5	97.9	186.0	137.4	153.5	163.8
Compensation of employees	25.6	26.2	29.9	37.1	41.1	43.6	45.7
Goods and services	58.9	56.3	67.9	148.9	96.3	109.9	118.2
<i>of which:</i>							
Administrative fees	0.6	0.1	0.0	0.1	1.1	1.2	1.3
Advertising	1.2	4.1	3.4	2.6	1.0	1.0	1.1
Assets less than R5 000	0.3	0.2	0.3	0.4	0.3	0.3	0.3
Catering: Departmental activities	–	0.1	0.1	0.3	0.9	1.2	1.2
Communication	0.6	0.7	0.7	0.9	0.8	0.9	0.9
Computer services	0.0	–	0.1	0.0	0.3	0.3	0.4
Consultants and professional services: Business and advisory service	3.9	0.5	0.3	0.4	8.1	13.3	14.3
Contractors	0.1	0.2	0.5	0.2	0.9	1.9	2.4
Agency and support / outsourced services	6.2	6.0	4.6	34.9	8.4	9.8	9.7
Inventory: Learner and teacher support material	19.2	13.6	0.2	1.2	–	0.0	0.0
Inventory: Stationery and printing	3.2	1.5	2.6	42.6	33.3	37.6	40.8
Lease payments	0.1	0.3	0.7	0.1	0.0	0.0	0.0
Travel and subsistence	10.8	5.7	7.6	17.5	8.2	8.9	9.6
Training and development	1.1	9.0	22.5	31.2	22.7	23.7	25.3
Operating expenditure	10.2	13.1	23.1	12.4	6.0	4.8	5.0
Venues and facilities	1.4	0.8	1.0	3.9	3.9	4.8	5.5
Financial transactions in assets and liabilities	0.0	0.0	0.1	–	–	–	–
Transfers and subsidies	139.1	145.4	159.8	171.2	177.5	188.1	199.4
Provinces and municipalities	136.4	144.5	157.6	171.1	177.4	188.0	199.3
Departmental agencies and accounts	2.5	0.0	2.0	–	–	–	–
Foreign governments and international organisations	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Households	0.1	0.8	–	–	–	–	–
Payments for capital assets	0.8	0.4	0.6	0.5	0.7	0.6	0.6
Machinery and equipment	0.7	0.4	0.6	0.5	0.7	0.6	0.6
Software and other intangible assets	0.1	–	–	–	–	–	–
Total	224.5	228.3	258.3	357.7	315.5	342.3	363.9
Details of selected transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	136.3	144.5	157.6	171.1	177.4	188.0	199.3
HIV and AIDS (life skills education) grant	136.3	144.5	157.6	171.1	177.4	188.0	199.3

Expenditure trends

Expenditure increased at an average annual rate of 16.8 per cent, from R224.5 million in 2005/06 to R357.7 million in 2008/09. This increase was due to additional funds provided to support the expansion of Grade R and early childhood development, the expansion of inclusive education and the increased allocation for the system wide evaluation focusing on grades 1 to 6 across all provinces in 2008/09. This also explains the fluctuating trend in goods and services. Expenditure is set to decrease in 2009/10 due to the increased allocation for systemic evaluation in 2008/09 and then increase slowly at an average annual rate of 0.6 per cent, reaching R363.9 million in 2011/12.

Cost containment measures over the medium term have been identified within this programme, totalling R12 million in goods and services.

Programme 4: Further Education and Training

- *Educational Measurement, Assessment and Public Examinations* promotes the integrity of national assessments and the existence of quality assurance systems in further education and training. Funding is mainly used for the payment of examiners and moderators.
- *Further Education and Training: Schools* manages national policy, programmes and systems for further education and training, and is also responsible for curriculum enrichment, focusing on improving mathematics, science and technology and ICT training in schools, and youth development programmes. Funding is mainly used for transfer payments to Umalusi and the South African Qualification Authority, as well as the technical schools recapitalisation conditional grant that will be introduced in 2010/11.
- *Further Education and Training College Programmes, Qualifications and Institutional Support* provides the framework, coordination and support for further education and training colleges. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Monitor and support implementation of the national curriculum statement in all public schools over the next 3 years.
- Improve the quality of maths, science and technology education by providing support to and monitoring the performance and participation of 500 Dinaledi schools in these subjects in 2009/10 to increase the pass rates.
- Ensure quality practices in setting, moderating and administering Grade 12, further education and training college and adult basic education and training examinations by monitoring and supporting provinces in 2009/10.
- Reduce the number of underperforming schools by 10 per cent in all the provinces in 2009/10 by monitoring the implementation of a national strategy for learner attainment.
- Offer the national certificate (vocational) programmes effectively and efficiently by providing policy advice, monitoring and support to colleges and provinces over the medium term.
- Improve delivery of further education and training college programmes by monitoring and supporting the implementation of the further education and training college sector plan and the Further Education and Training Colleges Act (1996) over the next 3 years.
- Increase youth access to further education and training colleges and improve retention and throughput rates to 800 000 by 2014 by strengthening student support services and providing bursaries.
- Support the expansion and use of ICT in teaching and learning at schools and further education and training colleges in 2009/10 by developing enabling policies.
- Improve access to educational support material by maintaining and expanding the curriculum portal, Thutong, in 2009/10.

Service delivery and spending focus

As 2008 was the first year that Grade 12 students would write the national senior certificate examinations based on the national curriculum statement, the state of readiness of all schools, further education and training colleges and adult basic education and training centres for hosting the examinations was closely monitored. To assist with the 2008 matriculation examinations, exemplar question papers were set and uploaded on the South African education portal, Thutong, and the department's website. The department's Study Mate guides for grades 11 and 12 students were distributed to schools, learner support material supplements were published in newspapers and Maths 911 workbooks, study guides and textbooks were provided to schools. (Maths 911 is a joint initiative between a number of private companies and the department, which distributes workbooks that cover the maths curriculum for grades 11 and 12 students across the country.)

Heads of departments for maths and science in 467 Dinaledi schools were trained by subject specialists on curriculum management and planning. A project to place additional tutors at schools for 50 hours of supplementary maths tutoring began in September 2008, in preparation for the 2008 national senior certificate examination for Grade 12. Teacher training manuals for science and maths were sent to 28 Dinaledi schools.

A career guidance catalogue was developed and distributed to further education and training colleges, provincial education departments and other stakeholders. A promotional campaign on further education and training colleges and their programmes and bursaries was also conducted in all provinces. Monitoring was done on the implementation of the student support services framework, and bursary workshops and student support service capacity building workshops were run at all 50 further education and training colleges.

