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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 15

**HIGHER EDUCATION
AND TRAINING**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Higher Education and Training

National Treasury
Republic of South Africa



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Vote 15

Higher Education and Training

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	318.3	311.3	0.3	6.7	331.0	347.5
Human Resource Development, Planning and Monitoring Coordination	54.8	51.1	3.2	0.6	57.8	60.7
University Education	32 844.3	48.9	32 795.1	0.3	34 602.9	36 342.9
Vocational and Continuing Education and Training	8 515.8	7 302.2	1 210.0	3.6	8 985.9	9 439.3
Skills Development	110.7	87.7	21.8	1.2	116.7	126.6
Subtotal	41 844.0	7 801.2	34 030.5	12.3	44 094.2	46 317.0
Direct charge against the National Revenue Fund						
Sector education and training authorities	11 752.7	–	11 752.7	–	12 912.8	13 920.0
National Skills Fund	2 937.3	–	2 937.3	–	3 227.2	3 480.0
Total expenditure estimates	56 534.0	7 801.2	48 720.5	12.3	60 234.2	63 717.0
Executive authority	Minister of Higher Education and Training					
Accounting officer	Director General of Higher Education and Training					
Website address	www.dhet.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Vote purpose

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

Mandate

The Department of Higher Education and Training derives its mandate from the following pieces of legislation:

- the Higher Education Act (1997), which provides for a unified and nationally planned system of higher education
- the Adult Basic Education and Training Act (2000), which provides for the establishment of public and private adult learning centres and for the governance of public centres
- the Further Education and Training Colleges Act (2006), which provides for the governance and funding of further education and training colleges
- the Skills Development Levies Act (1999), which provides for the imposition of skills development levies
- the Skills Development Act (2008), which enables the creation of the National Skills Agency, the establishment of the Quality Council for Trades and Occupations, and the regulation of apprenticeships, learnerships and other matters relating to skills development
- the National Education Policy Act (1996), which provides for the formulation of national policies in general and further education and training, curriculum assessment, and language policy and quality assurance

- the Employment of Educators Act (1998), which regulates the conditions of service, discipline, retirement and discharge of educators, and everything relating to educators employed by the state in further education and training institutions and public adult centres.

Selected performance indicators

Table 15.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	886 033	938 201	953 373	983 698	1 000 000	1 020 000	1 035 000
Proportion of higher education enrolments in science, engineering and technology; business; and the humanities	University Education		28:31:41	29:30:41	29:30:41	29:29:42	29:28:43	30:28:42	30:28:42
Number of doctoral graduates from universities per year	University Education		1 637	1 576	1 879	2 051	2 060	2 200	2 350
Number of monitoring and evaluation reports on higher education produced and submitted for approval per year ¹	University Education		- ¹	- ¹	- ¹	- ¹	12	12	12
Number of headcount enrolments in technical and vocational education and training colleges per year	Vocational and Continuing Education and Training		350 000	657 690	670 455	800 000	1 000 000	1 100 000	1 166 000
Number of full time equivalents enrolled in technical and vocational education and training institutions per year	Vocational and Continuing Education and Training		210 971	263 721	305 915	348 772	401 088	421 100	446 787
Number of teaching and learning support plans for the vocational and continuing education and training developed and approved per year ¹	Vocational and Continuing Education and Training		- ¹	- ¹	- ¹	- ¹	2	1	1
Turnaround time for certificates issued to qualifying students after examinations (months) ^{1,2}	Vocational and Continuing Education and Training		- ¹	- ¹	- ¹	12	12	3	3
Number of new artisans registered for training each year	Skills Development		24 378	21 849	27 670	28 750	29 750	30 750	31 750
Number of artisan learners competent each year	Skills Development		10 000	15 277 ³	18 110	19 110	20 110	21 110	22 110
Number of work based learning opportunities created per year ¹	Skills Development	- ¹	- ¹	49 678	59 000	69 000	79 000	89 000	

1. New indicator, hence no historical data.

2. Adopted to meet the specific, measurable, achievable, relevant and time-bound (SMART) criteria from government's 2014-2019 medium term strategic framework indicator: 'Certificates issued to qualifying students within 3 months after examinations.'

3. This output differs from what was published in the 2014 Estimates of National Expenditure, as the performance was restated in the 2013/14 annual report.

Expenditure analysis

The national development plan and government's 2014-2019 medium term strategic framework envisage that by 2030, South Africans should have access to education and training of the highest quality, leading to significantly improved learning outcomes. Over the medium term, the Department of Higher Education and Training will focus on expanding access to universities and technical and vocational education and training colleges, through infrastructure projects, teaching and learning support plans, management and accountability improvements, and bursaries.

Universities

Transfers from the department's *University Subsidies* subprogramme in the *University Education* programme are projected to reach R29 billion in 2017/18, which is an increase over the medium term of 6.3 per cent. The transfers include spending on infrastructure at the newly established University of Mpumalanga and the Sol Plaatje University in the Northern Cape. These infrastructure projects have specifically been allocated R1.2 billion for operational costs and capital expenditure in 2015/16. Lecture rooms and laboratories will be built, as well as new student accommodation. These new universities will, in time, increase the number of places available at the university level of education.

Technical and vocational education and training

In addition to university access, the national development plan also recognises the need for expanding access to occupationally directed programmes to increase the availability of intermediate level skills in the economy, in particular, artisan skills. Over the medium term, expanding skills training, work opportunities and work placements for artisans will be supported by the sector education and training authorities and the National Skills Fund. By 31 March 2020, 7 teaching and learning support plans for technical and vocational education and training colleges will have been developed and implemented to upskill lecturers and provide a technical and vocational curriculum that is responsive to the demands of the labour market. Together, the projected spending of the sector education and training authorities and the National Skills Fund amounts to R17.4 billion in 2017/18, increasing from R13.2 billion in 2014/15. The funds provide for the expected increase in numbers of both registered artisans and competent artisan learners. Partnerships between the sector education and training authorities and the technical and vocational education and training colleges will provide learners with workplace experience.

The technical and vocational education and training functions and the adult education and training functions will shift from the provincial to the national sphere of government. The function shifts will, among other things, streamline colleges' reporting, ensure equal funding based on programme enrolments, and improve the planning and financial management of the colleges. The Minister of Higher Education and Training will also be responsible for establishing and appointing college councils, which makes college principals accountable directly to the department. From 1 April 2015, the department will be responsible for paying the salaries of officials in the technical and vocational education and training sector and the adult education and training sector.

Bursaries

To accommodate the projected increase in enrolments at universities and technical and vocational education and training colleges, the National Student Financial Aid Scheme is expected to receive R19.9 billion over the medium term in transfers from the department for university loans and bursaries and college bursaries.

Expenditure trends

Table 15.2 Vote expenditure trends by programme and economic classification

Programmes																
1. Administration																
2. Human Resource Development, Planning and Monitoring Coordination																
3. University Education																
4. Vocational and Continuing Education and Training																
5. Skills Development																
Programme	Annual budget			Outcome/Annual budget average (%)		Outcome/Adjusted appropriation average (%)										
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget average (%)	Outcome/Adjusted appropriation average (%)		
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15			
Programme 1	161.6	218.8	222.6	175.5	221.7	229.2	200.6	254.0	267.4	217.1	285.7	280.6	132.5%	102.0%		
Programme 2	33.8	40.1	42.3	40.7	48.0	46.5	48.1	51.6	47.7	48.8	54.7	59.8	114.5%	101.0%		
Programme 3	23 429.5	23 428.0	23 428.4	26 234.0	26 232.7	26 228.7	28 093.8	28 300.7	28 299.3	30 448.0	30 443.7	30 443.6	100.2%	100.0%		
Programme 4	6 288.5	6 223.0	6 209.6	7 136.2	6 874.5	6 876.2	7 702.5	7 660.6	7 656.0	8 164.0	8 098.0	8 096.4	98.5%	99.9%		
Programme 5	128.3	132.8	122.0	100.1	100.7	93.3	105.6	105.1	99.7	110.6	106.3	106.7	94.9%	94.8%		
Subtotal	30 041.6	30 042.7	30 024.9	33 686.3	33 477.6	33 473.9	36 150.6	36 372.0	36 370.0	38 988.5	38 988.5	38 987.3	100.0%	100.0%		
Direct charge against the National Revenue Fund	10 025.3	10 095.1	10 025.3	9 606.1	11 694.5	11 694.5	12 403.0	12 300.0	12 090.2	13 440.0	13 200.0	13 200.0	103.4%	99.4%		
Sector education and training authorities	8 021.4	8 077.3	8 021.4	7 684.9	9 355.6	9 355.6	9 922.4	9 840.6	9 673.8	10 752.6	10 560.6	10 560.6	103.4%	99.4%		
National Skills Fund	2 003.8	2 017.8	2 003.8	1 921.2	2 338.9	2 338.9	2 480.6	2 459.4	2 416.4	2 687.4	2 639.4	2 639.4	103.4%	99.4%		
Total	40 066.9	40 137.8	40 050.1	43 292.5	45 172.1	45 168.4	48 553.6	48 672.0	48 460.2	52 428.5	52 188.5	52 187.3	100.8%	99.8%		
Change to 2014 Budget estimate	(240.0)															

Table 15.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget average (%)	Outcome/Adjusted appropriation average (%)
R million														
Current payments	6 525.0	6 459.8	5 641.7	7 178.5	7 164.7	6 185.8	5 062.0	7 000.9	6 899.8	5 363.7	7 310.9	7 311.4	107.9%	93.2%
Compensation of employees	6 340.3	5 869.4	5 303.8	7 007.9	6 899.2	5 927.8	4 883.4	6 739.1	6 605.4	5 179.7	7 009.0	7 008.4	106.1%	93.7%
Goods and services	184.6	590.4	337.9	170.6	265.6	258.0	178.5	261.8	294.3	184.0	301.9	303.0	166.2%	84.0%
of which:														
Administrative fees	0.1	0.1	1.0	0.1	0.2	0.5	0.3	0.3	0.8	0.2	0.2	0.2	397.7%	346.5%
Advertising	1.0	38.6	12.4	2.2	1.3	4.7	1.8	2.7	2.3	1.7	2.6	2.3	321.4%	47.9%
Assets less than the capitalisation threshold	1.5	1.8	1.4	1.3	6.1	2.3	2.9	2.0	1.5	3.2	2.1	2.2	83.6%	61.8%
Audit costs: External	7.0	30.3	11.1	7.4	7.7	9.7	7.3	7.3	11.3	7.9	12.0	12.0	149.1%	77.1%
Bursaries: Employees	0.2	0.3	0.5	0.3	0.5	0.6	0.5	0.5	0.3	0.5	0.2	0.1	102.5%	105.2%
Catering: Departmental activities	2.1	5.3	4.3	1.6	10.7	5.5	4.9	3.8	6.3	3.1	2.2	2.2	156.6%	83.2%
Communication	4.9	21.4	16.9	9.6	15.6	14.5	5.5	5.3	15.4	5.9	14.7	14.9	239.3%	108.2%
Computer services	57.7	63.4	32.1	28.5	46.5	23.9	25.6	36.6	25.8	26.6	26.5	26.3	78.1%	62.5%
Consultants and professional services: Business and advisory services	1.8	5.8	1.8	5.8	5.7	2.1	3.0	2.3	1.6	2.9	2.0	1.6	53.1%	45.7%
Consultants and professional services: Infrastructure and planning	–	–	–	–	–	–	–	–	–	–	–	(0.5)	–	–
Consultants and professional services: Legal costs	0.0	4.0	3.0	0.3	0.8	1.7	1.3	5.4	1.4	2.6	3.4	3.7	237.3%	72.1%
Contractors	0.6	0.3	1.4	0.6	0.8	0.9	0.8	0.8	0.9	1.2	0.7	0.6	116.8%	146.8%
Agency and support/outsourced services	0.7	3.1	6.9	0.8	9.2	7.8	0.6	2.2	9.3	0.6	6.3	6.2	1 133.1%	145.8%
Entertainment	0.2	0.2	1.0	0.2	0.1	0.7	0.1	0.1	0.1	0.1	0.6	0.6	451.0%	256.7%
Fleet services (including government motor transport)	0.9	1.0	0.9	0.8	0.0	–	0.2	0.7	0.9	0.1	0.8	0.9	137.9%	105.9%
Inventory: Food and food supplies	0.3	0.6	0.6	0.1	0.2	0.5	0.6	0.6	0.5	0.7	0.7	0.7	137.4%	109.0%
Inventory: Fuel, oil and gas	–	0.1	0.1	0.0	0.1	0.1	0.1	0.1	–	0.1	0.1	0.1	107.8%	70.5%
Inventory: Learner and teacher support material	0.0	0.2	0.2	–	–	–	–	–	–	–	–	–	636.0%	98.8%
Inventory: Materials and supplies	0.7	1.7	1.6	1.0	2.4	2.3	0.8	0.8	0.3	1.0	1.0	1.3	158.2%	95.6%
Inventory: Other supplies	–	–	–	–	0.5	0.0	0.4	0.4	0.4	0.3	0.3	0.4	116.3%	69.5%
Consumable supplies	1.4	0.8	0.7	0.2	–	0.4	–	–	–	–	–	–	68.0%	141.1%
Consumables: Stationery, printing and office supplies	7.2	148.6	32.0	8.7	18.6	26.3	13.7	15.5	24.4	12.4	17.3	17.8	238.6%	50.2%
Operating leases	9.0	5.7	9.2	8.7	4.0	5.1	7.9	6.3	5.7	8.0	9.2	9.3	86.9%	115.5%
Property payments	45.1	133.2	30.0	43.9	54.0	25.9	48.6	33.9	40.5	46.0	49.2	49.5	79.4%	54.0%
Travel and subsistence	33.0	76.5	146.8	31.4	57.7	102.1	43.5	124.8	119.9	48.9	126.7	127.2	316.4%	128.6%
Training and development	1.1	0.3	7.6	1.0	1.1	6.8	1.9	1.6	8.8	2.5	9.5	9.3	498.5%	260.7%
Operating payments	6.2	40.7	7.9	8.6	13.7	7.8	4.6	6.3	8.8	6.2	8.0	8.1	127.2%	47.4%
Venues and facilities	1.8	6.4	6.6	7.7	8.3	5.7	1.7	1.7	7.1	1.4	5.8	5.9	202.7%	114.3%
Rental and hiring	–	0.1	–	–	–	0.0	–	–	0.1	–	0.0	0.0	–	189.3%
Transfers and subsidies	33 533.8	33 664.1	34 403.3	36 106.4	38 001.1	38 975.7	43 487.6	41 665.4	41 552.9	47 061.1	44 872.5	44 872.4	99.8%	101.0%
Departmental agencies and accounts	14 178.6	14 177.2	14 107.3	15 201.0	16 996.4	16 996.5	18 075.8	18 182.6	17 972.7	19 699.9	19 459.9	19 459.9	102.1%	99.6%
Higher education institutions	19 352.7	19 354.2	19 354.2	20 902.9	20 902.9	20 902.8	22 388.8	22 388.8	22 388.8	24 155.1	24 155.1	24 155.1	100.0%	100.0%
Foreign governments and international organisations	2.4	2.4	2.4	2.5	2.5	2.6	2.9	2.9	2.9	2.9	2.9	2.8	100.2%	100.2%
Non-profit institutions	–	–	874.2	–	5.0	978.4	3 020.2	1 091.1	1 091.1	3 203.2	1 155.5	1 155.5	65.9%	182.1%
Households	–	130.3	65.3	–	94.3	95.5	–	0.1	97.4	–	99.1	99.1	–	110.3%
Payments for capital assets	8.1	13.9	5.0	7.6	6.3	6.8	4.0	5.7	7.5	3.7	5.1	3.5	97.6%	74.1%
Machinery and equipment	8.1	13.9	4.9	7.6	6.1	6.8	4.0	5.4	7.5	3.7	5.1	3.5	97.0%	74.6%
Software and other intangible assets	–	–	0.1	–	0.2	–	–	0.2	0.0	–	–	–	–	35.3%
Payments for financial assets	–	–	0.1	–	–	0.0	–	–	–	–	–	–	–	–
Total	40 066.9	40 137.8	40 050.1	43 292.5	45 172.1	45 168.4	48 553.6	48 672.0	48 460.2	52 428.5	52 188.5	52 187.3	100.8%	99.8%

