

Vote 15

Higher Education and Training

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	403.4	398.0	–	5.3	441.0	471.6
Planning, Policy and Strategy	73.3	69.6	3.5	0.2	79.7	85.7
University Education	41 943.5	71.8	41 871.4	0.4	49 498.6	52 344.4
Technical and Vocational Education and Training	7 408.2	6 065.1	1 342.5	0.7	8 029.3	8 604.5
Skills Development	244.3	112.8	130.7	0.8	266.8	284.3
Community Education and Training	2 234.9	2 128.4	104.7	1.8	2 356.4	2 530.3
Subtotal	52 307.6	8 845.8	43 452.7	9.1	60 671.8	64 320.9
Direct charge against the National Revenue Fund						
Sector education and training authorities	13 313.2	–	13 313.2	–	14 374.6	15 563.3
National Skills Fund	3 328.3	–	3 328.3	–	3 593.6	3 890.8
Total expenditure estimates	68 949.1	8 845.8	60 094.2	9.1	78 640.0	83 775.0

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, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.

Vote purpose

Develop and support a quality higher and vocational education sector. Promote access to higher education, 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 national system of higher education
- the National Student Financial Aid Scheme Act (1999), which provides for the granting of loans and bursaries to eligible students attending public higher education and training institutions, and the subsequent administration of such loans and bursaries
- the Continuing Education and Training Colleges Act (2006), which provides for the regulation of continuing education and training, the establishment of governance structures for and the funding of public technical and vocational education and training (TVET) colleges and community education and training colleges, the registration of private colleges, and the promotion of quality in continuing education and training
- 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 Qualifications Framework Act (2008), which provides for the national qualifications framework, the South African Qualifications Authority and the quality councils, for the issuing and quality assurance of qualifications required on the sub-frameworks of the national qualifications framework.

Selected performance indicators

Table 15.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of students enrolled in higher education institutions per year	University Education		953 373	983 698	969 154	1 020 000	1 035 000	1 041 000	1 062 000
Number of doctoral graduates from universities per year ¹	University Education		1 879	2 051	2 258	2 200	2 300	2 700	2 800
Number of postgraduate graduates per year	University Education		45 598	50 773	49 863	51 100	54 000	55 000	57 000
Number of first-year students in foundation programmes per year	University Education		14 518	17 960	19 212	30 400	34 000	37 000	39 000
Number of graduates in initial teacher education from universities per year	University Education		13 700	16 808	19 124	18 300	19 400	18 600	19 600
Number of headcount enrolments in TVET colleges per year	Technical and Vocational Education and Training		670 455	709 535	710 535	710 535	710 535	710 535	710 535
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training	Outcome 5: A skilled and capable workforce to support an inclusive growth path	220 978	228 642	298 457	200 000 ²	200 000 ²	200 000 ²	200 000 ²
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated	Technical and Vocational Education and Training		– ³	– ³	87% (1 079/1 240)	100%	100%	100%	100%
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		– ³	– ³	2	2	2	2	2
Number of new artisans registered for training each year	Skills Development		27 670	28 301	28 640	30 750	31 750	32 750	33 750
Number of artisan learners qualified each year ⁴	Skills Development		13 000	14 389	16 114	21 110	22 110	23 110	24 000
Number of work-based learning opportunities created per year	Skills Development	49 678	110 164	118 582	120 000	130 000	135 000	140 000	
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		– ³	– ³	300 000	310 000	320 000	330 000	340 000
Percentage of certification rate per year in the general education and training certificate	Community Education and Training		– ³	– ³	– ³	35%	38%	40%	45%

1. Indicator has been rephrased in line with the 2017/18 annual performance plan.

2. Aligned with targets for outcome 5 of the revised 2014-2019 medium-term strategic framework.

3. No historical data available.

4. In line with the 2017/18 annual performance plan, measurement has been amended from 'competent' to 'qualified', as the latter is more reliably measured.

Expenditure analysis

The National Development Plan (NDP) envisages that by 2030, South Africans should have access to a post-school education system that empowers them to fulfil their potential. Outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's medium-term strategic framework gives effect to this vision, stating that graduates of the post-school system should possess the skills and knowledge that allow them to meet the current and future needs of society and the economy. Outcome 5 also highlights the need to expand access to programmes that address the labour market's need for intermediate skills and include a practical component.