The focus of the programme over the medium term is to continue to provide support for the implementation of the national curriculum statement by providing exemplar examination papers and setting examination papers in all subjects for grades 10 to 12. The department will also be providing ongoing support to further education and training colleges to improve the management of these colleges and their outputs.

Expenditure estimates

Table 13.7 Further Education and Training

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Education Measurement, Assessment and Public Examinations	86.9	111.0	188.7	147.3	108.5	112.5	118.3
Further Education and Training Schools	91.0	74.9	284.9	92.3	89.7	169.7	295.4
Further Education and Training College Programmes, Qualifications and Institutional Support	60.6	525.0	658.1	812.2	12.7	13.5	14.1
Total	238.5	710.9	1 131.7	1 051.8	210.9	295.8	427.8
Change to 2008 Budget estimate				28.4	7.8	84.6	206.5

Economic classification

	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Current payments	182.5	197.7	449.2	200.8	153.9	155.6	164.1
Compensation of employees	66.0	72.2	90.3	92.4	92.1	99.1	104.2
Goods and services	116.5	115.4	345.1	108.4	61.9	56.5	59.9
<i>of which:</i>							
Administrative fees	0.0	0.6	1.7	0.0	1.3	1.4	1.5
Advertising	1.0	2.0	24.7	1.0	0.9	0.9	0.9
Assets less than R5 000	0.6	0.6	1.6	0.8	0.3	0.4	0.4
Catering: Departmental activities	–	0.7	0.4	1.0	1.3	1.1	1.5
Communication	1.3	1.7	1.7	1.3	1.7	1.8	1.8
Computer services	47.6	19.8	21.1	12.0	12.3	11.5	12.2
Consultants and professional services: Business and advisory service	2.8	0.3	0.3	0.6	1.8	0.8	0.9
Contractors	0.4	0.8	9.3	1.1	1.1	0.1	0.1
Agency and support / outsourced services	20.5	27.4	17.4	13.1	1.1	1.0	0.9
Government motor transport (Trading account)	–	0.5	0.2	0.2	0.3	0.2	0.2

Table 13.7 Further Education and Training (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	182.5	197.7	449.2	200.8	153.9	155.6	164.1
<i>Inventory: Learner and teacher support material</i>	0.0	1.4	1.0	6.5	3.0	1.1	3.6
<i>Inventory: Materials and supplies</i>	–	0.0	0.0	0.1	–	2.3	–
<i>Inventory: Stationery and printing</i>	4.4	3.6	16.7	6.8	2.8	3.0	4.9
<i>Lease payments</i>	3.6	4.1	4.4	4.4	4.2	4.3	4.6
<i>Owned and leasehold property expenditure</i>	0.0	0.3	0.0	0.0	0.0	0.0	0.0
<i>Travel and subsistence</i>	22.2	33.5	31.7	28.8	17.5	14.7	15.0
<i>Training and development</i>	0.1	3.8	2.1	6.1	0.5	0.4	0.5
<i>Operating expenditure</i>	6.5	9.0	207.0	18.6	5.8	5.4	3.8
<i>Venues and facilities</i>	5.3	5.2	3.8	6.0	6.0	6.0	7.0
Financial transactions in assets and liabilities	0.0	10.1	13.8	–	–	–	–
Transfers and subsidies	50.0	512.1	680.2	849.1	55.6	138.7	262.2
Provinces and municipalities	0.2	470.0	631.1	795.2	–	80.0	200.0
Departmental agencies and accounts	49.7	41.4	48.5	53.6	55.6	58.7	62.2
Households	0.1	0.6	0.6	0.3	–	–	–
Payments for capital assets	5.9	1.1	2.3	1.9	1.4	1.5	1.5
Machinery and equipment	5.9	1.1	2.2	1.8	1.4	1.5	1.5
Software and other intangible assets	0.0	–	0.1	0.0	0.0	–	0.0
Total	238.5	710.9	1 131.7	1 051.8	210.9	295.8	427.8

Details of selected transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	–	470.0	631.1	795.2	–	80.0	200.0
Further education and training college sector recapitalisation grant	–	470.0	631.1	795.2	–	–	–
Technical secondary schools recapitalisation	–	–	–	–	–	80.0	200.0
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	49.7	41.4	48.5	53.6	55.6	58.7	62.2
South African Qualifications Authority	38.6	34.0	35.7	37.6	39.1	41.3	43.8
Umalusi Council for Quality Assurance in General and Further Education and Training	11.1	7.4	12.9	16.0	16.5	17.4	18.4

Expenditure trends

Expenditure grew at an average annual rate of 64.0 per cent, from R238.5 million in 2005/06 to R1.1 billion in 2008/09. The increase in expenditure of 59.2 per cent in 2007/08 was due to an additional allocation for the implementation of the national curriculum statement examinations for 2007/08 and 2008/09, which also explains the high personnel costs in this period. In addition, there was a once-off allocation, mainly for printing and publishing learner support materials as part of the national recovery plan after the June 2007 educator strike action, which accounts for the 199 per cent growth in goods and services expenditure in 2007/08.

Expenditure decreases by 79.9 per cent in 2009/10 as the further education and training college recapitalisation conditional grant becomes part of the provincial equitable share in 2009/10. However, the additional allocations provided for the technical schools recapitalisation conditional grant (R80 million in 2010/11 and R200 million in 2011/12) results in projected expenditure rising by 40.2 per cent in 2010/11 and 44.7 per cent in 2011/12.

Cost containment measures over the medium term have been identified within this programme, totalling R6.2 million in goods and services, transfers and subsidies, and capital assets.