Expenditure estimates

Table 15.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Human Resource Development, Planning and Monitoring Coordination								
3. University Education								
4. Vocational and Continuing Education and Training								
5. Skills Development								
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R million								
Programme 1	280.6	8.7%	0.5%	318.3	331.0	347.5	7.4%	0.5%
Programme 2	59.8	14.3%	0.1%	54.8	57.8	60.7	0.5%	0.1%
Programme 3	30 443.6	9.1%	58.3%	32 844.3	34 602.9	36 342.9	6.1%	57.7%
Programme 4	8 096.4	9.2%	15.5%	8 515.8	8 985.9	9 439.3	5.2%	15.1%
Programme 5	106.7	-7.0%	0.2%	110.7	116.7	126.6	5.9%	0.2%
Subtotal	38 987.3	9.1%	74.7%	41 844.0	44 094.2	46 317.0	5.9%	73.6%
Direct charge against the National Revenue Fund	13 200.0	9.4%	25.3%	14 690.0	16 140.0	17 400.0	9.6%	26.4%
Sector education and training authorities	10 560.6	9.3%	20.2%	11 752.7	12 912.8	13 920.0	9.6%	21.1%
National Skills Fund	2 639.4	9.4%	5.1%	2 937.3	3 227.2	3 480.0	9.7%	5.3%
Total	52 187.3	9.1%	100.0%	56 534.0	60 234.2	63 717.0	6.9%	100.0%
Change to 2014 Budget estimate				(21.5)	(31.6)	(21.3)		
Economic classification								
Current payments	7 311.4	4.2%	14.0%	7 801.2	8 233.7	8 651.6	5.8%	13.8%
Compensation of employees	7 008.4	6.1%	13.4%	7 308.2	7 732.5	8 137.7	5.1%	13.0%
Goods and services	303.0	-19.9%	0.6%	493.0	501.2	513.9	19.3%	0.8%
<i>of which:</i>								
Administrative fees	0.2	35.3%	0.0%	1.6	1.7	1.7	95.0%	0.0%
Advertising	2.3	-60.8%	0.0%	10.9	10.8	10.7	66.8%	0.0%
Assets less than the capitalisation threshold	2.2	6.9%	0.0%	2.5	1.9	2.7	7.5%	0.0%
Audit costs: External	12.0	-26.6%	0.0%	13.2	13.9	14.4	6.5%	0.0%
Bursaries: Employees	0.1	-27.3%	0.0%	0.5	0.5	0.6	70.5%	0.0%
Catering: Departmental activities	2.2	-25.0%	0.0%	1.8	1.6	1.7	-8.8%	0.0%
Communication	14.9	-11.4%	0.0%	15.4	16.0	16.3	3.0%	0.0%
Computer services	26.3	-25.5%	0.1%	52.6	52.9	53.8	27.0%	0.1%
Consultants and professional services: Business and advisory services	1.6	-34.4%	0.0%	6.9	7.1	8.7	74.1%	0.0%
Consultants and professional services: Infrastructure and planning	(0.5)	-	0.0%	-	-	-	-100.0%	0.0%
Consultants and professional services: Legal costs	3.7	-2.1%	0.0%	3.5	3.6	3.7	-0.2%	0.0%
Contractors	0.6	25.1%	0.0%	1.9	1.9	1.3	30.3%	0.0%
Agency and support / outsourced services	6.2	25.6%	0.0%	0.4	0.4	0.4	-59.9%	0.0%
Entertainment	0.6	49.6%	0.0%	0.1	3.1	3.1	72.7%	0.0%
Fleet services (including government motor transport)	0.9	-5.6%	0.0%	3.8	0.8	0.8	-1.0%	0.0%
Inventory: Food and food supplies	0.7	5.1%	0.0%	-	-	-	-100.0%	0.0%
Inventory: Fuel, oil and gas	0.1	20.8%	0.0%	-	-	-	-100.0%	0.0%
Inventory: Materials and supplies	1.3	-8.0%	0.0%	-	-	-	-100.0%	0.0%
Inventory: Other supplies	0.4	-	0.0%	-	-	-	-100.0%	0.0%
Consumables: Stationery, printing and office supplies	17.8	-50.7%	0.1%	73.7	74.4	75.6	62.1%	0.1%
Operating leases	9.3	17.3%	0.0%	16.6	16.6	16.7	21.5%	0.0%
Property payments	49.5	-28.1%	0.1%	53.5	55.9	58.3	5.6%	0.1%
Travel and subsistence	127.2	18.5%	0.3%	147.0	148.4	151.3	6.0%	0.2%
Training and development	9.3	220.6%	0.0%	26.7	28.0	29.3	46.4%	0.0%
Operating payments	8.1	-41.6%	0.0%	55.7	56.7	57.8	92.6%	0.1%
Venues and facilities	5.9	-2.8%	0.0%	4.6	4.6	4.8	-6.7%	0.0%
Rental and hiring	0.0	-37.7%	0.0%	0.2	0.2	0.2	140.6%	0.0%

Table 15.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
				2015/16	2016/17	2017/18		
R million	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Transfers and subsidies	44 872.4	10.1%	86.0%	48 720.5	51 992.8	55 058.2	7.1%	86.2%
Departmental agencies and accounts	19 459.9	11.1%	36.9%	21 270.0	23 086.4	24 706.5	8.3%	38.0%
Higher education institutions	24 155.1	7.7%	46.7%	26 243.2	27 634.1	29 015.8	6.3%	46.0%
Foreign governments and international organisations	2.8	5.2%	0.0%	3.2	3.3	3.5	7.0%	0.0%
Non-profit institutions	1 155.5	–	2.2%	1 204.1	1 269.0	1 332.4	4.9%	2.1%
Households	99.1	-8.7%	0.2%	–	–	–	-100.0%	0.0%
Payments for capital assets	3.5	-36.8%	0.0%	12.3	7.7	7.2	27.3%	0.0%
Machinery and equipment	3.5	-36.8%	0.0%	12.3	7.7	7.2	27.3%	0.0%
Total	52 187.3	9.1%	100.0%	56 534.0	60 234.2	63 717.0	6.9%	100.0%

Personnel information

Table 15.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Human Resource Development, Planning and Monitoring Coordination																			
3. University Education																			
4. Vocational and Continuing Education and Training																			
5. Skills Development																			
Number of funded posts	Number of posts estimated for 31 March 2015	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
			Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)					
			2013/14	2014/15	2014/15		2015/16		2016/17		2017/18				2014/15 - 2017/18				
Higher Education and Training			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	959	99	38 000	6 605.4	0.2	38 002	7 008.4	0.2	38 025	7 308.2	0.2	38 025	7 732.5	0.2	38 025	8 137.7	0.2	0.0%	100.0%
1 – 6	414	99	541	73.4	0.1	513	71.4	0.1	11 323	2 072.2	0.2	11 323	2 217.0	0.2	11 323	2 335.3	0.2	180.5%	22.7%
7 – 10	345	–	349	115.5	0.3	345	116.7	0.3	7 999	2 837.5	0.4	7 999	2 969.0	0.4	7 999	3 119.2	0.4	185.1%	16.0%
11 – 12	128	–	102	56.2	0.6	128	71.1	0.6	612	389.5	0.6	612	416.7	0.7	612	440.0	0.7	68.5%	1.3%
13 – 16	72	–	64	56.6	0.9	72	67.2	0.9	89	92.8	1.0	89	99.0	1.1	89	105.0	1.2	7.3%	0.2%
Other	–	–	36 944	6 303.8	0.2	36 944	6 682.0	0.2	18 002	1 916.2	0.1	18 002	2 030.8	0.1	18 002	2 138.2	0.1	-21.3%	59.8%
Programme	959	99	38 000	6 605.4	0.2	38 002	7 008.4	0.2	38 025	7 308.2	0.2	38 025	7 732.5	0.2	38 025	8 137.7	0.2	0.0%	100.0%
Programme 1	338	41	381	147.4	0.4	380	164.7	0.4	379	170.6	0.5	379	184.4	0.5	379	194.3	0.5	-0.1%	1.0%
Programme 2	71	13	67	38.0	0.6	84	46.0	0.5	79	41.4	0.5	79	44.3	0.6	79	47.1	0.6	-2.0%	0.2%
Programme 3	91	7	96	33.1	0.3	98	37.0	0.4	98	43.0	0.4	98	46.0	0.5	98	48.9	0.5	–	0.3%
Programme 4	207	30	37 199	6 321.9	0.2	37 179	6 693.5	0.2	37 208	6 977.0	0.2	37 208	7 376.4	0.2	37 208	7 760.9	0.2	0.0%	97.8%
Programme 5	252	8	257	65.0	0.3	261	67.2	0.3	261	76.1	0.3	261	81.3	0.3	261	86.5	0.3	–	0.7%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 15.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/Total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
Departmental receipts	10 272	10 913	11 880	10 323	11 293	3.2%	100.0%	10 864	11 494	12 167	2.5%	100.0%
Sales of goods and services produced by department	3 918	4 949	6 042	5 138	5 164	9.6%	45.3%	5 229	5 485	5 682	3.2%	47.1%
Sales by market establishments	390	457	383	496	342	-4.3%	3.5%	381	400	420	7.1%	3.4%
of which:												
Academic services: Temporary accommodation	219	107	220	386	252	4.8%	1.8%	265	278	292	5.0%	2.4%
Sale of assets less than R5 000	7	–	–	10	10	12.6%	–	11	12	13	9.1%	0.1%
Academic term	45	208	–	100	80	21.1%	0.8%	–	–	–	-100.0%	0.2%
Commission	119	142	163	–	–	-100.0%	1.0%	105	110	115	–	0.7%

Table 15.5 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ Total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2011/12 - 2014/15	2015/16		
R thousand												
Administrative fees	2 768	3 915	4 936	3 652	3 753	10.7%	34.7%	3 866	4 060	4 202	3.8%	34.7%
<i>of which:</i>												
Exams	725	874	1 352	1 080	1 100	14.9%	9.1%	1 155	1 212	1 263	4.7%	10.3%
Trade fee	1 850	2 944	2 878	2 294	2 300	7.5%	22.5%	2 415	2 537	2 613	4.3%	21.5%
Universities	44	39	60	56	107	34.5%	0.6%	112	118	123	4.8%	1.0%
Further education and training	149	58	3	175	175	5.5%	0.9%	184	193	203	5.1%	1.6%
Sports and club facilities/Sale of tender documents	-	-	643	47	71	-	1.6%	-	-	-	-100.0%	0.2%
Other sales	760	577	723	990	1 069	12.0%	7.1%	982	1 025	1 060	-0.3%	9.0%
<i>of which:</i>												
Boarding fees	210	86	118	100	124	-16.1%	1.2%	130	137	144	5.1%	1.2%
Parking	24	24	20	28	28	5.3%	0.2%	29	31	32	4.6%	0.3%
Sale of meals and refreshments	202	157	182	176	231	4.6%	1.7%	243	255	262	4.3%	2.2%
Commission	-	-	-	266	266	-	0.6%	139	139	146	-18.1%	1.5%
Rental	324	310	403	420	420	9.0%	3.3%	441	463	476	4.3%	3.9%
Sales of scrap, waste, arms and other used current goods	39	16	29	18	30	-8.4%	0.3%	32	33	35	5.3%	0.3%
<i>of which:</i>												
Waste paper	39	16	29	18	30	-8.4%	0.3%	32	33	35	5.3%	0.3%
Transfers received	-	80	-	-	-	-	0.2%	-	-	-	-	-
Interest, dividends and rent on land	3 512	3 458	3 374	3 394	4 326	7.2%	33.1%	4 109	4 503	5 104	5.7%	39.4%
Interest	3 512	3 458	3 374	3 394	4 326	7.2%	33.1%	4 109	4 503	5 104	5.7%	39.4%
Sales of capital assets	7	-	-	-	-	-100.0%	-	-	-	-	-	-
Transactions in financial assets and liabilities	2 796	2 410	2 435	1 773	1 773	-14.1%	21.2%	1 494	1 473	1 346	-8.8%	13.3%
Total	10 272	10 913	11 880	10 323	11 293	3.2%	100.0%	10 864	11 494	12 167	2.5%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 15.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2011/12	2012/13	2013/14				2014/15	2011/12 - 2014/15	2015/16			2016/17
R thousand												
Ministry	29 918	29 635	29 733	29 455	-0.5%	11.8%	28 899	30 075	32 782	3.6%	9.5%	
Department Management	25 728	32 237	37 764	35 324	11.1%	13.0%	35 797	37 697	39 985	4.2%	11.6%	
Corporate Services	84 626	87 991	90 998	95 207	4.0%	35.7%	105 095	110 116	115 367	6.6%	33.2%	
Office of the Chief Financial Officer	47 098	46 288	61 428	68 738	13.4%	22.2%	86 150	88 243	91 053	9.8%	26.1%	
Internal Audit	7 643	8 556	9 024	8 920	5.3%	3.4%	9 932	9 844	11 032	7.3%	3.1%	
Office Accommodation	27 620	24 472	38 417	48 030	20.3%	13.8%	52 445	54 977	57 309	6.1%	16.6%	
Total	222 633	229 179	267 364	285 674	8.7%	100.0%	318 318	330 952	347 528	6.8%	100.0%	
Change to 2014 Budget estimate				3 806			(295)	(3 713)	96 916			

Table 15.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	Expenditure/ Total: Average (%)
R thousand											
Current payments	219 052	223 559	262 387	282 944	8.9%	98.3%	311 347	328 005	345 025	6.8%	98.8%
Compensation of employees	101 402	123 617	147 377	163 840	17.3%	53.4%	170 556	184 442	194 275	5.8%	55.6%
Goods and services	117 650	99 942	115 010	119 104	0.4%	45.0%	140 791	143 563	150 750	8.2%	43.2%
of which:											
Administrative fees	985	540	801	209	-40.4%	0.3%	609	638	657	46.5%	0.2%
Advertising	4 188	4 223	1 942	1 434	-30.0%	1.2%	2 506	2 474	2 522	20.7%	0.7%
Assets less than the capitalisation threshold	1 084	1 753	1 159	1 361	7.9%	0.5%	1 494	819	1 072	-7.6%	0.4%
Audit costs: External	11 126	9 732	11 299	11 944	2.4%	4.4%	13 175	13 862	14 387	6.4%	4.2%
Bursaries: Employees	475	553	349	156	-31.0%	0.2%	500	500	600	56.7%	0.1%
Catering: Departmental activities	1 425	710	1 193	242	-44.6%	0.4%	476	327	348	12.9%	0.1%
Communication	3 858	3 246	3 058	3 028	-7.8%	1.3%	2 613	2 880	2 896	-1.5%	0.9%
Computer services	16 942	11 897	13 688	14 334	-5.4%	5.7%	21 343	22 330	22 388	16.0%	6.3%
Consultants and professional services: Business and advisory services	611	411	597	974	16.8%	0.3%	6 399	6 051	7 578	98.2%	1.6%
Consultants and professional services: Legal costs	–	120	–	–	–	–	–	–	–	–	–
Contractors	1 103	733	778	598	-18.5%	0.3%	675	676	84	-48.0%	0.2%
Agency and support / outsourced services	3 518	4 131	3 873	4 041	4.7%	1.5%	240	328	347	-55.9%	0.4%
Entertainment	1 006	749	91	603	-15.7%	0.2%	103	103	108	-43.6%	0.1%
Fleet services (including government motor transport)	863	–	743	535	-14.7%	0.2%	550	468	557	1.4%	0.2%
Inventory: Food and food supplies	2	5	–	–	-100.0%	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	3	–	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	148	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Materials and supplies	6	2	–	–	-100.0%	–	–	–	–	–	–
Inventory: Medical supplies	–	7	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	20	–	–	–	–	–	–	–	–	–
Consumable supplies	304	4	–	–	-100.0%	–	–	–	–	–	–
Consumables: Stationery, printing and office supplies	6 047	4 739	3 184	2 612	-24.4%	1.7%	3 169	3 337	3 235	7.4%	1.0%
Operating leases	2 019	1 524	1 572	1 770	-4.3%	0.7%	2 134	2 080	1 892	2.2%	0.6%
Property payments	29 741	24 846	39 881	48 068	17.4%	14.2%	52 476	54 994	57 369	6.1%	16.6%
Travel and subsistence	22 633	21 353	21 995	19 882	-4.2%	8.5%	18 388	17 272	19 575	-0.5%	5.9%
Training and development	4 599	4 703	5 079	5 512	6.2%	2.0%	2 987	3 056	3 191	-16.7%	1.1%
Operating payments	3 992	3 507	2 035	1 254	-32.0%	1.1%	10 232	10 626	11 022	106.4%	2.6%
Venues and facilities	975	387	1 619	547	-17.5%	0.4%	592	605	782	12.7%	0.2%
Rental and hiring	–	44	74	–	–	–	130	137	140	–	–
Transfers and subsidies	267	1 172	27	198	-9.5%	0.2%	313	330	342	20.0%	0.1%
Departmental agencies and accounts	157	219	5	173	3.3%	0.1%	313	330	342	25.5%	0.1%
Households	110	953	22	25	-39.0%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	3 235	4 415	4 950	2 532	-7.8%	1.5%	6 658	2 617	2 161	-5.1%	1.1%
Machinery and equipment	3 121	4 415	4 923	2 532	-6.7%	1.5%	6 658	2 617	2 161	-5.1%	1.1%
Software and other intangible assets	114	–	27	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	79	33	–	–	-100.0%	–	–	–	–	–	–
Total	222 633	229 179	267 364	285 674	8.7%	100.0%	318 318	330 952	347 528	6.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.7%	0.7%	0.7%	–	–	0.8%	0.8%	0.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	110	953	22	25	-39.0%	0.1%	–	–	–	-100.0%	–
Employee social benefits	110	953	22	25	-39.0%	0.1%	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	157	219	5	173	3.3%	0.1%	313	330	342	25.5%	0.1%
Education, Training and Development Practices Sector Education and Training Authority	157	219	–	173	3.3%	0.1%	313	330	342	25.5%	0.1%
Claims against the state	–	–	5	–	–	–	–	–	–	–	–

Personnel information

Table 15.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/Total: Average (%)	
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18
Administration		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	338	41	381	147.4	0.4	380	164.7	0.4	379	170.6	0.5	379	184.4	0.5	379	194.3	0.5	-0.1%	100.0%
1 – 6	163	41	195	25.5	0.1	204	27.6	0.1	204	30.1	0.1	204	32.5	0.2	204	35.1	0.2	–	53.8%
7 – 10	119	–	123	36.3	0.3	119	40.2	0.3	118	43.4	0.4	118	46.8	0.4	118	49.6	0.4	-0.3%	31.2%
11 – 12	28	–	32	17.2	0.5	28	16.8	0.6	25	18.1	0.7	25	19.3	0.8	25	20.7	0.8	-3.7%	6.8%
13 – 16	28	–	29	26.3	0.9	27	26.5	1.0	30	33.0	1.1	30	34.8	1.2	30	36.1	1.2	3.6%	7.7%
Other	–	–	2	42.1	21.1	2	53.6	26.8	2	46.0	23.0	2	51.1	25.5	2	52.7	26.4	–	0.5%

¹ Data has been provided by the department and may not necessarily reconcile with official government personnel data.

² Rand million.

Programme 2: Human Resource Development, Planning and Monitoring Coordination

Programme purpose

Provide strategic direction in the development, implementation and monitoring of departmental policies and the human resource development strategy for South Africa.