Over the medium term, the department plans to continue working towards the realisation of these goals by further expanding access to post-school institutions and improving their performance, increasing the number of skilled artisans and work-based learning opportunities, and re-establishing and improving the governance of community education and training colleges. An estimated 84 per cent of the department's total budget over the medium term is transferred to post-school education institutions, including the National Student Financial Aid Scheme, universities, community education and training, and TVET colleges. The remainder is allocated for spending on compensation of employees and related goods and services.

Expanding access to universities

The department's contribution to the National Student Financial Aid Scheme, which provides poor students the funding to access university education, is set to increase from R11.4 billion to R13.9 billion over the medium term, at an average annual rate of 6.9 per cent. The scheme receives additional allocations of R7.7 billion over the medium term to support university students who were underfunded in the 2016 academic year. Transfers to the scheme account for 25 per cent of the department's total budget for transfers over the medium term, providing funding in the form of bursaries and loans to an estimated 405 000 students each year over the period.

Transfers of subsidies to universities, the department's largest spending item in the *University Education* programme, are projected to increase from R28 billion in 2016/17 to R38.2 billion in 2019/20. Most of this increase is driven by funds reprioritised to the department to cover fee increases for the 2017 academic year, up to a maximum of 8 per cent, for students from households earning less than R600 000 per year. An amount of

R2.5 billion is allocated in 2017/18 for this purpose, with a further R2.6 billion in 2018/19 and R2.8 billion in 2019/20 for the effects of this decision in those years.

Having achieved the NDP goal of building two new universities, the University of Mpumalanga and Sol Plaatje University in Northern Cape, the department has allocated R4.2 billion over the medium term to these universities for operational costs and capital expenditure. The funding is expected to allow both institutions to build new facilities, including lecture rooms, laboratories and student accommodation, which should allow for a combined increase in intake of 3 875 students in 2017.

The department expects that its efforts to expand access to universities and improve their quality will, by 2019/20, increase the number of doctoral graduates from 2 200 in 2016/17 to 2 800 in 2019/20, and the number of postgraduate graduates from 51 100 in 2016/17 to 57 000 in 2019/20.

Expanding access to TVET colleges and improving their performance

The National Skills Fund has committed R2.5 billion over the medium term to building new TVET college campuses. Over the same period, the department also plans to develop and approve teaching and learning support plans that improve the skills of lecturers and the performance of students. This includes training lecturers on planning and delivering lessons, and using equipment in practical teaching; and providing students at TVET colleges with academic support in foundational skills. These initiatives are expected to contribute to increasing the number of new artisans registering for training from 30 750 in 2016/17 to 33 750 by 2019/20. However, due to funding shortfalls, a cap will be placed on enrolments at TVET colleges, with the 2015/16 enrolment number of 710 535 being maintained over the medium term.

Allocations for spending on compensation of employees constitute the bulk of the *Technical and Vocational Education and Training* programme's budget. The majority of the 17 343 employees in this programme, approximately 47.5 per cent of the department's personnel, are in TVET colleges across the country. Over the medium term, spending on compensation of employees is expected to increase at an average annual rate of 8.7 per cent, from R5.3 billion in 2016/17 to R6.8 billion in 2019/20, mainly for lecturers at the various TVET college campuses across the country.

TVET colleges also benefit from government's decision to cover fee increases of up to 8 per cent for the 2017 academic year for students from households earning less than R600 000 per year. Amounts of R158.2 million in 2017/18, R168 million in 2018/19 and R178.5 million in 2019/20 are allocated for transfers to TVET colleges for this purpose.

Supporting artisan development

Over the medium term, the department plans to strengthen the monitoring and evaluation of service-level agreements with sector education and training authorities and other relevant institutions. Funds have been reprioritised for this purpose to the *Skills Development* programme, where spending is projected to increase from R181.4 million in 2016/17 to R284.3 million in 2019/20, at an average annual rate of 16.2 per cent. This spending will be directed towards improving the national artisan development system through audits and quality assurance checks at trade test and training centres, and the convening of more than 20 artisan development stakeholder groups across the country. The department also plans to fund trade tests at institutions such as the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments, and the Quality Council for Trades and Occupations. These institutions are vital in increasing the number of qualified artisans and creating more work-based learning opportunities.