Programme 5: Social and School Enrichment

- *Social Inclusion in Education* manages policy, programmes and systems for adult education and school enrichment. It ensures quality access to and promotes increased participation by all learners in the curriculum and school enrichment programmes. It collaborates with relevant departments and stakeholders to create safe and caring schools, safety nets for orphaned and vulnerable children, and quality adult basic education training and literacy programmes for adult learners. Funding is mainly used for the Kha Ri Gude mass literacy campaign, paying stipends to volunteer educators, producing learner and teacher support materials and conducting assessments.
- *Health in Education* manages policies related to the overall wellness of educators and learners, and manages and monitors the national school nutrition programme. Funding is mainly used for transfer payments related to the national school nutrition programme to provincial education departments, divided among the provinces on the basis of the number of learners in quintile 1 to 3 schools.
- *Equity in Education* develops policies and programmes for promoting gender equity, non-racialism, non-sexism, democratic values in education, and moral regeneration in public schools. It promotes quality education programmes in rural and farm schools, and schools in the presidential nodal areas (areas that have been identified by the Presidency for special attention). Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Improve communication on the measures for the prevention and management of learner pregnancy and the guidelines for the prevention and management of sexual violence and harassment in public schools in 2009/10 by:
 - hosting advocacy sessions with school governing body forums and other school communities
 - conducting workshops on implementing the measures and the guidelines
 - running a media campaign via the South African Broadcasting Corporation.
- Strengthen the girls and boys education movements by conducting road shows and encouraging new clubs in 2009/10.
- Improve learning capacity through the national school nutrition programme by ensuring that:
 - all quintile 1 to 3 primary school learners receive appropriate meals on all school days
 - the programme is phased into quintile 1 to 3 secondary schools over the MTEF period.
- Reduce the number of illiterate adults in South Africa by half by 2012 through the Kha Ri Gude mass literacy campaign.
- Provide specialised literacy tuition for disabled illiterate adults, including the blind and deaf, over the next 3 years.
- Develop guidelines for implementing levels 3 and 4 learning programmes for adult basic education and training by March 2010.

Service delivery and spending focus

The Kha Ri Gude mass literacy campaign was launched in April 2008. Its initial target to train 300 000 illiterate adults and to employ and train 20 000 volunteer educators was exceeded by 60 000 illiterate adults and 8 000 volunteer educators. Stipends were paid to more than 28 000 campaign volunteers drawn from among the poorest South Africans, 93 per cent of whom were unemployed. 90 per cent of the learners and educators were supplied with stationery packs and mother-tongue literacy and numeracy books. A train-the-trainer workshop for 77 blind educators and 80 deaf educators was held in August 2008 to ensure increased participation by blind and deaf learners in the campaign. Assessment portfolios or test books for numeracy and literacy were completed in all 11 official languages and approved by the South African Qualifications Authority. Outcomes based assessment instruments aligned with the adult basic education and training level 1 unit standards were administered to enable successful learners to progress to adult basic education and training level 2 in the public adult learning centres in 2009. The Kha Ri Gude mass literacy campaign remains a key focus over the MTEF period.

By the end of the pilot project for the United Nations Children's Fund Sport for Development programme, 126 schools had been reached through interschool tournaments, with about 5 000 learners participating. A physical education implementation plan was compiled and costing was completed.

4 provinces held Lethimpilo campaigns during 2008 in which 14 453 learners were screened for minor ailments and social security needs, and directed for treatment if necessary. Those identified with health problems were either treated on site for minor ailments, or referred to the appropriate health facilities for further treatment, management and care.

6 238 489 learners in 18 297 schools were fed an adequate meal during 2008. 6 503 school food gardens were planted and sustained. Capacity building workshops were conducted on the implementation guidelines, food production and nutrition education to national school nutrition programme officials, educators and parents. Monitoring and support to provinces for the implementation and extension of the national school nutrition programme to secondary schools remains a key focus area over the medium term.

CD and hard copy versions of the measures for the prevention and management of learner pregnancy and the guidelines on the prevention and management of sexual violence and harassment were sent to each district in 2008.

Expenditure estimates

Table 13.8 Social and School Enrichment

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Social Inclusion in Education	12.9	14.2	29.1	471.3	456.4	482.6	511.8
Health in Education	1 125.8	1 114.3	1 232.6	1 947.6	2 420.8	3 691.3	4 608.6
Equity in Education	5.9	13.0	19.0	14.1	13.6	14.5	15.5
Total	1 144.5	1 141.5	1 280.6	2 433.0	2 890.9	4 188.3	5 135.8
Change to 2008 Budget estimate				452.6	543.7	1 279.1	2 056.0
Economic classification							
Current payments	30.7	43.2	60.9	505.5	495.5	524.1	556.2
Compensation of employees	14.1	15.2	20.7	26.5	34.1	36.1	38.0
Goods and services	16.6	28.0	40.1	479.0	461.4	488.1	518.2
<i>of which:</i>							
Administrative fees	0.0	0.0	0.0	0.4	26.7	28.2	30.0
Advertising	0.7	0.9	4.0	5.8	7.0	7.1	7.5
Audit costs: External	–	–	–	0.9	0.4	0.4	0.4
Catering: Departmental activities	–	1.1	0.3	3.2	0.2	0.3	0.3
Communication	0.3	0.3	0.3	0.5	0.6	0.6	0.7
Computer services	–	0.0	0.0	3.0	0.0	0.0	0.0
Consultants and professional services: Business and advisory service	–	0.0	0.1	1.4	3.9	3.5	3.7
Contractors	0.5	0.1	0.1	0.2	1.7	1.7	1.8
Agency and support / outsourced services	0.3	1.4	6.0	24.1	226.6	251.5	266.6
Inventory: Other consumables	0.1	0.7	0.1	0.0	0.0	0.0	0.0
Inventory: Stationery and printing	1.0	5.4	0.8	185.3	133.1	129.6	136.3
Lease payments	0.0	0.5	0.2	0.1	0.1	0.1	0.1
Owned and leasehold property expenditure	–	0.0	0.0	0.0	0.5	0.6	0.7
Travel and subsistence	9.6	9.7	7.5	10.1	13.2	13.9	14.5
Training and development	0.1	0.9	0.2	0.0	0.3	0.3	0.3
Operating expenditure	2.6	3.9	17.3	237.3	41.6	44.4	49.6
Venues and facilities	1.1	2.4	2.8	6.5	5.1	5.4	5.1
Financial transactions in assets and liabilities	0.0	0.0	0.0	–	–	–	–
Transfers and subsidies	1 112.2	1 098.1	1 219.3	1 927.1	2 394.5	3 663.3	4 578.8
Provinces and municipalities	1 112.2	1 098.0	1 219.3	1 927.1	2 394.5	3 663.3	4 578.8
Departmental agencies and accounts	0.0	0.0	–	–	–	–	–
Payments for capital assets	1.6	0.2	0.5	0.5	0.9	0.9	0.9
Machinery and equipment	1.6	0.2	0.4	0.5	0.9	0.9	0.9
Software and other intangible assets	–	–	0.0	–	–	–	–
Total	1 144.5	1 141.5	1 280.6	2 433.0	2 890.9	4 188.3	5 135.8

Table 13.8 Social and School Enrichment (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Details of selected transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 112.2	1 098.0	1 219.3	1 927.1	2 394.5	3 663.3	4 578.8
National school nutrition programme grant	1 112.2	1 098.0	1 219.3	1 927.1	2 394.5	3 663.3	4 578.8

Expenditure trends

The growth in expenditure over the seven-year period, at an average annual rate of 28.4 per cent, is mainly due to increased allocations for expanding the national school nutrition programme to secondary schools. Over the MTEF period, expenditure is set to increase from R2.4 billion in 2008/09 to R5.1 billion in 2011/12, at an average annual rate of 28.3 per cent. The increase from 2008/09 onwards is also due to additional allocations for the mass literacy campaign, which accounts for the growth of 1093.6 per cent in goods and services in 2008/09, the first year of the Kha Ri Gude mass literacy campaign. This also explains the increase in operating expenditure in 2008/09, which was mainly for the payment of stipends for the mass literacy educators. Over the medium term, these stipends will be paid by the agency that has been contracted to manage and administer the campaign. Together, these account for the projected increased expenditure in agency and outsourced services over this period.