Objectives

- Ensure a sound post-school education and training system by developing and reviewing post-school education and training policies and legislation over the medium term.
- Ensure the effective implementation of oversight of the post-school education and training system by developing a sector monitoring and evaluation framework by December 2016, and producing annual monitoring reports thereafter.
- Improve access to quality teaching and learning in the post-school education and training system by developing and implementing a prototype system demonstrating open learning and teaching as well as learning strategies, by 31 March 2018.
- Provide support to current and prospective students in the post-school education and training system through the development of career development services, by 31 March 2018.
- Determine efficiency, equity and effectiveness in the utilisation of resources, and the actual costs of provision of education and training across the post-school education and training system, by 31 March 2017, by:
 - exploring and developing an integrated funding model, a funding management information system, and a funding shortfall monitoring mechanism
 - investigating alternative sources of funding for the post-school education and training system.
- Ensure the provision of statistical information on the performance of the post-school education and training system for effective policy and planning by:
 - developing an online work integrated learning system by December 2017
 - producing and publishing annual post-school statistical reports, including reports on skills supply and demand.

Subprogrammes

- *Programme Management: Human Resource Development, Planning and Monitoring Coordination* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Human Resource Development, Strategic Planning and Coordination* provides strategic direction in the

development, implementation and monitoring of departmental policies; and coordinates activities in relation to the national human resources development strategy.

- *Planning, Information, Monitoring and Evaluation Coordination* monitors and evaluates the policy outputs of the department; coordinates research in the fields of higher education and training; and ensures that education policies, plans and legislation are developed into systems through monitoring their implementation on an ongoing basis.
- *International Relations* develops and promotes international relations; supports the United Nations Educational, Scientific and Cultural Organisation in the higher education sub-system; and manages, monitors and reports on international donor grant funding.
- *Legal and Legislative Services* manages the legal and legislative services of the department, universities, colleges, sector education and training authorities, and the National Skills Fund with regard to legal and legislative matters.
- *Social Inclusion in Education* promotes access to higher education and participation by all learners in training programmes; manages the development, evaluation and maintenance of policy, programmes and systems for learners with special needs; and monitors the implementation of those policies.

Expenditure trends and estimates

Table 15.8 Human Resource Development, Planning and Monitoring Coordination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R thousand											
Programme Management: Human Resource Development, Planning and Monitoring Coordination	2 970	4 024	3 656	2 857	-1.3%	7.1%	3 046	3 213	3 383	5.8%	5.5%
Human Resource Development, Strategic Planning and Coordination	10 030	9 127	11 198	12 707	8.2%	22.5%	11 483	12 178	12 811	0.3%	21.6%
Planning, Information, Monitoring and Evaluation Coordination	4 854	6 511	7 419	9 536	25.2%	14.8%	8 576	9 173	9 628	0.3%	16.2%
International Relations	9 920	10 852	10 268	10 450	1.8%	21.7%	11 212	11 949	12 567	6.3%	20.2%
Legal and Legislative Services	11 033	10 848	11 298	14 630	9.9%	25.0%	15 623	16 225	16 980	5.1%	27.8%
Social Inclusion in Education	3 463	5 173	3 811	4 546	9.5%	8.9%	4 903	5 048	5 359	5.6%	8.7%
Total	42 270	46 535	47 650	54 726	9.0%	100.0%	54 843	57 786	60 728	3.5%	100.0%
Change to 2014 Budget estimate				1 770			(2 212)	(2 744)	1 953		
Economic classification											
Current payments	39 566	43 554	44 215	51 426	9.1%	93.5%	51 059	54 263	56 993	3.5%	93.7%
Compensation of employees	29 854	36 076	38 002	42 428	12.4%	76.6%	41 437	44 275	47 060	3.5%	76.8%
Goods and services	9 712	7 478	6 213	8 998	-2.5%	16.9%	9 622	9 988	9 933	3.4%	16.9%
of which:											
Administrative fees	9	1	3	–	-100.0%	–	6	6	6	–	–
Advertising	328	276	–	–	-100.0%	0.3%	150	171	14	–	0.1%
Assets less than the capitalisation threshold	69	68	63	107	15.7%	0.2%	140	80	264	35.1%	0.3%
Catering: Departmental activities	143	114	46	135	-1.9%	0.2%	97	78	89	-13.0%	0.2%
Communication	661	745	890	838	8.2%	1.6%	626	668	693	-6.1%	1.2%
Computer services	4	97	–	74	164.5%	0.1%	306	334	373	71.5%	0.5%
Consultants and professional services: Business and advisory services	3	82	5	–	-100.0%	–	54	54	43	–	0.1%
Consultants and professional services: Legal costs	2 982	1 620	1 367	3 440	4.9%	4.9%	3 536	3 648	3 717	2.6%	6.3%
Contractors	26	101	32	–	-100.0%	0.1%	16	14	12	–	–
Agency and support/outourced services	171	120	177	150	-4.3%	0.3%	6	12	8	-62.4%	0.1%
Fleet services (including government motor transport)	–	–	–	–	–	–	1	1	1	–	–
Inventory: Materials and supplies	1	6	–	–	-100.0%	–	–	–	–	–	–
Consumable supplies	7	3	–	–	-100.0%	–	–	–	–	–	–
Consumables: Stationery, printing and office supplies	529	378	672	548	1.2%	1.1%	645	760	662	6.5%	1.1%
Operating leases	78	171	59	20	-36.5%	0.2%	–	–	–	-100.0%	–

Table 15.8 Human Resource Development, Planning and Monitoring Coordination expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
	R thousand										
Property payments	46	60	5	55	6.1%	0.1%	–	–	–	-100.0%	–
Travel and subsistence	3 888	3 097	2 425	2 835	-10.0%	6.4%	3 167	3 318	3 343	5.6%	5.6%
Training and development	7	–	214	–	-100.0%	0.1%	134	145	55	–	0.1%
Operating payments	165	385	169	691	61.2%	0.7%	614	583	524	-8.8%	1.1%
Venues and facilities	595	154	86	105	-43.9%	0.5%	124	116	129	7.1%	0.2%
Transfers and subsidies	2 379	2 639	3 094	2 915	7.0%	5.8%	3 156	3 323	3 489	6.2%	5.6%
Foreign governments and international organisations	2 379	2 639	2 927	2 915	7.0%	5.7%	3 156	3 323	3 489	6.2%	5.6%
Households	–	–	167	–	–	0.1%	–	–	–	–	–
Payments for capital assets	325	342	341	385	5.8%	0.7%	628	200	246	-13.9%	0.6%
Machinery and equipment	325	342	341	385	5.8%	0.7%	628	200	246	-13.9%	0.6%
Total	42 270	46 535	47 650	54 726	9.0%	100.0%	54 843	57 786	60 728	3.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.1%	0.1%	0.1%	0.1%	–	–	0.1%	0.1%	0.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	–	167	–	–	0.1%	–	–	–	–	–
Employee social benefits	–	–	167	–	–	0.1%	–	–	–	–	–
Foreign governments and international organisations											
Current	2 379	2 639	2 927	2 915	7.0%	5.7%	3 156	3 323	3 489	6.2%	5.6%
Indian-Brazil-South Africa Trilateral Commission	379	442	511	500	9.7%	1.0%	500	527	553	3.4%	0.9%
Commonwealth of Learning	2 000	2 197	2 416	2 415	6.5%	4.7%	2 656	2 796	2 936	6.7%	4.7%

Personnel information

Table 15.9 Human Resource Development, Planning and Monitoring Coordination personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	Number and cost ² of personnel posts filled/planned for on funded establishment															Number			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost
Human Resource Development, Planning and Monitoring Coordination																			
Salary level	71	13	67	38.0	0.6	84	46.0	0.5	79	41.4	0.5	79	44.3	0.6	79	47.1	0.6	-2.0%	100.0%
1 – 6	8	13	15	2.1	0.1	21	2.0	0.1	18	1.7	0.1	18	1.8	0.1	18	1.9	0.1	-5.0%	23.4%
7 – 10	32	–	27	10.6	0.4	32	10.9	0.3	31	11.4	0.4	31	12.2	0.4	31	12.9	0.4	-1.1%	38.9%
11 – 12	16	–	13	9.4	0.7	16	10.3	0.6	15	10.9	0.7	15	11.7	0.8	15	12.5	0.8	-2.1%	19.0%
13 – 16	15	–	12	11.0	0.9	15	13.1	0.9	15	13.4	0.9	15	14.4	1.0	15	15.3	1.0	–	18.7%
Other	–	–	–	4.9	–	–	9.7	–	–	4.0	–	–	4.2	–	–	4.4	–	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: University Education

Programme purpose

Develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. Provide financial support to universities, the National Student Financial Aid Scheme and to national institutes for higher education.

Objectives

- Facilitate and ensure a sound provision of university education by developing and reviewing university education policies and legislation, over the medium term.
- Enable collaboration between university education and other post-school education and training sectors through the development of integrated plans, specifically the development of a draft national plan for post-school education and training by March 2016, and a final approved plan by March 2017.
- Ensure that public universities and private higher education institutions function effectively and efficiently by producing 12 annual university education oversight reports covering key aspects of university management, governance, research, teaching development and infrastructure development, by March 2016.
- Develop and implement a capacity improvement programme for teaching and learning development and produce an implementation report by March 2016, to strengthen the institutional capacity of universities in the training and development of educators in the primary, secondary, tertiary and vocational sub-sectors; and to conduct relevant research in education.
- Improve student leadership in higher education institutions through the development and implementation of a concise capacity development strategy and programme by March 2016.
- Provide support to current and prospective students in the post-school education and training system through the operationalisation of the central applications system for the university sector by March 2018.
- Facilitate the stakeholder network through the establishment of a think tank made up of the Brazil-Russia-India-China-South Africa group of countries by March 2016, and reporting on the progress of the think tank's activities annually.

Subprogrammes

- *Programme Management: University Education* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions for the programme.
- *University – Academic Planning and Management* plans and monitors the university system. This entails analysing institutional and national plans, and maintaining programmes and qualification combinations.
- *University – Financial Planning and Information Systems* coordinates and manages the development and maintenance of universities' information systems and the appropriate funding framework for a diverse university system.
- *University – Policy and Development* regulates private university institutions and provides support for the development of universities.
- *Teacher Education* develops a responsive and comprehensive national teacher education and development system as a sub-system of the higher education and training system, develops and maintains academic policy for teacher education qualifications in line with the higher education qualifications framework, mentors institutions for adherence to policy, and supports policy implementation to ensure relevant curricula and the sufficient supply of well qualified teachers for all education sub-systems.
- *University Subsidies* transfers payments to universities annually.

Expenditure trends and estimates

Table 15.10 University Education expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Programme Management - University Education	1 843	1 620	1 786	1 467	-7.3%	-	1 593	1 608	1 741	5.9%	-
University - Academic Planning and Management	4 044 197	5 290 734	5 870 868	6 248 421	15.6%	19.8%	6 557 974	6 923 147	7 279 526	5.2%	20.1%
University - Financial Planning and Information Systems	7 855	9 894	8 685	8 351	2.1%	-	9 065	9 546	9 673	5.0%	-
University - Policy and Development	13 744	16 761	20 226	19 918	13.2%	0.1%	21 346	22 597	23 758	6.1%	0.1%
Teacher Education	6 558	6 925	8 947	10 498	17.0%	-	11 120	11 893	12 370	5.6%	-
University Subsidies	19 354 159	20 902 779	22 388 767	24 155 093	7.7%	80.1%	26 243 227	27 634 118	29 015 824	6.3%	79.7%
Total	23 428 356	26 228 713	28 299 279	30 443 748	9.1%	100.0%	32 844 325	34 602 909	36 342 892	6.1%	100.0%
Change to 2014				(4 289)			(9 882)	(13 883)	(5 178)		
Budget estimate											
Economic classification	36 005	38 922	41 884	44 381	7.2%	0.1%	48 906	51 942	54 210	6.9%	0.1%
Current payments											
Compensation of employees	28 804	30 579	33 129	38 390	10.0%	0.1%	43 017	46 022	48 939	8.4%	0.1%
Goods and services	7 201	8 343	8 755	5 991	-5.9%	-	5 889	5 920	5 271	-4.2%	-
of which:											
Administrative fees	-	-	12	21	-	-	26	24	28	10.1%	-
Advertising	290	99	217	-	-100.0%	-	140	57	61	-	-
Assets less than the capitalisation threshold	27	47	49	55	26.8%	-	34	25	22	-26.3%	-
Catering: Departmental activities	156	172	408	210	10.4%	-	91	64	69	-31.0%	-
Communication	434	416	494	502	5.0%	-	313	308	293	-16.4%	-
Computer services	274	285	154	730	38.6%	-	701	665	750	0.9%	-
Consultants and professional services: Business and advisory services	347	1 160	501	40	-51.3%	-	347	417	433	121.2%	-
Contractors	9	20	35	-	-100.0%	-	-	-	-	-	-
Agency and support/outsourced services	221	769	694	356	17.2%	-	-	-	-	-100.0%	-
Fleet services (including government motor transport)	1	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Food and food supplies	-	1	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3	1	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	2	-	-	-	-100.0%	-	-	-	-	-	-
Consumables: Stationery, printing and office supplies	395	284	382	314	-7.4%	-	463	548	481	15.3%	-
Operating leases	61	59	79	54	-4.0%	-	32	20	29	-18.7%	-
Property payments	30	19	30	1	-67.8%	-	-	-	-	-100.0%	-
Transport provided: Departmental activity	-	3	-	-	-	-	-	-	-	-	-
Travel and subsistence	3 893	4 308	4 418	3 219	-6.1%	-	3 413	3 408	2 823	-4.3%	-
Training and development	13	42	26	32	35.0%	-	23	21	8	-37.0%	-
Operating payments	833	541	598	318	-27.5%	-	87	132	65	-41.1%	-
Venues and facilities	212	117	658	139	-13.1%	-	219	231	209	14.6%	-
Transfers and subsidies	23 392 215	26 189 468	28 257 115	30 399 042	9.1%	99.9%	32 795 115	34 550 787	36 288 499	6.1%	99.9%
Departmental agencies and accounts	4 035 056	5 281 377	5 860 770	6 236 529	15.6%	19.8%	6 544 127	6 908 497	7 264 094	5.2%	20.1%
Higher education institutions	19 354 159	20 902 779	22 388 767	24 155 093	7.7%	80.1%	26 243 227	27 634 118	29 015 824	6.3%	79.7%
Non-profit institutions	3 000	5 000	7 000	7 420	35.2%	-	7 761	8 172	8 581	5.0%	-
Households	-	312	578	-	-	-	-	-	-	-	-
Payments for capital assets	119	323	280	325	39.8%	-	304	180	183	-17.4%	-
Machinery and equipment	119	323	280	325	39.8%	-	304	180	183	-17.4%	-
Payments for financial assets	17	-	-	-	-100.0%	-	-	-	-	-	-
Total	23 428 356	26 228 713	28 299 279	30 443 748	9.1%	100.0%	32 844 325	34 602 909	36 342 892	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	78.0%	78.4%	77.8%	78.1%	-	-	78.5%	78.5%	78.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	-	312	578	-	-	-	-	-	-	-	-
Employee social benefits	-	312	578	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 035 056	5 281 377	5 860 770	6 236 529	15.6%	19.8%	6 544 127	6 908 497	7 264 094	5.2%	20.1%
Claims against the state	-	-	76	-	-	-	-	-	-	-	-
National Student Financial Aid Scheme	3 956 849	5 195 661	5 769 405	6 138 832	15.8%	19.4%	6 448 551	6 810 674	7 151 208	5.2%	19.8%
Council on Higher Education	36 772	39 993	41 888	42 689	5.1%	0.1%	40 819	40 928	47 946	3.9%	0.1%

Table 15.10 University Education expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies										Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate	Average growth rate (%)	Expenditure/ Total: Average (%)
Audited outcome				Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate							
R thousand	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18			
South African Qualifications Authority	41 435	45 723	49 401	55 008	9.9%	0.2%	54 757	56 895	64 940	5.7%	0.2%			
Higher education institutions														
Current	17 714 461	19 088 365	20 227 668	21 442 093	6.6%	72.4%	22 928 429	24 116 800	5 325 140	5.7%	69.9%			
University subsidies	17 714 461	19 026 612	20 077 668	21 283 093	6.3%	72.0%	22 762 115	23 941 671	5 141 255	5.7%	69.4%			
University of Mpumalanga and Sol Plaatje University	-	61 753	28 719	159 000	-	0.2%	166 314	175 129	183 885	5.0%	0.5%			
University of Mpumalanga	-	-	58 153	-	-	0.1%	-	-	-	-	-			
Sol Plaatje University	-	-	63 128	-	-	0.1%	-	-	-	-	-			
Capital	1 639 698	1 814 414	2 161 099	2 713 000	18.3%	7.7%	3 314 798	3 517 318	3 690 684	10.8%	9.9%			
University subsidies	1 639 698	1 814 414	2 011 099	2 213 000	10.5%	7.1%	2 314 798	2 464 318	2 585 034	5.3%	7.1%			
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	-	-	150 000	500 000	-	0.6%	1 000 000	1 053 000	1 105 650	30.3%	2.7%			
Non-profit institutions														
Current	3 000	5 000	7 000	7 420	35.2%	-	7 761	8 172	8 581	5.0%	-			
Higher Education South Africa	3 000	5 000	7 000	7 420	35.2%	-	7 761	8 172	8 581	5.0%	-			

Personnel information

Table 15.11 University Education personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number								
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)							
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost						
University Education		91	7		96	33.1	0.3	98	37.0	0.4	98	43.0	0.4	98	46.0	0.5	98	48.9	0.5	-	100.0%	
Salary level																						
1 – 6	12	7	19	1.7	0.1	19	3.0	0.2	19	3.2	0.2	19	3.4	0.2	19	3.8	0.2	19	3.8	0.2	-	19.4%
7 – 10	31	-	35	8.8	0.3	31	8.7	0.3	31	11.3	0.4	31	12.0	0.4	31	12.7	0.4	31	12.7	0.4	-	31.6%
11 – 12	37	-	31	14.8	0.5	37	15.3	0.4	37	16.9	0.5	37	18.1	0.5	37	19.1	0.5	37	19.1	0.5	-	37.8%
13 – 16	11	-	11	7.8	0.7	11	8.9	0.8	11	10.2	0.9	11	11.3	1.0	11	12.1	1.1	11	12.1	1.1	-	11.2%
Other	-	-	-	-	-	-	1.1	-	-	1.4	-	-	1.2	-	-	1.1	-	-	1.1	-	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.
 2. Rand million.

Programme 4: Vocational and Continuing Education and Training

Programme purpose

Plan, develop, monitor, maintain and evaluate national policy, programmes, assessment practices and systems for vocational and continuing education and training, including for technical and vocational education and training colleges and post-literacy adult education and training.

Objectives

- Steer the vocational and continuing education and training sub-system by developing and reviewing legislative and policy frameworks over the medium term.
- Ensure that all vocational and continuing education and training institutions are functioning optimally within the acts, policies and regulations over the medium term by standardising the level of governance across 50 public technical and vocational education and training institutions and monitoring and compiling quarterly reports; and taking appropriate action where deficiencies are detected, each year.
- Ensure the effective and efficient delivery of credible assessment and examination services throughout the technical and vocational education and training colleges by concluding 7 credible assessments and examination cycles per academic year.

- Provide vocational and continuing education and training teaching and learning support through the development and approval of 7 teaching and learning support plans for vocational and continuing education and training institutions by March 2018.
- Improve success in programmes offered in vocational and continuing education and training institutions through the development and implementation of appropriate student support plans by 31 March 2018.
- Plan and implement funding interventions for vocational and continuing education and training institutions by 31 March 2018 in order to increase access to and improve success in programmes leading to intermediate and high-level learning.
- Ensure a more equitable geographic spread of technical and vocational education and training institutions through the establishment of additional sites of delivery over the medium term.

Subprogrammes

- *Programme Management: Vocational and Continuing Education and Training* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Planning and Institutional Support* provides the framework, coordination and support to further education and training colleges for the efficient and effective management, governance and delivery of vocational and occupational programmes; manages the further education and training colleges subsidies to 50 further education and training colleges; and regulates the provision of education and training by private education institutions offering qualifications in the further education and training band of the national qualifications framework.
- *Programmes and Qualifications* develops and maintains vocational education and training programmes, provides for implementing the student support services framework, provides leadership and support for training and developing lecturers, and supports the education of post-school adults pursuing general education and training certificates and the national senior certificate qualifications.
- *National Examination and Assessment* administers and manages the conduct of national assessment in the further education and training college and adult education and training sector.

Expenditure trends and estimates

Table 15.12 Vocational and Continuing Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Programme Management - Vocational and Continuing Education and Training	1 280	4 717	8 120	9 793	97.0%	0.1%	10 199	10 771	11 422	5.3%	0.1%
Planning and Institutional Support	4 496 004	4 974 646	5 609 634	5 958 082	9.8%	72.9%	6 326 714	6 670 919	7 005 924	5.5%	74.1%
Programmes and Qualifications	1 576 395	1 732 738	1 865 073	1 942 703	7.2%	24.7%	2 001 223	2 116 851	2 224 018	4.6%	23.6%
National Examination and Assessment	135 901	164 087	173 175	187 430	11.3%	2.3%	177 634	187 339	197 893	1.8%	2.1%
Total	6 209 580	6 876 188	7 656 002	8 098 008	9.3%	100.0%	8 515 770	8 985 880	9 439 257	5.2%	100.0%
Change to 2014 Budget estimate				2 994			(3 118)	(3 700)	(112 196)		
Economic classification											
Current payments	5 272 377	5 807 923	6 474 973	6 849 766	9.1%	84.6%	7 302 181	7 707 045	8 096 716	5.7%	85.5%
Compensation of employees	5 080 516	5 676 283	6 321 886	6 695 168	9.6%	82.4%	6 977 048	7 376 432	7 760 924	5.0%	82.2%
Goods and services	191 861	131 640	153 087	154 598	-6.9%	2.2%	325 133	330 613	335 792	29.5%	3.3%
of which:											
Administrative fees	-	-	-	7	-	-	1 000	1 000	1 000	422.8%	-
Advertising	7 500	68	109	1 117	-47.0%	-	8 050	8 067	8 085	93.4%	0.1%
Assets less than the capitalisation threshold	111	388	191	148	10.1%	-	610	603	584	58.0%	-
Audit costs: External	-	-	-	-	-	-	51	48	52	-	-
Catering: Departmental activities	2 404	4 265	4 507	1 297	-18.6%	-	996	1 046	1 066	-6.3%	-
Communication	10 700	9 009	9 543	8 825	-6.2%	0.1%	10 886	11 010	11 220	8.3%	0.1%
Computer services	14 892	11 602	11 929	11 317	-8.7%	0.2%	29 808	29 603	30 336	38.9%	0.3%
Consultants and professional services: Business and advisory services	-	96	-	389	-	-	119	122	129	-30.8%	-

Table 15.12 Vocational and Continuing Education and Training expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%) 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
	R thousand										
Contractors	111	–	14	1	-79.2%	–	1 053	1 053	1 051	916.7%	–
Agency and support/outourced services	2 013	2 575	4 601	1 218	-15.4%	–	–	–	–	-100.0%	–
Entertainment	–	–	–	–	–	–	–	3 000	3 000	–	–
Fleet services (including government motor transport)	19	–	–	–	-100.0%	–	3 000	–	–	–	–
Inventory: Fuel, oil and gas	43	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Learner and teacher support material	11	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Medical supplies	10	–	–	–	-100.0%	–	–	–	–	–	–
Consumable supplies	108	–	–	–	-100.0%	–	–	–	–	–	–
Consumables: Stationery, printing and office supplies	23 683	20 356	17 053	10 579	-23.6%	0.2%	64 492	65 225	65 877	84.0%	0.6%
Operating leases	6 566	2 897	3 212	6 417	-0.8%	0.1%	13 763	13 876	14 142	30.1%	0.1%
Property payments	6	47	25	–	-100.0%	–	–	–	–	–	–
Travel and subsistence	113 192	70 139	87 830	98 781	-4.4%	1.3%	119 456	122 179	123 380	7.7%	1.3%
Training and development	3 005	2 000	3 519	4 000	10.0%	–	23 535	24 815	26 019	86.7%	0.2%
Operating payments	2 795	3 232	5 901	5 679	26.7%	0.1%	44 729	45 350	46 220	101.1%	0.4%
Venues and facilities	4 692	4 966	4 653	4 823	0.9%	0.1%	3 540	3 569	3 583	-9.4%	–
Rental and hiring	–	–	–	–	–	–	45	47	48	–	–
Transfers and subsidies	936 311	1 067 074	1 180 004	1 247 187	10.0%	15.4%	1 210 021	1 275 251	1 338 933	2.4%	14.5%
Departmental agencies and accounts	2	–	28	–	-100.0%	–	13 668	14 437	15 158	–	0.1%
Non-profit institutions	871 195	973 356	1 084 062	1 148 072	9.6%	14.1%	1 196 353	1 260 814	1 323 775	4.9%	14.1%
Households	65 114	93 718	95 914	99 115	15.0%	1.2%	–	–	–	-100.0%	0.3%
Payments for capital assets	892	1 191	1 025	1 055	5.8%	–	3 568	3 584	3 608	50.7%	–
Machinery and equipment	892	1 191	1 025	1 055	5.8%	–	3 568	3 584	3 608	50.7%	–
Total	6 209 580	6 876 188	7 656 002	8 098 008	9.3%	100.0%	8 515 770	8 985 880	9 439 257	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	20.7%	20.5%	21.1%	20.8%	–	–	20.4%	20.4%	20.4%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current											
Employee social benefits	65 114	93 718	95 914	99 115	15.0%	1.2%	–	–	–	-100.0%	0.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current											
Claims against the state	2	–	28	–	-100.0%	–	13 668	14 437	15 158	–	0.1%
Transfer to sector education and training authorities	–	–	–	–	–	–	13 668	14 437	15 158	–	0.1%
Non-profit institutions											
Current											
Technical and vocational education and training colleges	871 195	973 356	1 084 062	1 148 072	9.6%	14.1%	1 140 945	1 202 470	1 262 514	3.2%	13.6%
Adult education and training centres	–	–	–	–	–	–	55 408	58 344	61 261	–	0.5%

Personnel information

Table 15.13 Vocational and Continuing Education and Training personnel numbers and cost by salary level¹

Vocational and Continuing Education and Training	Salary level	Number of posts estimated for 31 March 2015	Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2014/15 - 2017/18	Salary level/Total: Average (%)				
			2013/14		2014/15		2015/16		2016/17		2017/18									
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
	207	30	37 199	6 321.9	0.2	37 179	6 693.5	0.2	37 208	6 977.0	0.2	37 208	7 376.4	0.2	37 208	7 760.9	0.2	0.0%	100.0%	
	1-6	80	30	156	22.0	0.1	110	15.8	0.1	10 923	2 010.6	0.2	10 923	2 151.0	0.2	10 923	2 264.9	0.2	363.1%	22.1%
	7-10	81	–	82	29.9	0.4	81	27.5	0.3	7 737	2 739.7	0.4	7 737	2 864.3	0.4	7 737	3 008.2	0.4	357.1%	15.7%
	11-12	34	–	13	7.4	0.6	34	22.0	0.6	522	334.2	0.6	522	357.6	0.7	522	376.8	0.7	148.5%	1.1%
	13-16	12	–	6	5.7	1.0	12	11.4	1.0	26	28.6	1.1	26	30.4	1.2	26	32.2	1.2	29.4%	0.1%
	Other	–	–	36 942	6 256.8	0.2	36 942	6 616.8	0.2	18 000	1 863.9	0.1	18 000	1 973.2	0.1	18 000	2 078.7	0.1	-21.3%	61.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.
2. Rand million.

Programme 5: Skills Development

Programme purpose

Promote and monitor the national skills development strategy. Develop a skills development policy and regulatory framework for an effective skills development system.

Objectives

- Steer and support skills development institutions to implement the national skills development strategy through the review of existing and the development of new policies and legislation, and regulations and guidelines, over the medium term.
- Address non-alignment in the post-school education and training system through the development of an integrated skills development plan that facilitates the coherent implementation of the vision for the post-school education and training system by August 2016.
- Improve the quality of skills development by monitoring, evaluating and reporting on skills development initiatives delivered by the post-school education and training system and correct any deficiencies detected annually.
- Effectively manage the national artisan development services, encompassing trade testing and recognition of artisans' prior learning in order to produce 22 110 qualified artisans per year by 31 March 2018.
- Improve the efficiency and effectiveness of the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments (the only public trade test centre) by upgrading security infrastructure and investigating the possibility of recapitalising the institute by December 2016.
- Enhance the national information system in order to improve the collation of information on the artisan and skills development levy for monitoring and evaluation as well as reporting, by 31 March 2016.
- Coordinate and establish the post-school education and training stakeholder network through the facilitation of a seamless delivery of skills development services by December 2017.

Subprogrammes

- *Programme Management: Skills Development* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *SETA Coordination* supports, monitors and reports on the implementation of the national skills development strategy at the sectoral level by establishing and managing the performance of service level agreements with sector education and training authorities, and conducting trade tests at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments.
- *National Skills Development Services* manages projects identified in the national skills development strategy, and advises the minister on the national skills development policy and strategy.
- *Quality Development and Promotion* transfers funds to the Quality Council for Trades and Occupations as a contribution to the council's operations.

Expenditure trends and estimates

Table 15.14 Skills Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14	2014/15		2011/12 - 2014/15	Average (%)	2015/16	2016/17	2017/18	2014/15 - 2017/18	Average (%)
R thousand												
Programme Management: Skills Development	4 250	2 049	1 223	1 109	-36.1%	2.0%	750	530	566	-20.1%	0.6%	
SETA Coordination	65 363	64 997	69 062	74 988	4.7%	65.1%	79 045	83 674	89 204	6.0%	71.0%	
National Skills Development Services	25 523	5 864	7 691	7 036	-34.9%	10.9%	9 056	9 377	9 925	12.2%	7.7%	
Quality Development and Promotion	26 889	20 352	21 747	23 167	-4.8%	21.9%	21 848	23 138	26 920	5.1%	20.7%	
Total	122 025	93 262	99 723	106 300	-4.5%	100.0%	110 699	116 719	126 615	6.0%	100.0%	
Change to 2014 Budget estimate				(4 281)			(5 978)	(7 517)	(2 782)			

Table 15.14 Skills Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand	74 713	71 820	76 293	82 376	3.3%	72.4%	87 683	92 478	98 665	6.2%	78.5%
Current payments											
Compensation of employees	63 224	61 268	65 046	69 190	3.1%	61.4%	76 134	81 338	86 478	7.7%	68.0%
Goods and services	11 489	10 552	11 247	13 186	4.7%	11.0%	11 549	11 140	12 187	-2.6%	10.4%
of which:											
Administrative fees	–	–	30	–	–	–	–	–	–	–	–
Advertising	63	3	1	25	-26.5%	–	75	60	59	33.1%	–
Assets less than the capitalisation threshold	129	56	29	478	54.7%	0.2%	192	408	800	18.7%	0.4%
Audit costs: External	–	–	–	12	–	–	12	11	10	-5.9%	–
Catering: Departmental activities	177	210	132	279	16.4%	0.2%	120	107	114	-25.8%	0.1%
Communication	1 205	1 112	1 422	1 499	7.5%	1.2%	959	1 107	1 171	-7.9%	1.0%
Computer services	17	19	–	–	-100.0%	–	392	–	–	–	0.1%
Consultants and professional services:	812	392	544	563	-11.5%	0.5%	–	450	491	-4.5%	0.3%
Business and advisory services											
Contractors	117	18	1	52	-23.7%	–	171	175	146	41.1%	0.1%
Agency and support/outourced services	998	179	–	487	-21.3%	0.4%	148	86	45	-54.8%	0.2%
Fleet services (including government motor transport)	–	–	134	225	–	0.1%	290	290	290	8.8%	0.2%
Inventory: Food and food supplies	643	463	460	650	0.4%	0.5%	–	–	–	-100.0%	0.1%
Inventory: Fuel, oil and gas	25	57	–	100	58.7%	–	–	–	–	-100.0%	–
Inventory: Materials and supplies	1 639	2 315	300	1 000	-15.2%	1.2%	–	–	–	-100.0%	0.2%
Inventory: Medical supplies	–	–	13	2	–	–	–	–	–	-100.0%	–
Inventory: Other supplies	–	–	400	300	–	0.2%	–	–	–	-100.0%	0.1%
Consumable supplies	301	362	–	–	-100.0%	0.2%	–	–	–	–	–
Consumables: Stationery, printing and office supplies	1 345	567	3 085	3 234	34.0%	2.0%	4 884	4 552	5 298	17.9%	3.9%
Operating leases	429	456	731	960	30.8%	0.6%	644	605	593	-14.8%	0.6%
Property payments	138	954	542	1 121	101.0%	0.7%	987	934	900	-7.1%	0.9%
Travel and subsistence	3 196	3 208	3 208	1 994	-14.6%	2.8%	2 549	2 240	2 162	2.7%	1.9%
Training and development	5	6	–	–	-100.0%	–	–	–	–	–	–
Operating payments	84	114	116	35	-25.3%	0.1%	20	8	9	-36.4%	–
Venues and facilities	166	61	89	153	-2.7%	0.1%	103	103	92	-15.6%	0.1%
Rental and hiring	–	–	10	17	–	–	3	4	7	-25.6%	–
Transfers and subsidies	46 869	20 896	22 486	23 167	-20.9%	26.9%	21 848	23 138	26 920	5.1%	20.7%
Departmental agencies and accounts	46 829	20 384	21 747	23 167	-20.9%	26.6%	21 848	23 138	26 920	5.1%	20.7%
Households	40	512	739	–	-100.0%	0.3%	–	–	–	–	–
Payments for capital assets	443	546	944	757	19.6%	0.6%	1 168	1 103	1 030	10.8%	0.9%
Machinery and equipment	443	546	944	757	19.6%	0.6%	1 168	1 103	1 030	10.8%	0.9%
Total	122 025	93 262	99 723	106 300	-4.5%	100.0%	110 699	116 719	126 615	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.3%	0.3%	0.3%	–	–	0.3%	0.3%	0.3%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	40	512	739	–	-100.0%	0.3%	–	–	–	–	–
Employee social benefits	40	512	739	–	-100.0%	0.3%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	46 829	20 384	21 747	23 167	-20.9%	26.6%	21 848	23 138	26 920	5.1%	20.7%
Claims against the state	6	32	–	–	-100.0%	–	–	–	–	–	–
National Skills Fund	19 934	–	–	–	-100.0%	4.7%	–	–	–	–	–
Quality Council for Trades and Occupations	26 889	20 352	21 747	23 167	-4.8%	21.9%	21 848	23 138	26 920	5.1%	20.7%

Personnel information

Table 15.15 Skills Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/Total: Average (%)	
		2013/14			2014/15			2015/16			2016/17			2017/18					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Skills Development																			
Salary level	252	8	257	65.0	0.3	261	67.2	0.3	261	76.1	0.3	261	81.3	0.3	261	86.5	0.3	-	100.0%
1 – 6	151	8	156	22.0	0.1	159	23.0	0.1	159	26.5	0.2	159	28.3	0.2	159	29.6	0.2	-	60.9%
7 – 10	82	-	82	29.9	0.4	82	29.4	0.4	82	31.7	0.4	82	33.7	0.4	82	35.7	0.4	-	31.4%
11 – 12	13	-	13	7.4	0.6	13	6.8	0.5	13	9.5	0.7	13	10.0	0.8	13	10.8	0.8	-	5.0%
13 – 16	6	-	6	5.7	1.0	7	7.2	1.0	7	7.6	1.1	7	8.2	1.2	7	9.2	1.3	-	2.7%
Other	-	-	-	-	-	-	0.8	-	-	0.9	-	-	1.0	-	-	1.2	-	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Public entities and other agencies

National Student Financial Aid Scheme

Mandate

The National Student Financial Aid Scheme was established in terms of the National Student Financial Aid Scheme Act (1999). It is responsible for providing loans and bursaries to eligible students, developing criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister of Higher Education and Training, raising funds, recovering loans, maintaining and analysing a database, undertaking research for the better utilisation of financial resources, and advising the minister on matters relating to financial aid for students.