Expenditure on payments for capital assets was high in 2005/06 because vehicles for the national schools nutrition programme in provinces were purchased in that year.

Expenditure in the *Equity in Education* subprogramme fluctuates, depending on the number of projects and campaigns undertaken in each year.

Cost containment measures over the medium term have been identified within this programme, totalling R120.4 million in goods and services, mainly from outsourced services, and stationery and printing.

Programme 6: Higher Education

- *Higher Education Planning and Management* provides management support services to the higher education system. Funding is mainly used for transfer payments to the National Student Financial Aid Scheme and the Council on Higher Education.
- *Higher Education Policy* registers private higher education institutions and liaises with constituencies in higher education. Funding is mainly used for salaries, and other personnel related costs.
- *Higher Education Subsidies*, formerly part of the *Higher Education Planning and Management* subprogramme, transfers payments to higher education institutions. These consist of allocations for: block grants; ad hoc purposes; foundation and bridging programmes; infrastructure grants; efficiency improvements; and interest and redemption relating to loans taken by higher education institutions. Funding is mainly used for unconditional block grants transfers, which are divided among the 23 higher education institutions based on research outputs, teaching inputs and outputs, and contextual factors like the number of disadvantaged students enrolled.

Objectives and measures

- Improve the performance and output of the higher education system through ongoing monitoring and evaluation.
- Improve the teaching and research outputs of the higher education sector by finalising and implementing the review of the teaching and research development grants by March 2010.
- Improve the governance of higher education institutions through ongoing support to higher education councils and other higher education constituencies through the assessment of annual reports.

- Extend and improve higher education to meet high level human resources needs and promote research and knowledge generation by overseeing the implementation of policy for development grants for teaching and research and the enrolment and success of students in science, technology and engineering.
- Promote access to higher education opportunities by providing bursaries and loans annually to students through the National Student Financial Aid Scheme and coordinating programmes by the national institutes for higher education in Mpumalanga and Northern Cape.

Service delivery and spending focus

As part of the higher education management information system, the revised manual for classifying educational subject matter was approved by the minister. Institutions have given their inputs on the amendment of the new building space reporting system, which will be used to finalise the building space norms manual.

The year-on-year cohort study that tracks undergraduates entering higher education institutions tracked 138 000 first time entering undergraduate students from 2002. Results of this study indicate that after 5 years of study, 46 200 students (34 per cent) of these undergraduate students had graduated, 71 200 (51 per cent) had dropped out and 20 600 (15 per cent) were still studying. It is expected that most of the 20 600 will eventually graduate. Further analysis of dropouts, retention and throughputs by qualification, gender and age, is being reviewed and checked for accuracy before publication.

A committee was established by the department to look into the performance of institutions by reviewing teaching and research outputs, and drafting a report on the current situation.

The Council on Higher Education requires all higher education institutions to establish an institutional forum to advise the council on a variety of issues, including the progress being made on transformation. A review of the efficacy of these institutional forums was finalised in 2008/09. As a result of some of the findings of this review, workshops were held in 2008/09 for some of the student representative councils to improve the effectiveness of student governance at their higher education institutions.

Funding over the medium term is aimed at continued support for higher education institutions. The focus will also be on infrastructure development, for which funds have been earmarked. Support for providing student loans to needy and deserving students through the National Student Financial Aid Scheme also remains a priority.

Expenditure estimates

Table 13.9 Higher Education

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
Higher Education Planning and Management	899.2	964.1	1 372.9	1 745.8	2 189.0	2 378.7	2 758.3
Higher Education Policy	7.3	7.1	8.5	12.5	11.9	12.5	13.1
Higher Education Subsidies	9 740.3	10 985.7	11 941.5	13 803.4	15 297.2	17 516.7	19 002.7
Total	10 646.8	11 956.9	13 322.9	15 561.7	17 498.1	19 908.0	21 774.1
Change to 2008 Budget estimate				383.5	542.0	682.9	1 396.7
Economic classification							
Current payments	13.8	16.7	19.2	24.5	23.3	23.1	24.2
Compensation of employees	9.8	12.7	13.3	15.6	15.9	16.9	17.7
Goods and services	4.0	4.0	5.9	8.9	7.4	6.2	6.5
<i>of which:</i>							
Advertising	0.2	0.4	0.4	1.1	0.3	0.4	0.3
Computer services	0.2	0.4	0.0	0.7	1.3	0.4	0.4
Consultants and professional services: Business and advisory service	–	–	0.0	0.6	1.3	0.8	0.9
Agency and support / outsourced services	0.0	0.5	1.2	1.1	0.0	0.0	0.0
Inventory: Stationery and printing	0.2	0.2	0.2	0.5	0.5	0.5	0.5
Travel and subsistence	2.0	1.7	2.6	3.5	2.9	3.0	3.1
Operating expenditure	0.6	0.1	0.7	0.3	0.3	0.3	0.3
Financial transactions in assets and liabilities	0.0	0.0	–	–	–	–	–

Table 13.9 Higher Education (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Transfers and subsidies	10 632.9	11 940.0	13 303.5	15 537.0	17 474.5	19 884.6	21 749.6
Departmental agencies and accounts	890.7	954.3	1 362.0	1 733.6	2 177.3	2 367.9	2 746.9
Universities and technikons	9 740.3	10 985.7	11 941.5	13 803.4	15 297.2	17 516.7	19 002.7
Foreign governments and international organisations	1.8	–	–	–	–	–	–
Payments for capital assets	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Machinery and equipment	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Software and other intangible assets	–	–	–	–	0.0	0.0	0.0
Total	10 646.8	11 956.9	13 322.9	15 561.7	17 498.1	19 908.0	21 774.1