Selected performance indicators

Table 15.16 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage of students migrated to the new student centred model (cumulative) ¹	Administration	Entity mandate	- ¹	- ¹	- ¹	- ¹	30%	50%	75%
Number of students assisted in higher education per year	Student centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	216 874	194 504	194 923	204 669	225 648	236 930	248 777
Percentage of students in the student centred model paid allowances on or before the due date ¹	Student centred financial aid	Entity mandate	- ¹	- ¹	- ¹	- ¹	95%	95%	98%
Percentage of claims paid to institutions outside of the student centred model on or before due date ¹	Student centred financial aid	Entity mandate	- ¹	- ¹	- ¹	- ¹	100%	100%	100%
Total number of bursary recipients in technical and vocational education and training	Student centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	114 968	188 182	220 978	243 076	267 991	281 391	295 460

1. New indicators, hence no historical data.

Expenditure analysis

The National Student Financial Aid Scheme's focus over the medium term will be on the provision of loans and bursaries to qualifying students through the implementation of a new student centred model. This focus is directly aligned with the national development plan's objectives of addressing the importance of ensuring quality post-school education and access for students who cannot afford to pay for their own studies. These objectives are mirrored in government's 2014-2019 medium term strategic framework, specifically outcome 5 (a skilled and capable workforce to support an inclusive growth path), which envisages increasing access to intermediate and high level learning.

R19.9 billion will be spent on student loans and bursaries over the medium term to support 711 355 students in higher education institutions, and 844 842 students in technical and vocational education and training colleges. Student loan repayments are expected to amount to R409 million in 2015/16, in line with the policy that final year students have their loans converted into bursaries for that year if they pass.

The scheme intends to have fully rolled out the new student centred model by 2017/18, which will allow students to apply directly to the scheme and involves only one registration for funding. This will give the scheme greater control over the number of students it supports, and increase efficiency by ensuring that more students receive their assistance on time. Currently, 6 of the 25 universities and 5 of the 50 public technical and vocational education and training colleges are part of the pilot project. This rollout of the new student centred model, which forms part of the scheme's transformation project, will directly affect expenditure on specific goods and services items and compensation of employees over the medium term.

Spending on computer services will grow by 21 per cent, from R9.2 million in 2014/15 to R16.4 million in 2017/18, due to the acquisition of new software and computer equipment for the planned recruitment of new employees. Expenditure on compensation of employees is expected to increase from R79 million in 2014/15 to R115.3 million in 2017/18, mainly due to the expected filling of vacancies, which will increase the number of personnel from 263 in 2014/15 to 281 in 2017/18.

To ensure that all stakeholders understand the new central applications process for loans and bursaries, as well as the scheme's mandate, the organisation will make use of radio campaigns and stakeholder communication and consultations. This accounts for the projected increased expenditure on communications, which is set to more than double over the medium term from R5.9 million in 2014/15 to R13.3 million in 2017/18.

The new student centred model will require more documents to be scanned due to the expected increase in the volume of applications, and this service will be outsourced as the scheme does not have the operational capacity to undertake the substantial additional workload. This is expected to result in an increase in expenditure on outsourced services from R10.2 million in 2014/15 to R24.5 million in 2017/18.

Programmes/objectives/activities

Table 15.17 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Administration	36 764	89 217	82 431	109 858	44.0%	1.1%	126 396	158 021	128 744	5.4%	1.6%
Student centred financial aid	4 939 654	6 746 978	7 788 579	8 419 960	19.5%	98.9%	7 292 893	7 656 435	8 050 635	-1.5%	98.4%
Total	4 976 418	6 836 195	7 871 010	8 529 818	19.7%	100.0%	7 419 289	7 814 456	8 179 379	-1.4%	100.0%

Statements of historical financial performance and position

Table 15.18 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	497 018	526 854	655 738	686 966	708 186	670 621	27 634	27 634	101.2%
Sale of goods and services other than capital assets	-	2 537	-	17 324	19 661	14 856	27 634	27 634	131.8%
of which:									
Administrative fees	-	2 537	-	17 324	19 661	14 856	27 634	27 634	131.8%
Other non-tax revenue	497 018	524 317	655 738	669 642	688 524	655 765	-	-	100.5%
Transfers received	4 734 130	5 359 560	6 701 036	7 337 226	8 142 377	7 999 549	13 435 103	8 502 183	88.4%
Total revenue	5 231 148	5 886 414	7 356 774	8 024 192	8 850 563	8 670 170	13 462 737	8 529 817	89.1%

Table 15.18 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Expenses									
Current expenses	76 302	1 181 658	83 584	1 909 658	130 330	2 202 156	143 837	154 051	1 255.0%
Compensation of employees	33 960	28 730	35 419	38 917	52 334	65 862	84 620	78 920	103.0%
Goods and services	39 230	1 146 952	44 320	1 855 136	72 616	2 130 414	52 082	67 996	2 497.3%
Depreciation	3 112	5 976	3 845	15 605	5 380	5 880	7 135	7 135	177.7%
Transfers and subsidies	2 348 758	3 794 761	4 857 707	4 926 537	6 000 706	5 668 854	6 911 887	8 375 767	113.2%
Total expenses	2 425 060	4 976 419	4 941 291	6 836 195	6 131 036	7 871 010	7 055 724	8 529 818	137.3%
Surplus/(Deficit)	2 806 088	909 995	2 415 483	1 187 997	2 719 527	799 160	6 407 013	(1)	-
Statement of financial position									
Carrying value of assets	9 315	14 656	9 348	23 675	9 843	62 182	10 385	10 385	285.2%
<i>of which:</i>									
Acquisition of assets	-	3 898	-	13 562	-	69 317	-	6 634	-
Investments	586 293	499 762	603 881	186 410	635 887	-	670 860	670 860	54.3%
Loans	-	6 729 426	5 298 782	6 357 846	7 560 000	7 444 489	7 938 000	7 938 000	136.9%
Receivables and prepayments	451 715	385 658	465 267	1 020 938	489 926	925 001	516 872	516 872	148.1%
Cash and cash equivalents	336 504	855 638	2 217 172	433 608	2 334 682	1 842 415	2 463 090	2 463 090	76.1%
Total assets	1 383 827	8 485 140	8 594 449	8 022 477	11 030 338	10 274 087	11 599 207	11 599 207	117.7%
Accumulated surplus/(deficit)	-	909 995	(387 471)	1 187 997	1 572 376	799 160	1 621 057	1 621 057	161.0%
Capital and reserves	10 707 208	6 681 914	8 805 478	6 493 988	9 272 168	7 681 985	9 782 138	9 782 138	79.4%
Deferred income	160 329	799 586	165 138	248 863	173 891	1 400 805	183 455	183 455	385.6%
Trade and other payables	10 277	20 722	11 304	30 095	11 903	327 627	12 558	12 558	849.2%
Provisions	-	72 923	-	61 534	-	64 510	-	-	-
Total equity and liabilities	10 877 813	8 485 140	8 594 450	8 022 477	11 030 338	10 274 087	11 599 207	11 599 207	91.2%

Statements of estimates of financial performance and position

Table 15.19 National Student Financial Aid Scheme statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	27 634	-62.6%	6.4%	32 000	30 000	32 000	5.0%	0.3%	
Sale of goods and services other than capital assets	27 634	121.7%	0.2%	32 000	30 000	32 000	5.0%	0.3%	
<i>of which:</i>									
Administrative fees	27 634	121.7%	0.2%	32 000	30 000	32 000	5.0%	0.3%	
Transfers received	8 502 183	16.6%	93.6%	8 925 152	9 413 031	9 883 682	5.1%	99.7%	
Total revenue	8 529 817	13.2%	100.0%	8 957 152	9 443 031	9 915 682	5.1%	100.0%	
Expenses									
Current expenses	154 051	-49.3%	20.4%	176 878	212 775	197 614	8.7%	2.3%	
Compensation of employees	78 920	40.1%	0.7%	103 019	109 247	115 255	13.5%	1.3%	
Goods and services	67 996	-61.0%	19.5%	69 803	99 199	77 813	4.6%	1.0%	
Depreciation	7 135	6.1%	0.1%	4 056	4 329	4 545	-14.0%	0.1%	
Transfers and subsidies	8 375 767	30.2%	79.6%	7 242 411	7 601 681	7 981 765	-1.6%	97.7%	
Total expenses	8 529 818	19.7%	100.0%	7 419 289	7 814 456	8 179 379	-1.4%	100.0%	
Surplus/(Deficit)	(1)	-101.0%	-	1 537 863	1 628 575	1 736 303	-12 119.2%	-	
Statement of financial position									
Carrying value of assets	10 385	-10.8%	0.3%	11 008	11 558	12 136	5.3%	0.1%	
Investments	670 860	10.3%	3.5%	711 112	746 668	784 001	5.3%	5.8%	
Loans	7 938 000	5.7%	74.9%	8 334 900	8 751 646	9 189 227	5.0%	68.3%	
Receivables and prepayments	516 872	10.3%	7.7%	547 884	575 279	604 042	5.3%	4.5%	
Cash and cash equivalents	2 463 090	42.3%	13.7%	2 610 875	2 741 419	2 878 490	5.3%	21.3%	
Total assets	11 599 207	11.0%	100.0%	12 215 779	12 826 570	13 467 896	5.1%	100.0%	
Accumulated surplus/(deficit)	1 621 057	21.2%	11.8%	1 638 940	1 720 887	1 806 931	3.7%	13.6%	
Capital and reserves	9 782 138	13.5%	79.7%	10 369 066	10 887 521	11 431 896	5.3%	84.7%	
Deferred income	183 455	-38.8%	6.9%	194 462	204 185	214 394	5.3%	1.6%	
Trade and other payables	12 558	-15.4%	1.0%	13 311	13 977	14 675	5.3%	0.1%	
Total equity and liabilities	11 599 207	11.0%	100.0%	12 215 779	12 826 570	13 467 896	19.7%	100.0%	

Personnel information

Table 15.20 National Student Financial Aid Scheme personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	2014/15 - 2017/18
Salary level		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
National Student Financial Aid Scheme	263	-	232	65.9	0.3	263	78.9	0.3	278	103.0	0.4	281	109.2	0.4	281	115.3	0.4	13.5%	100.0%
1 - 6	149	149	130	18.3	0.1	149	27.2	0.2	158	34.2	0.2	160	36.6	0.2	160	38.6	0.2	12.3%	56.8%
7 - 10	80	80	58	16.7	0.3	80	23.5	0.3	75	25.6	0.3	75	27.0	0.4	75	28.5	0.4	6.7%	27.7%
11 - 12	15	15	21	11.7	0.6	15	10.9	0.7	19	16.8	0.9	19	17.8	0.9	19	18.8	1.0	19.7%	6.5%
13 - 16	19	19	22	16.9	0.8	19	17.3	0.9	25	26.4	1.1	26	27.9	1.1	26	29.4	1.1	19.3%	8.7%
17 - 22	-	-	1	2.3	2.3	-	-	-	1	0.0	0.0	1	0.0	0.0	1	0.0	0.0	-	0.3%

1. Rand million.

National Skills Fund

Mandate

The National Skills Fund was established in 1999 in terms of the Skills Development Act (1998). The fund focuses on national priority projects identified in the national skills development strategy and projects related to the achievement of the purpose of the act, as determined by the director general of the Department of Higher Education and Training.

Selected performance indicators

Table 15.21 National Skills Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of learners funded for training through National Skills Fund projects per year	Grant disbursement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	37 793	95 554	70 000	70 000	70 000	70 000	70 000
Percentage of reserve funds committed towards skills development	Grant disbursement		11% (R0.8bn)	100% (R7.7bn)	100% (R8.5bn)	100%	100%	100%	100%
Percentage of grants disbursed versus grant income received	Grant disbursement		65% (R1.2bn)	100% (R2.6bn)	100% (R3.2bn)	90%	90%	90%	90%

Expenditure analysis

In responding to the national development plan's focus on creating greater opportunities for young people, the National Skills Fund will continue to invest in education and skills development, as well as meeting the training needs of the unemployed. In line with government's 2014-2019 medium term strategic framework, the fund will be used to initiate and respond to national skills priorities by reducing skills gaps and resource shortages to address national priorities by, among other things, funding bursaries in the post-school sector.

The fund will continue to support projects that are of national priority to strengthen the skills and human resource bases over the medium term. This will advance the fund's human resource development strategy and support the National Skills Authority in its work, which includes constituency capacity building; funding new growth path education and health projects, justice and crime prevention projects, and technical and vocational education and training programmes.

The fund's main source of revenue is derived from the skills development levy, which is collected by the South African Revenue Service and transferred to the fund as a direct charge against the National Revenue Fund. The National Skills Fund will receive R9.6 billion from the skills development levy over the medium term. The bulk of spending centres on providing targeted skills development funding to address key shortcomings identified in the post-school education and training system. The fund has commitments of R11.3 billion towards this over the medium term.

R3.1 billion over the medium term is expected to be spent on skills infrastructure. This includes infrastructure development for technical and vocational education and training colleges, specifically the building of 12 new college campuses; the refurbishment of 7 existing college campuses, community education and training centres,

and public delivery infrastructure. The expansion of the technical and vocational education and training college campuses will allow for greater student intake, with a focus on the scarce skills needed for economic growth, such as electrical and metallurgical engineering.

Expenditure of R1.1 billion, provided via the National Research Foundation and earmarked for bursaries, will allow for the funding of 70 000 students each year over the medium term. Further allocations over the medium term include: R3.5 billion to government priorities (of which R1.7 billion is to increase public sector capacity by attracting skilled graduates and youth with the potential to work in the public service); R1.3 billion for director general priorities (R544 million of which is for the Department of Higher Education and Training's projects for academia, research and development); R632 million for bursaries; R605 million for rural development projects; R520 million for national artisan development; and R448 million for new growth path projects.

The fund's expenditure is expected to increase from R3.7 billion in 2014/15 to R5.1 billion in 2015/16, with a projected decline to R3.5 billion in 2017/18. The main reason for this decline is that the construction of 12 college campuses will be completed by then.

The number of personnel increased from 51 in 2013/14 to 81 in 2014/15, and is projected to increase to 130 in 2015/16 and remain constant over the MTEF period. The increase in personnel is to improve oversight capacity for the monitoring and evaluation of projects.

Programmes/objectives/activities

Table 15.22 National Skills Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	82 668	84 795	95 380	268 532	48.1%	4.9%	256 290	225 582	231 272	-4.9%	6.4%
Grant disbursement	1 304 949	2 575 125	3 118 784	3 394 375	37.5%	95.1%	4 866 431	3 057 778	3 300 388	-0.9%	93.6%
Total	1 387 617	2 659 920	3 214 164	3 662 907	38.2%	100.0%	5 122 721	3 283 360	3 531 660	-1.2%	100.0%

Statements of historical financial performance and position

Table 15.23 National Skills Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18
Revenue									
Non-tax revenue	343 802	409 601	378 182	444 889	398 982	1 496 067	419 540	353 226	175.5%
Other non-tax revenue	343 802	409 601	378 182	444 889	398 982	1 496 067	419 540	353 226	175.5%
Transfers received	1 859 646	2 041 491	1 959 129	2 254 020	2 480 605	2 495 200	3 247 890	2 640 000	98.8%
Total revenue	2 203 448	2 451 092	2 337 311	2 698 909	2 879 587	3 991 267	3 667 430	2 993 226	109.4%
Expenses									
Current expenses	179 188	34 329	198 415	36 164	207 631	46 635	110 487	161 501	40.0%
Compensation of employees	35 111	14 051	40 280	17 732	46 998	24 307	53 170	54 111	62.8%
Goods and services	144 077	20 278	158 135	18 409	160 633	22 041	57 317	107 390	32.3%
Depreciation	-	-	-	23	-	287	-	-	-
Transfers and subsidies	2 612 620	1 353 288	2 764 477	2 623 756	2 508 844	3 167 529	4 487 835	3 501 406	86.0%
Total expenses	2 791 808	1 387 617	2 962 892	2 659 920	2 716 475	3 214 164	4 598 322	3 662 907	83.6%
Surplus/(Deficit)	(588 360)	1 063 475	(625 581)	38 989	163 112	777 103	(930 892)	(669 681)	-
Statement of financial position									
Carrying value of assets	-	6	-	102	-	990	-	-	-
of which:									
Acquisition of assets	-	7	-	102	-	1 175	-	-	-
Investments	555 138	7 196 658	164 762	7 346 649	4 094 688	5 797 841	4 094 688	2 412 486	255.4%
Loans	-	-	51 087	-	-	-	-	-	-
Receivables and prepayments	38 150	1 313 187	-	1 781 051	-	2 950 703	-	-	15 845.2%
Cash and cash equivalents	69 436	117 801	-	4 845	-	1 161 912	-	-	1 850.0%
Taxation	-	-	73 090	-	-	-	-	-	-
Total assets	662 724	8 627 652	288 939	9 132 647	4 094 688	9 911 446	4 094 688	2 412 486	329.1%

Table 15.23 National Skills Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Outcome/ Budget average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15	
Accumulated surplus/(deficit)	632 078	7 645 697	–	7 684 686	–	6 015 205	–	2 412 486	3 758.7%
Capital and reserves	–	–	164 762	–	–	2 446 587	–	–	1 484.9%
Capital reserve fund	–	788 687	134 468	830 845	–	981 182	–	–	1 934.1%
Trade and other payables	30 646	6 496	–	14 724	–	25 422	–	–	152.2%
Taxation	–	–	30 294	–	–	–	–	–	–
Provisions	–	186 772	–	602 392	–	443 050	–	–	–
Total equity and liabilities	662 724	8 627 652	329 524	9 132 647	–	9 911 446	–	2 412 486	3 031.9%

Statements of estimates of financial performance and position**Table 15.24 National Skills Fund statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
				2014/15	2011/12 - 2014/15	2015/16			2016/17
Revenue									
Non-tax revenue	353 226	-4.8%	20.6%	262 258	198 580	154 006	-24.2%	7.5%	
Other non-tax revenue	353 226	-4.8%	20.6%	262 258	198 580	154 006	-24.2%	7.5%	
Transfers received	2 640 000	8.9%	79.4%	2 937 293	3 227 223	3 480 000	9.6%	92.5%	
Total revenue	2 993 226	6.9%	100.0%	3 199 551	3 425 803	3 634 006	6.7%	100.0%	
Expenses									
Current expenses	161 501	67.6%	2.4%	143 265	106 341	106 069	-13.1%	98.4%	
Compensation of employees	54 111	56.7%	1.0%	57 141	60 284	63 299	5.4%	1.6%	
Goods and services	107 390	74.3%	1.4%	86 124	46 057	42 770	-26.4%	1.8%	
Transfers and subsidies	3 501 406	37.3%	97.6%	4 979 456	3 177 019	3 425 591	-0.7%	96.6%	
Total expenses	3 662 907	38.2%	100.0%	5 122 721	3 283 360	3 531 660	-1.2%	100.0%	
Surplus/(Deficit)	(669 681)	-185.7%	–	(1 923 170)	142 443	102 346	-153.5%	–	
Statement of financial position									
Investments	2 412 486	-30.5%	80.6%	2 482 705	2 612 389	2 683 832	3.6%	100.0%	
Total assets	2 412 486	-34.6%	100.0%	2 482 705	2 612 389	2 683 832	3.6%	100.0%	
Accumulated surplus/(deficit)	2 412 486	-31.9%	83.4%	2 482 705	2 612 389	2 683 832	3.6%	100.0%	
Total equity and liabilities	2 412 486	-34.6%	100.0%	2 482 705	2 612 389	2 683 832	3.6%	100.0%	

Personnel information**Table 15.25 National Skills Fund personnel numbers and cost by salary level¹**

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/Total: Average (%)
			2013/14		2014/15		2015/16			2016/17			2017/18			2014/15 - 2017/18			
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
National Skills Fund																			
Salary level	130	–	51	24.3	0.5	81	54.1	0.7	130	57.1	0.4	130	60.3	0.5	130	63.3	0.5	5.4%	100.0%
1 – 6	16	16	10	2.3	0.2	9	2.4	0.3	16	2.5	0.2	16	2.6	0.2	16	2.8	0.2	5.4%	12.0%
7 – 10	84	84	27	10.3	0.4	47	27.5	0.6	84	29.0	0.3	84	30.6	0.4	84	32.1	0.4	5.4%	63.0%
11 – 12	22	22	7	5.7	0.8	18	16.3	0.9	22	17.3	0.8	22	18.2	0.8	22	19.1	0.9	5.4%	18.2%
13 – 16	8	8	7	6.0	0.9	7	7.9	1.1	8	8.4	1.0	8	8.8	1.1	8	9.3	1.2	5.4%	6.8%

1. Rand million.

Sector education and training authorities**Mandate**

The mandate of sector education and training authorities is derived from the Skills Development Act (1998). This includes the implementation of national, sector and workplace strategies to develop and improve skills in

the South African workforce, provide learnerships that lead to a recognised occupational qualification, and fund skills development.

Expenditure analysis

Sector education and training authorities contribute to the vision of the national development plan and government's 2014-2019 medium term strategic framework by creating a training system that caters for different needs and produces skilled individuals, thereby contributing towards economic growth. These objectives include providing quality learning opportunities for the youth, for adults who want to upgrade their skills or change their careers, for people who left school before completing their secondary education, and for the unemployed who wish to start a career. The authorities' key function is to develop and implement sector specific strategic programmes that fall within the framework of the third national skills development strategy.

The authorities' focus over the medium term will be on addressing priority skills shortages, developing relevant skills that will meet social and economic demands, providing support in reducing poverty and unemployment, improving public sector capacity, and ensuring the alignment between the supply and demand for labour in the South African labour market. The authorities expect to achieve this through rolling out skills programmes, learnerships, internships and apprenticeships in their sectors, which include transport, manufacturing, health and welfare, and finance.

The authorities' primary source of revenue is from the skills development levy, which is collected by the South African Revenue Service and transferred to the authorities as a direct charge against the National Revenue Fund. Other revenue comes mainly from interest earned on investments. The authorities' spending is in line with the goals identified in the third national skills development strategy, and will continue to focus on artisan development, apprenticeships, learnerships, internships and bursaries, as well as on establishing partnerships with technical and vocational education and training colleges, universities and the labour market to provide opportunities for workplace experience.

The authorities are expected to operate at an operational deficit over the MTEF period, which narrows from R731 million in 2015/16 to R313 million in 2017/18. The decline in the authorities' operational surpluses is mainly due to the implementation of grant regulations pertaining to the authorities, which require them to accumulate surpluses linked to their unspent discretionary grants (an average 49.5 per cent of their budget), and transfer uncommitted funds to the National Skills Fund by 1 October of each year.

Statements of historical financial performance and position

Table 15.26 Sector education and training authorities consolidation statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	358 190	551 315	387 189	688 137	565 325	903 117	611 310	1 699 159	199.9%
Sale of goods and services other than capital assets	900	1 116	-	-	-	13	-	-	125.4%
<i>of which:</i>									
Administrative fees	-	-	-	-	-	13	-	-	-
Sales by market establishment	900	1 116	-	-	-	-	-	-	124.0%
Other non-tax revenue	357 290	550 199	387 189	688 137	565 325	903 104	611 310	1 699 159	199.9%
Transfers received	6 624 094	8 300 615	7 808 444	9 188 047	9 468 425	10 172 468	10 252 334	10 731 718	112.4%
Total revenue	6 982 284	8 851 930	8 195 633	9 876 183	10 033 750	11 075 585	10 746 863	12 430 877	117.5%
Expenses									
Current expenses	907 810	1 025 947	1 087 750	1 231 379	1 287 813	1 423 622	1 573 917	1 672 646	110.2%
Compensation of employees	460 549	546 536	562 374	616 417	644 350	731 780	758 867	793 708	110.8%
Goods and services	424 900	431 991	506 201	564 208	623 314	641 644	775 910	826 074	105.7%
Depreciation	18 998	47 162	18 802	50 490	19 606	48 923	38 937	52 837	207.0%
Interest, dividends and rent on land	3 363	258	373	265	544	1 275	204	27	40.7%
Transfers and subsidies	6 687 825	6 316 312	7 450 298	7 099 984	7 548 443	7 611 804	8 415 128	9 698 790	102.1%
Total expenses	7 595 634	7 342 259	8 538 048	8 331 362	8 836 257	9 035 426	9 989 045	11 371 436	103.2%
Surplus/(Deficit)	(613 350)	1 509 672	(342 415)	1 544 821	1 197 493	2 040 159	757 818	1 059 441	-

Statements of estimates of financial performance and position

Table 15.27 Sector education and training authorities consolidation statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
Revised estimate	2014/15			2011/12 - 2014/15	2015/16	2016/17		
R thousand								
Revenue								
Non-tax revenue	1 699 159	45.5%	8.8%	597 736	579 472	585 861	-29.9%	7.1%
Other non-tax revenue	1 699 159	45.6%	8.8%	597 736	579 472	585 861	-29.9%	7.1%
Transfers received	10 731 718	8.9%	91.2%	10 742 858	11 418 260	11 661 238	2.8%	92.9%
Total revenue	12 430 877	12.0%	100.0%	11 340 594	11 997 732	12 247 100	-0.5%	100.0%
Expenses								
Current expenses	1 672 646	17.7%	14.8%	1 805 058	1 915 245	2 010 669	6.3%	15.4%
Compensation of employees	793 708	13.2%	7.5%	872 403	917 459	970 525	6.9%	7.4%
Goods and services	826 074	24.1%	6.8%	879 808	946 042	988 394	6.2%	7.6%
Depreciation	52 837	3.9%	0.6%	52 837	51 742	51 742	-0.7%	0.4%
Interest, dividends and rent on land	27	-53.0%	0.0%	9	1	9	-29.9%	0.0%
Transfers and subsidies	9 698 790	15.4%	85.2%	10 270 190	10 183 389	10 549 861	2.8%	84.6%
Total expenses	11 371 436	15.7%	100.0%	12 075 248	12 098 634	12 560 530	3.4%	100.0%
Surplus/(Deficit)	1 059 441	-11.1%	-	(734 655)	(100 902)	(313 430)	-166.6%	-
Statement of financial position								
Carrying value of assets	390 461	50.3%	1.8%	421 172	436 963	454 937	5.2%	4.3%
of which:								
Acquisition of assets	200 958	127.3%	0.7%	54 164	30 367	30 645	-46.6%	0.8%
Investments	1 298 661	11.6%	10.2%	1 317 470	986 000	900 000	-11.5%	11.3%
Inventory	4 195	13.2%	0.0%	4 033	4 400	4 542	2.7%	0.0%
Accrued investment interest	38 115	59.3%	0.3%	33 388	35 793	41 913	3.2%	0.4%
Receivables and prepayments	159 101	-14.2%	1.9%	145 170	151 303	158 716	-0.1%	1.5%
Cash and cash equivalents	8 920 913	3.5%	85.7%	7 803 336	7 938 457	8 166 806	-2.9%	82.5%
Total assets	10 811 445	4.9%	100.0%	9 724 569	9 552 916	9 726 914	-3.5%	100.0%
Accumulated surplus/(deficit)	3 977 675	2.7%	37.4%	4 211 325	3 930 966	4 023 810	0.4%	40.7%
Capital and reserves	4 371 642	7.1%	41.3%	3 214 195	3 274 755	3 338 138	-8.6%	35.5%
Capital reserve fund	120 362	82.5%	0.8%	125 981	132 910	139 556	5.1%	1.3%
Borrowings	985	-7.0%	0.0%	1 044	1 107	1 173	6.0%	0.0%
Finance lease	4 521	20.1%	0.0%	4 130	7 044	4 048	-3.6%	0.0%
Deferred income	12 467	-24.0%	0.2%	5 091	5 351	5 613	-23.4%	0.1%
Trade and other payables	1 171 878	2.2%	10.7%	1 151 211	1 190 320	1 210 534	1.1%	11.9%
Provisions	837 806	29.5%	5.5%	707 544	699 408	687 226	-6.4%	7.4%
Derivatives financial instruments	314 229	-18.8%	4.1%	304 176	311 193	316 961	0.3%	3.1%
Total equity and liabilities	10 811 566	4.9%	100.0%	9 724 697	9 553 052	9 727 058	-29.1%	100.0%

Council on Higher Education

Mandate

The Council on Higher Education is the quality assurance council for higher education and was established in terms of the Higher Education Act (1997) and the National Qualifications Act (2008).

Selected performance indicators

Table 15.28 Council on Higher Education performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of quality assurance forums held for public and private institutions and professional bodies per year	Quality assurance		6	6	4	3	3	3	3
Percentage of new programmes with outcomes approved by the Higher Education Quality Committee tabled within 6 months of screening ¹	Accreditation	Entity mandate	- ¹	95% (288)	93% (398)	100%	100%	100%	100%

1. New indicator, hence no historical data.

Expenditure analysis

The Council on Higher Education's quality assurance role contributes to the broader imperative of the post-school sector, in line with the national development plan's vision of providing access to quality education

and with outcome 5 of government's 2014-2019 medium term strategic framework (a skilled and capable workforce to support an inclusive growth path). Overall, this is to ensure that, by 2030, South Africans have access to education and training of the highest quality, leading to significantly improved learning outcomes.

The council's focus over the medium term will be on advising the Minister of Higher Education and Training on all higher education matters by monitoring and researching trends in higher education. This is an ongoing activity, which started with the 20-year review of the higher education system that was initiated in 2013/14 to assess the quality of the post-school education system. Another priority is developing and implementing a system of quality assurance that focuses on programme accreditation, institutional audits, national reviews, quality promotion and capacity development for all higher education institutions.

The council's staff are required to travel extensively to various higher education institutions to perform institutional audits and carry out quality assurance activities, and increased monitoring and evaluation activities. An increase in expenditure is projected on compensation of employees from R29.5 million in 2014/15 to R31 million in 2017/18, as well as an increase in expenditure on travel and subsistence from R3.2 million in 2015/16 to R4 million in 2017/18.

The council will host 3 quality assurance forums in each year of the MTEF period for public and private institutions and professional bodies. In addition to the increase in travel and subsistence costs, this will also result in increased expenditure on training and staff development, which is expected to grow from R1.3 million in 2014/15 to R1.5 million in 2017/18.

Despite the projected increase in expenditure on compensation of employees, the personnel headcount is expected to decline from 53 in 2015/16 to 52 in 2016/17 and beyond, due to one director's secondment to the council coming to an end in 2015/16. Cabinet approved budget reductions of R3.2 million in 2015/16 and R4.7 million in 2016/17 will be accommodated as the entity will implement cost savings measures on a range of goods and services items, such as consultants and computer services.

Programmes/objectives/activities

Table 15.29 Council on Higher Education expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Administration	15 791	21 970	23 547	27 626	20.5%	48.0%	20 826	20 896	24 291	-4.2%	45.2%
Accreditation	7 755	9 419	11 873	10 294	9.9%	21.5%	8 909	8 852	10 268	-0.1%	18.6%
Monitoring and evaluation	2 615	3 481	6 854	8 201	46.4%	10.8%	6 284	6 308	7 214	-4.2%	13.5%
Institutional audits	3 227	2 763	4 559	6 180	24.2%	8.8%	5 708	5 764	6 497	1.7%	11.7%
National reviews	670	1 844	2 332	5 139	97.2%	4.9%	3 943	3 959	4 526	-4.1%	8.5%
Quality assurance	3 739	-	-	-	-100.0%	2.7%	-	-	-	-	-
Standard development	961	1 109	1 597	2 547	38.4%	3.2%	2 177	507	-	-100.0%	2.5%
Total	34 758	40 586	50 762	59 987	20.0%	100.0%	47 847	46 286	52 796	-4.2%	100.0%

Statements of historical financial performance and position

Table 15.30 Council on Higher Education statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									
Revenue									
Non-tax revenue	1 636	3 238	1 740	4 355	2 166	4 673	2 150	14 751	351.2%
Sale of goods and services other than capital assets	1 096	2 507	1 320	3 474	1 641	3 861	1 900	1 530	190.9%
of which:									
Sales by market establishment	1 096	2 507	1 320	3 474	1 641	3 861	1 900	1 530	190.9%
Other non-tax revenue	540	731	420	881	525	812	250	13 221	901.7%
Transfers received	39 034	37 762	42 187	41 102	44 066	43 185	44 866	45 236	98.3%
Total revenue	40 670	41 000	43 927	45 457	46 232	47 858	47 016	59 987	109.3%

Table 15.30 Council on Higher Education statements of historical financial performance and position

Statement of financial performance									Outcome/ Budget average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Expenses									
Current expenses	40 670	34 758	44 163	40 586	46 021	50 762	48 116	59 987	104.0%
Compensation of employees	23 801	16 975	22 772	17 215	25 876	23 299	25 748	29 455	88.5%
Goods and services	15 015	16 112	19 610	21 522	18 740	25 327	20 492	30 532	126.6%
Depreciation	1 634	1 623	1 739	1 568	1 387	1 858	1 828	–	76.6%
Interest, dividends and rent on land	220	48	42	281	18	278	48	–	185.1%
Total expenses	40 670	34 758	44 163	40 586	46 021	50 762	48 116	59 987	104.0%
Surplus/(Deficit)	–	6 242	(236)	4 871	211	(2 904)	(1 100)	–	–

Statements of estimates of financial performance and position**Table 15.31 Council on Higher Education statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	14 751	65.8%	13.0%	4 850	4 850	4 850	-31.0%	13.6%
Sale of goods and services other than capital assets	1 530	-15.2%	6.1%	4 000	4 000	4 000	37.8%	6.8%
<i>of which:</i>								
Sales by market establishment	1 530	-15.2%	6.1%	4 000	4 000	4 000	37.8%	6.8%
Other non-tax revenue	13 221	162.5%	6.9%	850	850	850	-59.9%	6.8%
Transfers received	45 236	6.2%	87.0%	42 996	41 435	47 946	2.0%	86.4%
Total revenue	59 987	13.5%	100.0%	47 846	46 285	52 796	-4.2%	100.0%
Expenses								
Current expenses	59 987	20.0%	100.0%	47 847	46 286	52 796	-4.2%	100.0%
Compensation of employees	29 455	20.2%	46.6%	30 159	30 043	31 012	1.7%	58.9%
Goods and services	30 532	23.7%	50.0%	17 688	16 243	21 784	-10.6%	41.1%
Total expenses	59 987	20.0%	100.0%	47 847	46 286	52 796	-4.2%	100.0%
Surplus/(Deficit)	–	-100.0%	–	(1)	(1)	–	–	–
Statement of financial position								
Carrying value of assets	38 061	10.3%	62.6%	40 193	42 403	44 554	5.4%	77.1%
<i>of which:</i>								
Acquisition of assets	2 100	42.0%	3.5%	1 950	1 800	1 650	-7.7%	3.5%
Receivables and prepayments	445	-9.8%	1.1%	553	575	597	10.3%	1.0%
Cash and cash equivalents	15 918	-4.7%	36.3%	13 293	10 818	7 121	-23.5%	21.9%
Total assets	54 424	4.7%	100.0%	54 039	53 796	52 272	-1.3%	100.0%
Accumulated surplus/(deficit)	42 529	5.7%	77.1%	44 480	44 923	43 201	0.5%	81.7%
Capital and reserves	4 915	–	4.4%	4 915	4 915	4 915	–	9.2%
Capital reserve fund	3 055	-26.3%	10.9%	878	–	–	-100.0%	1.8%
Trade and other payables	3 200	5.7%	6.0%	3 000	3 150	3 307	1.1%	5.9%
Provisions	725	12.4%	1.3%	766	808	849	5.4%	1.5%
Total equity and liabilities	54 424	4.7%	100.0%	54 039	53 796	52 272	-93.0%	100.0%

Personnel information

Table 15.32 Council on Higher Education personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)					
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost	
Council on Higher Education		54	3	47	23.3	0.5	54	29.5	0.5	53	30.2	0.6	52	30.0	0.6	52	31.0	0.6	1.7%	100.0%
1 – 6	7	7	7	0.7	0.1	7	1.0	0.1	7	1.0	0.1	7	1.0	0.1	7	1.0	0.1	-0.6%	13.3%	
7 – 10	25	25	21	7.2	0.3	25	10.3	0.4	25	10.9	0.4	25	10.9	0.4	25	11.5	0.5	3.7%	47.4%	
11 – 12	13	13	11	7.3	0.7	13	8.8	0.7	13	9.2	0.7	13	9.6	0.7	13	9.7	0.7	3.3%	24.7%	
13 – 16	9	9	8	8.1	1.0	9	9.3	1.0	8	9.1	1.1	7	8.4	1.2	7	8.8	1.3	-1.9%	14.7%	

1. Rand million.

Quality Council for Trades and Occupations

Mandate

The Quality Council for Trades and Occupations was established in terms of the Skills Development Act (2008) and became operational in 2010. The mandate of the council, as derived from the Skills Development Act (1998) and the National Qualifications Framework Act (2008), is to oversee the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework, and advise the Minister of Higher Education and Training on all matters of policy concerning occupational standards and qualifications.