Details of selected transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	890.7	954.3	1 362.0	1 733.6	2 177.3	2 367.9	2 746.9
Council on Higher Education	26.6	27.9	29.3	31.2	32.7	34.5	36.6
National Student Financial Aid Scheme	864.1	926.4	1 332.7	1 702.4	2 144.7	2 333.4	2 710.3
Universities and technikons							
Current	9 616.1	10 895.2	11 864.0	13 737.0	15 229.2	17 448.7	18 934.7
Higher education institutions	9 616.1	10 895.2	11 864.0	13 737.0	15 229.2	17 448.7	18 934.7
Capital	124.2	90.5	77.5	66.4	68.0	68.0	68.0
Higher education institutions	124.2	90.5	77.5	66.4	68.0	68.0	68.0
Foreign governments and international organisations							
Current	1.8	–	–	–	–	–	–
Fulbright Commission	1.8	–	–	–	–	–	–

Expenditure trends

Transfer payments to higher education institutions remain the programme's largest spending item, increasing at an average annual rate of 12.3 per cent between 2005/06 and 2008/09. This expenditure is projected to continue to increase at an average annual rate of 11.2 per cent over the medium term due to the additional allocations for subsidies to higher education institutions. The additions are specifically directed at infrastructure projects, earmarked allocations for institutions to improve their graduate outputs (particularly in scarce and critical skills areas such as engineering, science and technology) and to provide additions to the general block grant to institutions.

Transfers to the National Student Financial Aid Scheme (which currently constitute close to 10 per cent of total expenditure in this programme) are expected to rise at an average annual rate of 16.6 per cent over the medium term mainly due to additional allocations for specific bursaries such as the initial supply of teachers bursary and for students at further education and training colleges. More details on the National Student Financial Aid Scheme are provided in the section below.

Cost containment measures over the medium term have been identified within this programme, totalling R0.5 million in goods and services and R0.9 million in transfers and subsidies.

Public entities**National Student Financial Aid Scheme****Strategic overview: 2005/06 – 2011/12**

The National Student Financial Aid Scheme, established in terms of the National Student Financial Aid Scheme Act (1999), is responsible for administering and allocating loans and bursaries to eligible students, developing criteria and conditions for granting loans and bursaries in consultation with the minister, raising funds, recovering loans, maintaining and analysing a database, and undertaking research for the better use of financial resources. The National Student Financial Aid Scheme also advises the minister on student financial aid in general, and performs other functions assigned to it by the minister.

During the MTEF period, the National Student Financial Aid Scheme aims to:

- comply with the requirements of the National Credit Act (2005) as it applies to the mandate of the National Student Financial Aid Scheme
- provide improved, specific and relevant services to students, debtors, institutions and donors
- establish an IT platform that enables the scheme to administer and manage significant increases in funding from the government and the corporate sector
- improve the visibility of the bursary awards for specific courses so that timely interventions can be initiated to reduce the rollover of unspent funds.

Selected performance indicators

Table 13.10 National Student Financial Aid Scheme

Indicator	Past			Current	Projected		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of students assisted in higher education per year ¹	106 852	108 416	113 616	120 000	130 000	140 000	150 000
Pass rate (number of courses passed by loan recipients) ²	74% (867 438)	73% (1 086 267)	75% (1 271 583)	75% (1 440 000)	76% (1 570 400)	76% (1 702 400)	77% (1 836 000)
Funds recovered from study loans	R329m	R390m	R479m	R501m	R526m	R578m	R608m
Number of new Funza Lushaka bursary recipients ³	0	0	3 842	5 447	8 715	9 240	9 795
Number of new further education and training bursary recipients	–	–	12 283	38 000	51 000	54 060	57 300

1. Recipients of awards from all sources of funding

2. The National Student Financial Aid Scheme pass rate is a reported figure from each higher education institutions, which provides a breakdown of the number of courses a student enrolled for in a particular year, and the number of courses passed in that year. It does not provide an indication of progression and does not correlate with progression rates, as students may pass more than 50 per cent of their courses, but these may not necessarily be credit bearing, weighted or major courses that contribute to progression to the next academic year.

3. Bursaries for students studying to become teachers

Service delivery and spending focus

The number of students assisted with National Student Financial Aid Scheme funding increased by 6.3 per cent from 106 852 in 2005/06 to 113 616 in 2007/08. There are 107 900 beneficiaries for the 2008 academic year, and this is expected to increase to 120 000, as institutions still need to submit all completed applications and loan agreement forms.

The value of student loans granted over the seven-year period increased at an average annual rate of 20.9 per cent, from R1.2 billion in 2005/06 to a planned R4 billion in 2011/12.

Funds recovered from the repayment of loans increased from R329 million in 2005/06 to R479 million in 2007/08, and to R501 million in 2008/09, due to the National Student Financial Aid Scheme expanding its debt recovery and collection strategy. This is a crucial element in the sustainability of the loans system, as success in this area will enable the institution to assist more students with fewer transfers from government. Going forward, the National Student Financial Aid Scheme aims to establish an IT platform that will streamline the administration and management of funds, and will enable it to manage significant increases in funding from both the government and the corporate sector.

Expenditure estimates

Table 13.11 National Student Financial Aid Scheme: Activity information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Student bursaries (higher education institutions)	376.3	407.8	612.4	948.4	1 522.0	1 660.2	1 866.8
Student bursaries (further education and training colleges)	–	–	65.3	224.2	300.0	318.0	337.1
Other activities	137.2	34.5	264.0	279.1	294.7	308.8	327.9
Total expense	513.5	442.2	941.7	1 451.7	2 116.7	2 286.9	2 531.7
Student loans (higher education institutions)	1 213.5	1 382.4	1 742.7	2 474.6	3 132.7	3 592.4	3 979.4

Table 13.12 National Student Financial Aid Scheme: Financial information

R million	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Statement of financial performance							
Revenue							
Non-tax revenue	268.5	332.1	411.2	516.6	580.6	665.5	730.5
<i>Other non-tax revenue</i>	268.5	332.1	411.2	516.6	580.6	665.5	730.5
Transfers received	969.3	1 052.4	1 507.1	1 902.4	2 453.3	2 660.5	3 042.2
Total revenue	1 237.8	1 384.5	1 918.3	2 419.0	3 033.9	3 325.9	3 772.7
Expenses							
Current expense	137.2	34.5	264.0	279.1	294.7	308.8	327.9
Compensation of employees	9.9	10.8	13.1	18.6	23.3	26.8	30.6
Goods and services	126.4	22.3	251.5	260.0	269.8	280.6	295.4
Depreciation	1.0	1.3	(0.6)	0.4	1.5	1.4	1.8
Transfers and subsidies	376.3	407.8	677.8	1 172.6	1 822.0	1 978.2	2 203.9
Total expenses	513.5	442.2	941.7	1 451.7	2 116.7	2 286.9	2 531.7
Surplus / (Deficit)	724.3	942.2	976.5	967.3	917.2	1 039.0	1 240.9
Acquisition of assets	1.9	1.5	0.9	0.6	1.6	1.2	4.0