Selected performance indicators

Table 15.33 Quality Council for Trades and Occupations performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of prioritised occupational qualifications recommended to the South African Qualifications Authority for registration on the occupational qualifications sub-framework each year	Occupational qualification management	Outcome 5: A skilled and capable workforce to support an inclusive growth path	-1	-1	59	60	60	60	60
Percentage of registered occupational qualifications with uptake monitored each year ²	Occupational qualification management		-1	-1	-2	-2	100%	100%	100%
Percentage of quality assurance partners monitored for compliance with requisite standards each year ²	Occupational qualification management		-1	-1	-2	100%	100%	100%	100%
Percentage of quality assurance partners that comply with requisite standards each year ²	Occupational qualification management		-1	-1	-2	100%	100%	100%	100%
Number of research reports produced per year ²	Occupational qualification management		-1	-1	-2	4	4	4	4
Percentage of quality assurance partners and assessment quality partners assisted to achieve compliance standards per year ²	Occupational quality assurance		-1	-1	-2	-2	100%	100%	100%

1. Historical information is not available, as the council was still a newly established entity with no performance data.

2. New indicators, hence no historical data.

Expenditure analysis

The national development plan places great emphasis on the need for an integrated and coordinated response to the skills demand from institutions that promote and support skills development, which is in line with outcome 5 of government's 2014-2019 medium term strategic framework (a skilled and capable workforce to support an inclusive growth path). The Quality Council for Trades and Occupations' focus over the medium term will

continue to be on the management of the occupational qualifications sub-framework; the design, development and improvement of occupational qualifications; and the certification of occupational qualifications. The council will intensify its quality assurance functions on occupation qualifications by evaluating, assessing and verifying the qualifications provided by various registered providers, and providing oversight and monitoring the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework.

The council's intensified focus on national oversight and monitoring will have an impact on expenditure on compensation of employees, which is expected to increase from R32.7 million in 2014/15 to R68.8 million in 2017/18, mirrored by an increase in the number of personnel from 67 to 88 over the same period. An increase in monitoring activities is also expected to result in an increase in expenditure on travel and subsistence, from R4.7 million in 2014/15 to R7.2 million in 2017/18.

With the expected increase in expenditure over the MTEF period, the council will be able to recommend 60 prioritised occupational qualifications for registration on the occupational qualifications sub-framework each year over the MTEF period. The council will provide support to strengthen technical and vocational education and training colleges, and make them institutions of choice for school leavers, as well as provide support for the training of artisans for the production of mid-level skills. To achieve these objectives, the council will reconstruct the Report 191 courses (the national N4-N6 programme that comprises 18 months of theory based study and another 18 months of practical application in a work environment), as well as develop a range of other occupational qualifications that could be delivered by technical and vocational education and training colleges.

Following the implementation of the sector education and training authority grant regulations in April 2013, the council received R28.5 million in 2014/15, and estimates that R40 million in 2015/16, R70.3 million in 2016/17, and R97.9 million in 2017/18 will be received from the sector education and training authorities' surpluses. These funds will continue to enable the council to fully carry out and improve its quality assurance functions, which include ensuring that all quality assurance and assessment partners are assisted in achieving compliance standards each year, and that all quality assurance partners are monitored for compliance with the requisite standards each year. Funds from the sector education and training authorities' surpluses will also help to offset Cabinet approved budget reductions of R2.5 million in 2015/16 and R2.5 million in 2016/17.

Programmes/objectives/activities

Table 15.34 Quality Council for Trades and Occupations expenditure trends and estimates by programme/ objective/ activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	26 889	15 836	30 974	12 595	-22.3%	77.6%	18 471	27 892	36 538	42.6%	29.8%
Occupational qualification management	-	-	3 301	9 800	-	7.3%	12 978	19 597	25 672	37.9%	21.4%
Occupational quality assurance	-	-	2 413	26 000	-	15.1%	28 000	42 280	55 387	28.7%	48.8%
Total	26 889	15 836	36 688	48 395	21.6%	100.0%	59 449	89 769	117 597	34.4%	100.0%

Statements of historical financial performance and position

Table 15.35 Quality Council for Trades and Occupations statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
Revenue									
Non-tax revenue	-	-	-	839	7 526	1 314	-	5 353	99.7%
Other non-tax revenue	-	-	-	839	7 526	1 314	-	5 353	99.7%
Transfers received	-	26 889	19 993	20 352	21 747	37 340	51 667	51 667	145.9%
Total revenue	-	26 889	19 993	21 191	29 273	38 654	51 667	57 020	142.4%
Expenses									
Current expenses	-	26 889	19 793	15 836	28 908	36 688	48 395	48 395	131.6%
Compensation of employees	-	5 279	10 151	9 184	17 850	17 440	32 695	32 695	106.4%
Goods and services	-	21 601	9 642	6 527	11 058	18 297	15 700	15 700	170.7%
Depreciation	-	9	-	124	-	951	-	-	-
Total expenses	-	26 889	19 793	15 836	28 908	36 688	48 395	48 395	131.6%
Surplus/(Deficit)	-	-	200	5 355	365	1 966	3 272	8 625	-

Statements of estimates of financial performance and position

Table 15.36 Quality Council for Trades and Occupations statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
					2014/15	2011/12 - 2014/15	2015/16		
R thousand									
Revenue									
Non-tax revenue		5 353	–	4.2%	–	–	1 329	-37.1%	2.6%
Other non-tax revenue		5 353	–	4.2%	–	–	1 329	-37.1%	2.6%
Transfers received		51 667	24.3%	95.8%	61 848	93 390	124 842	34.2%	97.4%
Total revenue		57 020	28.5%	100.0%	61 848	93 390	126 171	30.3%	100.0%
Expenses									
Current expenses		48 395	21.6%	100.0%	59 449	89 769	117 597	34.4%	100.0%
Compensation of employees		32 695	83.6%	48.2%	34 805	52 556	68 848	28.2%	60.8%
Goods and services		15 700	-10.1%	51.0%	24 644	37 213	48 749	45.9%	39.2%
Total expenses		48 395	21.6%	100.0%	59 449	89 769	117 597	34.4%	100.0%
Surplus/(Deficit)		8 625	–	–	2 399	3 621	8 574	-0.2%	–
Statement of financial position									
Carrying value of assets		11 853	262.4%	15.2%	15 753	22 029	22 130	23.1%	37.1%
of which:									
Acquisition of assets		3 422	136.7%	9.5%	5 050	7 426	7 797	31.6%	12.1%
Receivables and prepayments		335	–	0.4%	450	656	717	28.9%	1.1%
Cash and cash equivalents		24 901	13.3%	84.3%	26 273	30 604	35 208	12.2%	61.8%
Total assets		37 089	28.8%	100.0%	42 476	53 289	58 055	16.1%	100.0%
Accumulated surplus/(deficit)		26 617	22.0%	72.4%	29 123	38 969	42 179	16.6%	71.5%
Trade and other payables		7 596	41.5%	24.7%	9 853	10 120	10 876	12.7%	20.4%
Provisions		2 877	–	2.8%	3 500	4 200	5 000	20.2%	8.1%
Total equity and liabilities		37 089	28.8%	100.0%	42 476	53 289	58 055	49.5%	100.0%

Personnel information

Table 15.37 Quality Council for Trades and Occupations personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
Quality Council for Trades and Occupations			66	17.4	0.3	67	32.7	0.5	69	34.8	0.5	82	52.6	0.6	88	68.8	0.8	28.2%	100.0%
Salary level	72	–																	
1 – 6	31	31	27	4.5	0.2	29	10.0	0.3	29	10.1	0.3	29	12.8	0.4	29	15.0	0.5	14.3%	38.4%
7 – 10	32	32	30	8.1	0.3	29	16.0	0.6	29	17.2	0.6	42	28.1	0.7	47	40.3	0.9	35.9%	47.5%
11 – 12	5	5	5	2	0	5	3	1	7	4	1	7	8	1	8	10	1	43.8%	8.8%
13 – 16	4	4	4	2.7	0.7	4	3.4	0.8	4	3.6	0.9	4	3.8	0.9	4	4.0	1.0	5.4%	5.3%

¹ Rand million.

South African Qualifications Authority

Mandate

The South African Qualifications Authority is a statutory body established in terms of the National Qualifications Framework Act (2008). Its mandate and goals are set out in section 13 of the act, which states that the authority must advance the objectives of the national qualifications framework, as contemplated in chapter 2 of the act; and oversee the further development and implementation of the national qualifications framework and coordinate the sub-frameworks.

Selected performance indicators

Table 15.38 South African Qualifications Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage of new qualifications received, recorded and registered on the national qualifications framework ¹	Recognition and registration of qualifications and part qualifications	Outcome 5: A skilled and capable workforce to support an inclusive growth path	-1	-1	-1	100%	100%	100%	100%
Percentage of new unit standards received and registered (part qualifications) on the national qualifications framework and recorded on the national learners' records database ¹	Recognition and registration of qualifications and part qualifications		-1	-1	-1	100%	100%	100%	100%
Percentage of professional bodies' applications received and recognised on the national qualifications framework ¹	Recognition and registration of qualifications and part qualifications		-1	-1	-1	100%	100%	100%	100%
Percentage of applications received and processed for foreign evaluation and advisory services ¹	Foreign qualifications evaluation and advisory services		-1	-1	-1	100%	100%	100%	100%

1. New indicators, hence no historical data.

Expenditure analysis

The South African Qualifications Authority executes its mandate by facilitating and supporting the implementation of national qualifications framework policies, and by providing leadership as the oversight body and guardian of the national qualifications framework's objectives and values. The focus of the South African Qualifications Authority over the medium term will be on driving a clear and coordinated communications strategy to assist providers, learners and the public to understand the architecture of the national qualifications framework. The authority will also ensure the implementation of policies that have been developed, such as the policy and criteria for recognising a professional body and registering a professional designation. The authority will ensure the implementation of policies by forming strategic partnerships with professional bodies to assist in its oversight function. This supports the objectives and outputs contained in government's 2014-2019 medium term strategic framework, particularly outcome 5 (a skilled and capable workforce to support an inclusive growth path), which relates to addressing priority skills, and strengthening technical training and occupationally directed programmes to address skills gaps.

The authority's largest expenditure item over the medium term is expected to be compensation of employees, which constitutes an average of 62.4 per cent of the organisation's total budget over the medium term. This is because the bulk of work the authority does requires intellectual capital, such as the development of policy and implementation frameworks. The authority also renders services to the public, such as verifying qualifications, and informing the public of the benefits of the national qualifications framework and how to make informed choices about it. This is done through print media, radio and television coverage, as well as through an integrated communications strategy project that intends to raise awareness of the national qualifications framework and its benefits. As a result, expenditure on agency support and outsourced services is expected to increase from R1.9 million in 2014/15 to R6.2 million in 2017/18. The authority will continue to register high quality, nationally relevant and internationally comparable qualifications and partial qualifications that meet nationally relevant criteria over the medium term.

The authority realised savings of R13.4 million due to the implementation of cost containment measures, the reallocation of spending and priorities, and under-expenditure in 2013/14, resulting mainly from staff vacancies. These savings were used to support the overall budgets for 2014/15, and will be used in 2015/16 on advocacy for the national qualifications framework. The advocacy focus is linked to spending on travel and subsistence, staff training and development, IT hardware and software, and other costs associated with the qualifications verification process. As part of its advocacy campaign, the authority will make use of more cost effective advertising mediums, such as radio, magazines and social media, as opposed to television, as a cost containment measure.

New appointments that were planned to create additional capacity in the foreign qualifications evaluation and advisory services programme and verifications programme will be revisited in the next MTEF period, due to

Cabinet approved budget reductions of R4.2 million in 2015/16, R6 million in 2016/17, and R1.1 million in 2017/18.

Programmes/objectives/activities

Table 15.39 South African Qualifications Authority expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Administration	62 260	78 930	86 430	51 688	-6.0%	62.9%	53 779	56 737	59 574	4.8%	47.8%
Recognition and registration of qualifications and part qualifications	8 239	8 493	7 649	11 130	10.5%	7.9%	9 111	9 612	10 093	-3.2%	8.6%
National learners records database	8 217	7 816	7 979	11 989	13.4%	8.0%	12 677	13 374	14 042	5.4%	11.2%
Foreign qualifications evaluation and advisory services	12 781	15 814	18 307	20 937	17.9%	15.0%	24 123	25 450	26 723	8.5%	21.0%
Career advice services	-	-	-	22 267	-	4.4%	-	-	-	-100.0%	4.4%
Research	-	-	-	6 411	-	1.3%	5 511	5 814	6 105	-1.6%	5.1%
International liaison	-	-	-	2 340	-	0.5%	2 135	2 252	2 365	0.4%	2.0%
Total	91 497	111 053	120 365	126 762	11.5%	100.0%	107 336	113 239	118 902	-2.1%	100.0%

Statements of historical financial performance and position

Table 15.40 South African Qualifications Authority statements of financial performance and position trends

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									
Revenue									
Non-tax revenue	24 500	27 056	33 820	27 239	28 550	30 918	27 550	42 720	111.8%
Sale of goods and services other than capital assets	17 650	19 001	23 850	19 205	20 000	26 007	19 500	27 500	113.2%
<i>of which:</i>									
Administrative fees	15 500	18 797	23 850	19 034	19 500	25 751	19 500	27 500	116.3%
Sales by market establishment	2 150	204	-	171	500	256	-	-	23.8%
Other non-tax revenue	6 850	8 055	9 970	8 034	8 550	4 911	8 050	15 220	108.4%
Transfers received	71 435	61 430	86 621	88 353	73 201	92 523	56 683	79 235	111.7%
Total revenue	95 935	88 486	120 441	115 592	101 751	123 441	84 233	121 955	111.7%
Expenses									
Current expenses	103 902	91 497	126 630	111 053	101 751	120 365	83 961	126 762	108.0%
Compensation of employees	61 357	51 223	63 605	61 292	59 129	67 198	50 225	70 729	106.9%
Goods and services	38 848	36 905	58 246	46 457	37 899	48 121	28 928	51 226	111.5%
Depreciation	3 697	3 369	4 779	3 304	4 723	5 046	4 808	4 807	91.8%
Total expenses	103 902	91 497	126 630	111 053	101 751	120 365	83 961	126 762	108.0%
Surplus/(Deficit)	(7 967)	(3 011)	(6 189)	4 539	-	3 076	272	(4 807)	-

Statements of estimates of financial performance and position

Table 15.41 South African Qualifications Authority statements of financial performance and position estimates

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Revenue								
Non-tax revenue	42 720	16.4%	28.6%	47 550	43 977	45 452	2.1%	41.6%
Sale of goods and services other than capital assets	27 500	13.1%	20.4%	35 500	35 095	36 325	9.7%	31.2%
<i>of which:</i>								
Administrative fees	27 500	13.5%	20.3%	35 500	35 095	36 325	9.7%	31.2%
Other non-tax revenue	15 220	23.6%	8.1%	12 050	8 882	9 127	-15.7%	10.3%
Transfers received	79 235	8.9%	71.4%	54 757	56 895	64 940	-6.4%	58.4%
Total revenue	121 955	11.3%	100.0%	102 307	100 872	110 392	-3.3%	100.0%
Expenses								
Current expenses	126 762	11.5%	100.0%	107 336	113 239	118 902	-2.1%	100.0%
Compensation of employees	70 729	11.4%	55.7%	69 396	73 107	76 762	2.8%	62.4%
Goods and services	51 226	11.5%	40.6%	32 911	34 826	36 569	-10.6%	33.1%
Depreciation	4 807	12.6%	3.7%	5 029	5 306	5 571	5.0%	4.5%
Total expenses	126 762	11.5%	100.0%	107 336	113 239	118 902	-2.1%	100.0%
Surplus/(Deficit)	(4 807)	16.9%	-	(5 029)	(12 367)	(8 510)	21.0%	-

Table 15.41 South African Qualifications Authority statements of financial performance and position estimates

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)			
				2014/15	2011/12 - 2014/15	2015/16			2016/17	2017/18	2014/15 - 2017/18
				R thousand							
Carrying value of assets	23 088	3.1%	46.9%	24 155	25 436	26 707	5.0%	48.8%			
<i>of which:</i>											
Acquisition of assets	1 560	-22.8%	9.5%	2 110	2 612	2 743	20.7%	4.4%			
Inventory	205	0.7%	0.4%	214	225	236	4.8%	0.4%			
Receivables and prepayments	3 747	-6.5%	10.9%	3 919	4 127	4 333	5.0%	7.9%			
Cash and cash equivalents	21 000	-0.6%	41.8%	22 000	22 000	22 000	1.6%	42.8%			
Total assets	48 040	0.5%	100.0%	50 288	51 788	53 276	3.5%	100.0%			
Accumulated surplus/(deficit)	36 358	0.7%	71.8%	38 048	38 901	39 746	3.0%	75.3%			
Deferred income	2 868	0.5%	9.3%	3 000	3 159	3 317	5.0%	6.1%			
Trade and other payables	8 814	-0.2%	18.6%	9 219	9 708	10 193	5.0%	18.6%			
Taxation	-	-100.0%	0.0%	21	20	20	-	0.0%			
Total equity and liabilities	48 040	0.5%	100.0%	50 288	51 788	53 276	12.9%	100.0%			

Personnel information**Table 15.42 South African Qualifications Authority personnel numbers and cost by salary level¹**

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average Growth rate (%)	Salary level/Total: Average (%)	
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
South African Qualifications Authority																			
Salary level	192	16	172	67.2	0.4	192	70.7	0.4	151	69.4	0.5	151	73.1	0.5	151	76.8	0.5	2.8%	100.0%
1 – 6	12	12	14	4.8	0.3	12	4.9	0.4	12	6.4	0.5	12	6.8	0.6	12	7.2	0.6	13.8%	7.5%
7 – 10	154	154	135	44.4	0.3	154	46.9	0.3	118	41.7	0.4	118	43.3	0.4	118	45.5	0.4	-1.0%	78.7%
11 – 12	17	17	14	8.6	0.6	17	9.0	0.5	12	8.1	0.7	12	9.0	0.7	12	9.4	0.8	1.5%	8.2%
13 – 16	9	9	9	9.4	1.0	9	9.9	1.1	9	13.2	1.5	9	13.9	1.5	9	14.7	1.6	14.0%	5.6%

1. Rand million.

Additional tables

Table 15.A Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Tertiary institutions infrastructure	Hostels, lecture halls, laboratories	Various	33 108 523	1 625 294	1 799 935	2 000 000	2 200 000	2 301 200	2 450 000	2 570 000
New universities in Mpumalanga and Northern Cape	Hostels, lecture halls, laboratories	Various	11 705 212	-	-	150 000	500 000	1 000 000	1 053 000	1 105 650
Total			44 813 735	1 625 294	1 799 935	2 150 000	2 700 000	3 301 200	3 503 000	3 675 650

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
R thousand													
Foreign In cash													
European Union	Technical and business initiative in South Africa	University Education	2008/09 - 2011/12	6 487	Goods and services	Promotion of research, curriculum development and learning materials development; and teacher training and the introduction of new programmes to provide support in the creation and development of small businesses to reduce poverty	6 487	-	-	-	-	-	-
European Union	Primary education sector policy support programme: Teacher education for foundation phase	University Education	2010/11 - 2012/13	141 000	Goods and services	Number of public higher education institutions involved in initial teacher education for teaching in the foundation phase and the number of students enrolled in initial teacher education programmes specialising in the foundation phase increases	22 746	34 185	18 406	-	-	-	-
European Union	General budget support for career guidance services	Human Resource Development, Planning and Monitoring and Coordination	2013/14 - 2014/15	60 000	Departmental agencies and accounts	Provision of career guidance services	-	-	1 155	58 845	-	-	-
United States Agency for International Development	Trilateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Human Resource Development, Planning and Monitoring and Coordination	2012/13 - 2014/15	1 147	Goods and services	Ensuring the registration of PhD candidates from selected countries at the University of Pretoria's faculty of law, and that they have access to teaching, research and publishing opportunities; and thesis supervision	-	-	1 147	-	-	-	-
United States Agency for International Development	Trilateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Human Resource Development, Planning and Monitoring and Coordination	2010/11 - 2012/13	2 030	Goods and services	Provision of certificate for officials from South Sudan education ministry	-	883	2 271	-	-	-	-

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
R. thousand													
Netherlands Organisation for International Cooperation	Strengthening the national certificate (vocational) in line with labour market needs	Vocational and Continuing Education and Training	2012/13 - 2015/16	21 906	Goods and services	Provision of revised subjects curriculum, improved student support services, lecturer development communities of practice, student support services communities practice, and student work placement	-	2 926	4 654	6 296	8 030	-	
European Union	General budget support for career development and national qualifications framework advice project	Human Resource Development, Planning and Monitoring and Coordination	2013/14 - 2016/17	99 000	Departmental agencies and accounts	Provision of career guidance services	-	-	-	44 400	54 600	-	
European Union	General budget support for open learning system for post-school education and training	Human Resource Development, Planning and Monitoring and Coordination	2013/14 - 2016/17	51 860	Departmental agencies and accounts	Provision of career guidance services	-	-	-	14 060	18 800	19 000	
Netherlands Organisation for International Cooperation	Strengthening business management systems in selected technical and vocational education and training colleges	Vocational and Continuing Education and Training	2014/15 - 2017/18	8 000	Goods and services	Ensure the improvement of student support services in 12 further education and training colleges	-	-	-	2 000	2 000	2 000	
Foreign In kind													
Denmark	Support to education and skills development programme	Vocational and Continuing Education and Training	2010/11 - 2014/15	32 000	Goods and services	Provision of support to the education and skills development programme in South Africa	889	6 219	7 461	17 476	-	-	
Deutsche Gesellschaft für Internationale Zusammenarbeit	Employment and skills development services	Skills Development	2006/07 - 2016/17	80 300	Goods and services	Building of capacity in skills development policy, advising services across all levels: Skills education and training authority, National Skills Authority, National Skills Fund and further education and training colleges	33 000	68	208	10 000	23 000	14 024	
Netherlands	Implement standardised business management system in 3 pilot further education and training colleges	Vocational and Continuing Education and Training	2010/11 - 2014/15	27 432	Goods and services	Building of capacity in higher education through the Netherlands Universities Foundation for International Cooperation: Implementation of standardised business management system in 3 pilot further education and training colleges	4 200	2 811	10 325	10 096	-	-	
Belgium Development Agency	Identify key information gaps in further education training college sub-systems	Vocational and Continuing Education and Training	2011/12 - 2011/12	350	Compensation of employees	Identification of key information gaps in further education training college sub-systems	350	-	-	-	-	-	
Chinese Government	Refurbishment of 4 further education training colleges	Vocational and Continuing Education and Training	2011/12 - 2011/12	2 000	Goods and services	Refurbishment of 4 further education training colleges	2 000	-	-	-	-	-	
United States Agency for International Development	United States Agency for International Development partnership for skills development	Skills Development	2011/12 - 2011/12	4 741	Goods and services	Development of skills partnership	4 741	-	-	-	-	-	
Japanese Government	Employability improvement project	Human Resource Development, Planning and Monitoring and Coordination	2012/13 - 2015/16	62 154	Goods and services	Training students in productivity, and innovation skills through the two-week employment improvement project	-	6 417	-	18 685	19 026	18 026	
European Union	Funding for a proposal for research on skills planning	Skills Development	2013/14 - 2015/16	4 169	Goods and services	Proposal for a skills planning funding	-	-	400	3 769	-	-	
Total				604 576			74 413	53 509	46 027	185 627	125 456	53 050	2 000

Table 15.C Direct transfer and subsidy portion for Further Education and Training Colleges, 2015/16

Further Education and Training College	Other operational costs
R thousand	
Eastern Cape	204 375
Buffalo City College	26 749
East Cape Midlands College	29 910
Ikhala College	18 863
Ingwe College	25 627
King Hintsa College	24 142
King Sabata College	28 678
Lovedale College	18 608
Port Elizabeth College	31 798
Free State	65 599
Flavius Mareka College	8 627
Gold Fields College	9 835
Maluti College	17 754
Motheo College	29 383
Gauteng	288 177
Central Johannesburg College	31 441
Ekurhuleni East College	33 618
Ekurhuleni West College	42 519
Sedibeng College	33 986
South West College	43 312
Tshwane North College	40 214
Tshwane South College	37 079
Western College	26 008
KwaZulu-Natal	169 872
Coastal College	29 454
Elangeni College	21 446
Esayidi College	17 067
Majuba College	35 330
Mnambithi College	9 525
Mthashana College	10 784
Thekwini College	11 371
Umfolzi College	24 447
Umgungundlovu College	10 448
Limpopo	109 586
Capricorn College	23 566
Lephalale College	5 331
Letaba College	9 126
Mopani College	19 801
Sekhukhune College	11 782
Vhembe College	27 883
Waterberg College	12 097
Mpumalanga	94 144
Ehlanzeni College	30 660
Gert Sibande	30 026
Nkangala College	33 458
North West	51 965
Orbit College	25 684
Taletso College	12 213
Vuselela	14 068
Northern Cape	13 923
Rural College	7 082
Urban College	6 841
Western Cape	142 338
Boland College	20 105
Cape Town College	26 170
False Bay College	21 563
Northlink College	36 485
South Cape College	15 942
West Coast College	22 073
Other	966
Total	1 140 945

Table 15.D Summary of financial assistance to higher education institutions, 2014/15

Higher education institutions	Block grant	Interest and redemption	Infra-structure and efficiency funds	Development funds	Clinical training of health professionals	Ad Hoc	National Student Financial Aid Scheme				Total
							General allocation	Teacher training	Students with disabilities	Final year programme	
R thousand											
Cape Peninsula University of Technology	872 294	–	79 616	52 382	5 325	10 368	153 632	9 537	3 125	45 156	1 231 435
University of Cape Town	1 044 332	–	58 107	27 362	35 425	–	77 042	623	1 140	36 166	1 280 197
Central University of Technology	313 964	–	85 317	22 182	2 559	–	64 660	3 967	1 994	43 460	538 103
Durban University of Technology	639 026	1 236	137 083	35 522	8 356	–	181 985	4 628	5 076	56 442	1 069 354
University of Fort Hare	316 222	–	134 330	19 876	5 233	–	94 776	1 589	1 553	56 180	629 759
University of the Free State	883 476	16	69 464	53 020	28 266	–	90 285	2 429	1 265	20 776	1 148 997
University of Johannesburg	1 298 222	2 159	–	78 872	6 440	9 984	245 324	1 972	3 977	64 430	1 711 380
University of KwaZulu-Natal	1 362 254	–	81 339	45 722	68 974	13 056	178 100	17 921	7 658	59 908	1 834 932
University of Limpopo	1 730 717	–	131 964	43 869	42 047	4 992	169 620	10 785	3 389	100 356	1 237 739
Mangosuthu University of Technology	237 156	–	76 330	16 795	435	–	99 652	–	2 140	65 720	498 228
Nelson Mandela Metropolitan University	718 816	91	65 171	32 773	7 513	9 280	100 102	379	2 427	33 910	970 462
North West University	1 186 116	–	70 457	43 598	8 957	23 148	90 300	8 571	2 535	56 326	1 490 008
University of Pretoria	1 591 924	–	–	44 295	40 879	130 210	114 607	7 141	2 632	43 392	1 975 080
Rhodes University	307 108	–	61 042	7 037	871	–	16 410	76	154	13 091	405 789
University of South Africa	2 019 925	–	–	159 734	–	1 000	132 775	1 036	3 993	2 491	2 320 954
Stellenbosch University	1 143 889	119	52 694	21 706	35 159	–	27 102	228	639	27 130	1 308 666
Tshwane University of Technology	1 338 338	2 171	143 058	105 803	5 263	10 588	342 614	5 902	6 182	98 340	2 058 259
Vaal University of Technology	499 199	549	98 545	30 377	2 549	–	139 947	–	3 826	49 100	824 092
University of Venda	332 004	220	101 759	21 223	3 341	–	103 069	7 709	3 483	47 700	620 508
Walter Sisulu University	611 999	–	170 184	60 899	14 759	18 304	189 284	8 622	4 368	85 823	1 164 242
University of the Western Cape	638 933	–	62 380	33 000	26 142	–	110 453	1 784	3 256	32 860	908 808
University of Witwatersrand	1 090 778	196	51 890	22 732	57 345	–	125 040	3 649	3 022	39 509	1 394 161
University of Zululand	384 542	–	125 426	24 235	4 902	–	72 709	13 812	2 126	108 934	736 686
Operational costs for two universities in Mpumalanga and Northern Cape	–	–	–	–	–	159 000	–	–	–	–	159 000
Capital expenditure on the two new universities in Mpumalanga and Northern Cape	–	–	–	–	–	500 000	–	–	–	–	500 000
Unallocated	–	6 243	343 844	30 475	–	46 700	–	–	–	–	427 262
Total	19 561 234	13 000	2 200 000	1 033 489	410 740	936 630	2 919 488	112 360	69 960	1 187 200	28 444 101

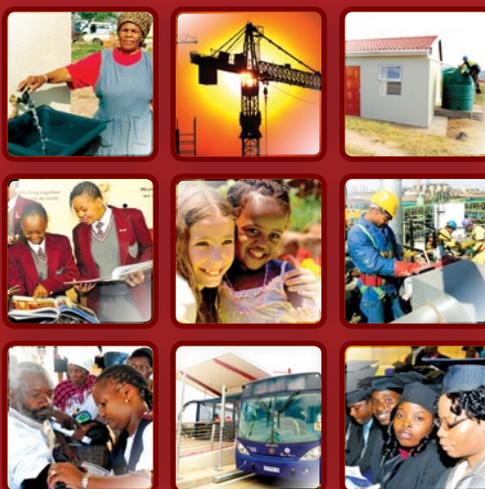
Table 15.E Summary of financial assistance to higher education institutions, 2015/16

Higher education institutions	Block grant	Interest and redemption	Infra-structure and efficiency funds	Development funds	Clinical training of health professionals	Ad Hoc	National Student Financial Aid Scheme				Total
							General allocation	Teacher training	Students with disabilities	Final year programme	
R thousand											
Cape Peninsula University of Technology	893 177	296	–	69 652	5 570	5 184	–	–	–	–	973 879
University of Cape Town	1 074 930	–	–	34 728	37 055	–	–	–	–	–	1 146 713
Central University of Technology	322 003	–	–	23 823	2 677	–	–	–	–	–	348 503
Durban University of Technology	669 387	3 051	–	41 407	8 741	–	–	–	–	–	722 586
University of Fort Hare	330 040	–	–	24 797	5 474	–	–	–	–	–	360 311
University of the Free State	913 229	47	–	57 850	29 567	–	–	–	–	–	1 000 693
University of Johannesburg	1 327 196	4 306	–	87 194	6 736	4 992	–	–	–	–	1 430 424
University of KwaZulu-Natal	1 398 540	–	–	53 098	72 144	6 528	–	–	–	–	1 530 310
University of Limpopo	569 839	–	–	25 100	4 728	–	–	–	–	–	599 667
Mangosuthu University of Technology	243 521	–	–	19 302	455	–	–	–	–	–	263 278
Nelson Mandela Metropolitan University	738 613	70	–	35 093	7 859	4 640	–	–	–	–	786 275
North West University	1 294 258	–	–	46 103	9 369	13 804	–	–	–	–	1 363 534
University of Pretoria	1 651 154	–	–	51 263	42 760	134 799	–	–	–	–	1 879 976
Rhodes University	323 966	–	–	7 828	911	–	–	–	–	–	332 705
Sefako Makgatho	244 408	–	–	14 979	39 253	–	–	–	–	–	298 640
University of South Africa	2 283 411	–	–	142 787	–	995	–	–	–	–	2 427 193
Stellenbosch University	1 177 759	346	–	25 200	36 777	–	–	–	–	–	1 240 082
Tshwane University of Technology	1 361 127	2 732	–	126 685	5 505	6 534	–	–	–	–	1 502 583
Vaal University of Technology	526 475	1 594	–	29 870	2 666	–	–	–	–	–	560 605
University of Venda	357 560	639	–	21 711	3 495	–	–	–	–	–	383 405
Walter Sisulu University	620 484	–	–	57 948	15 438	9 152	–	–	–	–	703 022
University of the Western Cape	684 446	–	–	38 423	27 344	–	–	–	–	–	750 213

Table 15.E Summary of financial assistance to higher education institutions, 2015/16

Higher education institutions	Block grant	Interest and redemption	Infra-structure and efficiency funds	Develop-ment funds	Clinical training of health profes-sionals	Ad Hoc	National Student Financial Aid Scheme				Total
							General allocation	Teacher training	Students with disabilities	Final year programme	
R thousand											
University of Witwatersrand	1 148 095	517	–	23 512	59 983	–	–	–	–	–	1 232 107
University of Zululand	384 743	–	–	18 824	5 128	–	–	–	–	–	408 695
Operational costs for two universities in Mpumalanga and Northern Cape	–	–	–	–	–	166 314	–	–	–	–	166 314
Capital expenditure on the two new universities in Mpumalanga and Northern Cape	–	–	–	–	–	1 000 000	–	–	–	–	1 000 000
Unallocated	–	–	2 301 200	43 183	–	487 131	4 295 992	–	–	–	7 127 506
Total	20 538 361	13 598	2 301 200	1 120 360	429 635	1 840 073	4 295 992	–	–	–	30 539 219

Photos provided by GCIS.



BUDGET 2015

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national treasury

Department:
National Treasury
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