Expenditure trends

Transfers from the department to the National Student Financial Aid Scheme will be R2.1 billion in 2009/10, R2.3 billion in 2010/11 and R2.7 billion in 2011/12. These transfers include allocations for Funza Lushaka bursaries (R400 million; R424 million and R449.4 million) and further education and training college bursaries (R300 million; R318 million and R337 million). The National Student Financial Aid Scheme administers bursaries for social workers on behalf of the Department of Social Development, which accounts for the additional transfers received over the MTEF period. Other revenue is generated from donor funds, the repayment of study loans, and interest on investments.

The dip in expenditure in goods and services in 2006/07 from R126.4 million to R22.3 million was due mainly to no provision being made for doubtful debt as well as a significant increase in irrecoverable debts in 2006/07. From 2007/08, the National Student Financial Aid Scheme started to improve its debt collection methods, which meant a reduction in irrecoverable debts. Furthermore, provision for doubtful debt was included from 2007/08, which explains the steady increase in goods and services over the medium term.

Programme 7: Auxiliary and Associated Services

- *International Relations and UNESCO* develops, promotes and cultivates international relations, and supports the United Nations Educational, Scientific and Cultural Organisation (UNESCO) projects in the education sector. Funding is mainly used for transfer payments to UNESCO.
- *Financial Support Services* monitors provincial budgets and cash flows, provides support and advice to provincial education departments for overall management, organisational structures and all aspects of corporate services, and manages, monitors and reports on donor and conditional grant funding. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Monitor progress on implementing the African Union Second Decade of Education plan of action by compiling biannual progress reports.
- Improve research and postgraduate opportunities in strategic fields by implementing the India-Brazil-South Africa exchange programme for researchers and postgraduate students in the selected 6 thematic areas by March 2010.
- Ensure that provincial education departments' spending is in line with budget allocations and strategic plans by reviewing quarterly expenditure reports.
- Provide administrative support and advice to provincial education departments by conducting biannual monitoring visits.

- Ensure that spending is in line with budget allocations and business plans by monitoring and reporting on donor and conditional grant funding on a monthly basis.

Service delivery and spending focus

At the conference of the SADC ministers responsible for education and training held in Lusaka in July 2008, South Africa submitted detailed progress reports on the implementation of the Second Decade of Education for Africa plan. In October 2008, the Minister of Education chaired the Association for the Development of Education in Africa Bureau of Ministers meeting, and also played a key role in the steering committee meeting held in Tunis. These meetings ensure alignment of activities with the Second Decade of Education for Africa plan of action by all agencies working in education on the continent.

The six India-Brazil-South Africa working groups refined the broad thematic areas and suggested specific research questions that would be of interest to all three member countries. The department participated in the third India-Brazil-South Africa academic seminar in Brazil in August 2008 and the third summit held in India in October 2008.

Over the medium term, this programme will continue to improve the department's capacity to provide administrative support and advice to provincial education departments, and strengthen the department's international relations.

Expenditure estimates

Table 13.13 Auxiliary and Associated Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R million							
International Relations and UNESCO	13.9	25.2	27.4	20.8	21.8	23.0	24.3
Financial Support Services	1.9	3.5	5.8	7.8	8.7	9.2	9.7
Total	15.8	28.7	33.2	28.6	30.5	32.2	33.9
Change to 2008 Budget estimate				2.1	2.1	2.2	(0.2)
Economic classification							
Current payments	8.1	19.5	22.3	17.1	18.5	19.6	20.6
Compensation of employees	5.5	8.0	9.9	12.6	14.7	15.6	16.4
Goods and services	2.6	11.6	12.3	4.4	3.8	4.0	4.2
<i>of which:</i>							
Advertising	0.1	0.6	0.3	–	–	–	–
Agency and support / outsourced services	0.0	1.1	0.4	0.1	0.0	0.0	0.0
Inventory: Stationery and printing	0.1	0.2	0.3	0.2	0.3	0.3	0.3
Lease payments	0.0	0.4	1.2	0.0	–	–	0.3
Owned and leasehold property expenditure	0.0	0.0	0.0	–	0.0	0.0	0.0
Travel and subsistence	2.0	3.7	6.9	3.7	2.6	2.7	2.7
Venues and facilities	0.1	3.8	2.4	0.1	0.0	0.0	0.0
Financial transactions in assets and liabilities	0.0	0.0	0.0	–	–	–	–
Transfers and subsidies	7.6	9.0	10.8	11.4	11.8	12.5	13.2
Foreign governments and international organisations	7.6	8.9	10.8	11.4	11.8	12.5	13.2
Non-profit institutions	–	–	0.1	–	–	–	–
Households	0.0	0.1	–	–	–	–	–
Payments for capital assets	0.1	0.2	0.1	0.2	0.1	0.1	0.1
Machinery and equipment	0.1	0.2	0.1	0.2	0.1	0.1	0.1
Total	15.8	28.7	33.2	28.6	30.5	32.2	33.9
Details of selected transfers and subsidies							
Foreign governments and international organisations							
Current	7.6	8.9	10.8	11.4	11.8	12.5	13.2
Association for the Development of Education in Africa	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commonwealth of Learning	1.7	1.8	1.8	1.9	1.8	1.9	2.0
United Nations Educational, Scientific and Cultural Organisation	5.6	6.7	7.7	9.1	9.6	10.1	10.7
India-Brazil-South Africa Trilateral Commission	0.3	0.3	0.4	0.4	0.4	0.4	0.5
Organisation for Economic Cooperation and Development	–	–	1.0	–	–	–	–

Expenditure trends

The increase in expenditure from R15.8 million in 2005/06 to R28.7 million in 2006/07, reflecting growth of 81.3 per cent, was mainly due to the costs associated with the hosting of the sixteenth Conference of Commonwealth Education Ministers in December 2006. The increase to R33.2 million in 2007/08 was mainly due to the hosting of the third Conference of African Ministers of Education in August 2007.

Expenditure declines by 13.9 per cent in 2008/09, but increases at an annual average rate of 5.8 per cent over the MTEF period due to inflation increases. The department pays South Africa's membership fee to the United Nations Educational, Scientific and Cultural Organisation from this programme.

Cost containment measures over the medium term have been identified within this programme, totalling R0.3 million in goods and services.

Additional tables

Table 13.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R million	2007/08		2007/08	2008/09			2008/09
1. Administration	197.2	161.4	162.6	202.7	(4.6)	198.1	198.1
2. System Planning and Monitoring	89.9	96.5	52.0	98.1	20.4	118.5	109.0
3. General Education	281.3	298.7	258.3	348.2	9.5	357.7	323.1
4. Further Education and Training	864.8	1 190.0	1 131.7	1 023.4	28.4	1 051.8	1 094.7
5. Social and School Enrichment	1 213.4	1 278.8	1 280.6	1 980.5	452.6	2 433.0	2 429.9
6. Higher Education	13 330.9	13 326.9	13 322.9	15 178.2	383.5	15 561.7	15 560.0
7. Auxiliary and Associated Services	23.5	34.5	33.2	26.5	2.1	28.6	28.6
Total	16 000.9	16 386.8	16 241.3	18 857.5	891.8	19 749.4	19 743.4
Economic classification							
Current payments	731.0	992.3	857.7	1 083.3	139.3	1 222.6	1 219.1
Compensation of employees	263.3	276.5	249.7	286.1	22.0	308.1	308.1
Goods and services	467.7	715.7	576.4	797.2	117.3	914.5	911.0
Financial transactions in assets and liabilities	–	–	31.6	–	–	–	–
Transfers and subsidies	15 265.9	15 386.3	15 375.7	17 765.5	752.7	18 518.3	18 512.3
Provinces and municipalities	1 905.6	2 016.8	2 008.0	2 546.0	369.4	2 915.4	2 909.4
Departmental agencies and accounts	1 405.5	1 412.5	1 412.7	1 651.4	135.9	1 787.3	1 787.3
Universities and technikons	11 944.2	11 942.8	11 941.5	13 556.6	246.8	13 803.4	13 803.4
Foreign governments and international organisations	10.6	11.8	11.0	11.4	0.0	11.5	11.5
Non-profit institutions	–	0.1	0.1	0.1	–	0.1	0.1
Households	–	2.5	2.4	–	0.6	0.6	0.6
Payments for capital assets	4.0	8.2	7.9	8.7	(0.2)	8.5	12.0
Machinery and equipment	3.6	8.2	7.6	8.2	0.2	8.3	10.0
Software and intangible assets	0.4	–	0.3	0.6	(0.4)	0.2	2.0
Total	16 000.9	16 386.8	16 241.3	18 857.5	891.8	19 749.4	19 743.4

Table 13.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Permanent and full time contract employees							
Compensation (R million)	138.1	170.4	200.5	255.2	288.0	304.2	318.8
Unit cost (R million)	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Personnel numbers (head count)	660	768	829	862	931	931	931
Part time and temporary contract employees							
Compensation (R million)	48.6	33.5	44.7	51.1	56.2	60.8	64.0
Unit cost (R million)	0.3	0.2	0.2	0.3	0.3	0.3	0.3
Personnel numbers (head count)	178	151	182	203	184	184	184
Interns							
Compensation of interns (R million)	2.1	3.0	4.5	1.8	1.8	1.8	1.8
Unit cost (R million)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Number of interns	87	127	165	67	67	67	67
Total for department							
Compensation (R million)	188.8	207.0	249.7	308.1	346.0	366.8	384.6
Unit cost (R million)	0.2	0.2	0.2	0.3	0.3	0.3	0.3
Personnel numbers (head count)	925	1 046	1 176	1 132	1 182	1 182	1 182

Table 13.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Compensation of employees (R million)	188.8	207.0	249.7	286.1	346.0	366.8	384.6
Training expenditure (R million)	1.9	15.0	25.9	7.1	2.3	2.6	2.8
Training as percentage of compensation	1.0%	7.2%	10.4%	2.5%	0.7%	0.7%	0.7%
Total number trained in department (head count)	252	616	606	527			
<i>of which:</i>							
Employees receiving bursaries (head count)	22	44	44	40			
Internships trained (head count)	87	127	165	67			
Households receiving bursaries (R million)	–	–	220.0	380.0	700.0	742.0	786.5
Households receiving bursaries (head count)	–	–	21 410	43 428			

Table 13.D Summary of conditional grants to provinces and municipalities¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Conditional grants to provinces							
3. General Education							
HIV and AIDS (life skills education) grant	136.3	144.5	157.6	171.1	177.4	188.0	199.3
4. Further Education and Training							
Further education and training college sector recapitalisation grant	–	470.0	631.1	795.2	–	–	–
Technical secondary schools recapitalisation grant	–	–	–	–	–	80.0	200.0
5. Social and School Enrichment							
National school nutrition programme grant	1 112.2	1 098.0	1 219.3	1 927.1	2 394.5	3 663.3	4 578.8
2. System Planning and Monitoring							
Disaster management grant	–	–	–	22.0	–	–	–
Total	1 248.4	1 712.5	2 008.0	2 915.4	2 571.9	3 931.4	4 978.1

Table 13.E Summary of departmental public private partnership projects

Project description: Sethekggo Consortium	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2008/09	2009/10	2010/11	2011/12
R million					
Projects signed in terms of Treasury Regulation 16	–	52.6	57.1	66.7	70.7
PPP unitary charge	–	50.6	55.1	66.7	70.7
Advisory fees	–	2.0	2.0	–	–
Total	–	52.6	57.1	66.7	70.7

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	New Head Office Building
Brief description	Finance, design, construction, operation and maintenance of new serviced accommodation
Date PPP agreement was signed	2007/04/20
Duration of PPP agreement	27 years (2 years construction, 25 years service)
Escalation index for unitary fee	CPIX
Net present value of all payment obligations discounted at appropriate duration government bond yield	R1 576 044 149
Variations/amendments to PPP agreement	Variation 1: Enlargement of building approved on 18 Jan 2008. Variation 2: Upgrading of certain facilities not yet approved.
Cost implications of variations/amendments	Financial close: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R71 350 877 VO1: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R76 710 526 VO2: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R95 614 035
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	Maximum exposure on termination for default by the department of R678 918 702.38 in March 2011 and for default by the private party of R964 690 866.24 in March 2023

Table 13.F Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate				
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
R thousand													
Foreign													
In cash													
African Union Commission	Management	Administration	193	Goods and services	Travel and accommodation expenses for African Union related conferences	-	-	193	-	-	-	-	-
Belgium-Flanders	Whole school development	Social and School Enrichment	1 941	Goods and services	Whole school development	-	650	-	-	-	-	-	-
Cameroon Education Department	Management	Administration	3	Goods and services	Donation received from Minister Gadama to assist in South African education programmes	3	-	-	-	-	-	-	-
Danish Cooperation for Environment and Development	National environmental education programme: Coordinator salaries and KwaZulu-Natal literacy programme	Social and School Enrichment	3 076	Goods and services	Salaries for the coordination of the national environmental education programme for the piloting of Curriculum 2005	-	791	-	-	-	-	-	-
United Kingdom Department for International Development	Salary of skills development project coordinator, education support project, phase 2: Life skills, mergers of higher education institutions	Higher Education	1 603	Goods and services	Development of learning and teaching support materials for implementation of religious education in the curriculum	350	17	-	-	-	-	-	-
European Union	Eastern Cape schools reconstruction, implementation of South African Schools Act, South African Qualifications Authority, the National Student Financial Aid Scheme, school infrastructure, library books to higher education and technical support programme	System Planning and Monitoring	148 590	Goods and services	Upgrading, building and refurbishing schools in Limpopo, Eastern Cape and KwaZulu-Natal	4 061	11 411	31 322	-	-	-	-	-
European Union	Higher education HIV and AIDS programme	Higher Education	256 000	Goods and services	Provision of grant support to 21 higher education institutions towards reducing HIV and AIDS	-	5 385	22 017	-	-	-	-	-
European Union	Sector infrastructure support programme	System Planning and Monitoring	67 640	Goods and services	27 schools built or refurbished in Limpopo, Eastern Cape and KwaZulu-Natal	-	2 010	60 674	-	-	-	-	-
Finland	Special needs education	General Education	42 165	Goods and services	2 full service schools completed in 2008, 8 to be completed by July 2009. Provinces started with the conversion of 12 full service schools to be fully accessible structurally	3 576	5 661	2 271	-	-	-	-	-
France	Student and youth science, technology, engineering and mathematics and training of education executives. Grade 6: systematic evaluation	General Education	16 924	Goods and services	2 400 teachers trained in maths and science content and 238 subject advisors to support teachers	-	11 756	108	-	-	-	-	-

Table 13.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate			Medium-term expenditure estimate					
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12					
R thousand																	
Foreign																	
In cash																	
Japan	Management	Administration	113	Goods and services	Accommodation and travel expenses for an official visit by the Minister of Education to Cuba and Japan	113	-	-	-	-	-	-	-	-	-	-	-
The Netherlands	Sectoral budget support programme and reconstruction of schools in Limpopo	Auxiliary and Associated Services	433 489	Goods and services	Audit of provincial education facilities, support on the implementation of the national curriculum statement, provision of storybooks to schools and support to teacher development	57 454	130 653	74 815	74 694	-	-	-	-	-	-	-	-
Sweden	Special needs education-inclusive education	General Education	19 471	Goods and services	Full service schools completed and special schools converted. Provinces are converting 12 full service schools to be fully accessible structurally	-	5 772	4 898	-	-	-	-	-	-	-	-	-
Taiwan	Alternatives to corporal punishment, distribution of national curriculum statement documents, national curriculum statement advocacy and communication and further education and training	General Education	16 911	Goods and services	Promotion, communication and distribution of the national curriculum statement for further education and training	12 941	2 682	259	-	-	-	-	-	-	-	-	-
United States Agency for International Development	National working group for higher education, Grade 6 systemic evaluation, school improvement, HIV and AIDS emergency guidelines for educators	System Planning and Monitoring	-	Goods and services	Assistance to the national education department on finance, education economics, human resource and information policy, planning and monitoring matters	195	69	15	-	-	-	-	-	-	-	-	-
In kind																	
Carnegie Corporation	South African undergraduates scholarships	General Education	-	Goods and services	Scholarships to female undergraduates	8 003	6 828	11 391	-	-	-	-	-	-	-	-	-
United Kingdom International Development	Education support project phase 2	General Education	13 989	Goods and services	Creation of capacity to implement new policies in relation to HIV and AIDS, teacher and curriculum development, further education and training, and higher education	-	9 063	9 535	1 362	-	-	-	-	-	-	-	-
Finland	Direct-merger expenditure restructuring	Higher Education	39 000		Implementation of the restructuring of the South African higher education system and merger of institutions	11 015	21 253	-	-	-	-	-	-	-	-	-	-

Table 13.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate		Medium-term expenditure estimate	
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand											
Foreign											
In kind											
United States Agency for International Development Norway	Strategic objective grant agreement Higher education policy	General Education Higher Education	143 086 248 846	Goods and services Goods and services	Technical assistance on finance, education economics, human resources and information policy, planning and monitoring matters Technical assistance on higher education	– 19 809	3 534 15 971	– 8 722	– –	– –	– –
Local											
In cash											
Investec Security Ltd	Various	Auxiliary and Associated Services	500	Goods and services	Purchasing of reading books for the buses donated by Nissan and sponsoring of 23 learners who attended the international science exposition in Mexico	500	–	–	–	–	–
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) and InWent	WDR conference, Germany	Auxiliary and Associated Services	11	Goods and services	Conference fees for the world development report	11	–	–	–	–	–
Intel Corporation	Management	Administration	31	Goods and services	Accommodation and travel expenses for a conference on global public private partnerships in education in Washington DC	–	31	–	–	–	–
Nuffic	Management	Administration	13	Goods and services	Accommodation and travel expenses for workshops in the Netherlands on Dutch technical assistance programme to higher, further education, and cross-border higher education	–	13	–	–	–	–
In kind											
Vodacom	National teacher awards	General Education	16	Goods and services	Gifts at the national teacher awards	–	–	16	–	–	–
Intel and Mercer	National teacher awards	General Education	54	Goods and services	Gifts at the national teacher awards	–	–	54	–	–	–
Old Mutual	National teacher awards	General Education	32	Goods and services	Books and cash prizes at the national teacher awards	–	32	–	–	–	–
MTN	National teacher awards	General Education	300	Goods and services	Gifts at the national teacher awards	–	300	–	–	–	–
Oxford University Press	National teacher awards	General Education	30	Goods and services	Books and cash prizes at the national teacher awards	–	30	–	–	–	–
Total			1 454 027			118 031	233 912	226 290	76 056		