Income from the skills development levy contributes significantly to key performance areas of the public skills development system, including artisan development. This income is transferred directly to sector education and training authorities and the National Skills Fund, and is projected to increase from R15.5 billion in 2016/17 to R19.5 billion in 2019/20, at an average annual rate of 8 per cent. Sector education and training authorities roll out skills programmes, learnerships, internships and apprenticeships. They also establish partnerships with TVET colleges, universities and the labour market to provide opportunities for workplace experience.

These activities are expected to increase the number of qualified artisan learners from 21 110 in 2016/17 to 24 000 in 2019/20, while the number of work-based learning opportunities created is set to increase from 120 000 in 2016/17 to 140 000 in 2019/20.

Community education and training colleges

The 2013 White Paper for Post-School Education and Training provides for the establishment of community education and training colleges. These colleges primarily enrol those who did not complete school or have never attended school. It is projected that enrolments at community education and training colleges will increase gradually from 310 000 learners in 2016/17 to 340 000 learners in 2019/20. As the number of enrolments increases, expenditure in the *Community Education and Training* programme is expected to increase at an average annual rate of 7 per cent over the medium term, reaching R2.5 billion in 2019/20. The department plans to introduce new legislation over the MTEF period to regulate and improve the governance of the community education and training system.

Spending on compensation of employees constitutes the largest portion of the *Community Education and Training* programme's budget, and is expected to increase at an average annual rate of 7.2 per cent over the medium term, reaching R2.3 billion in 2019/20. The 17 939 employees in this programme are mainly community education and training educators based in the 3 276 former community learning centres, which now fall under nine established community education and training colleges.

Expenditure trends

Table 15.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Planning, Policy and Strategy														
3. University Education														
4. Technical and Vocational Education and Training														
5. Skills Development														
6. Community Education and Training														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
R million														
Programme 1	200.6	463.8	267.4	217.1	285.7	234.1	318.3	359.5	346.8	373.7	372.7	372.7	110.0%	82.4%
Programme 2	48.1	51.6	47.7	48.8	91.7	45.7	54.8	58.3	52.0	71.5	71.6	71.6	97.2%	79.4%
Programme 3	28 303.7	28 090.9	28 303.3	30 448.0	30 443.7	30 484.2	32 844.3	32 847.4	32 898.6	39 531.6	39 532.5	39 532.5	100.1%	100.2%
Programme 4	5 925.8	5 883.9	5 879.3	6 311.2	6 208.2	6 304.5	6 604.2	6 642.4	6 604.8	6 917.2	6 960.2	6 960.2	100.0%	100.2%
Programme 5	105.6	105.1	123.0	110.6	106.3	132.0	204.5	112.6	216.7	224.5	181.4	181.4	101.2%	129.2%
Programme 6	1 776.8	1 776.8	1 776.8	1 852.8	1 852.8	1 853.1	1 911.5	1 859.9	1 824.4	2 069.7	2 069.8	2 069.8	98.9%	99.5%
Subtotal	36 360.4	36 372.0	36 397.3	38 988.5	38 988.5	39 053.5	41 937.8	41 880.1	41 943.4	49 188.3	49 188.3	49 188.3	100.1%	100.1%
Direct charge against the National Revenue Fund	12 403.0	12 300.0	12 090.2	13 440.0	13 200.0	13 838.8	14 690.0	15 156.4	15 156.4	17 639.6	15 462.2	15 462.2	97.2%	100.8%
Sector education and training authorities	9 922.4	9 840.6	9 673.8	10 752.6	10 560.6	11 071.0	11 752.7	12 125.9	12 125.9	14 112.5	12 370.5	12 370.5	97.2%	100.8%
National Skills Fund	2 480.6	2 459.4	2 416.4	2 687.4	2 639.4	2 767.8	2 937.3	3 030.5	3 030.5	3 527.1	3 091.7	3 091.7	97.2%	100.8%
Total	48 763.4	48 672.0	48 487.5	52 428.5	52 188.5	52 892.3	56 627.8	57 036.6	57 099.8	66 827.9	64 650.4	64 650.4	99.3%	100.3%
Change to 2016 Budget estimate										(2 177.4)				
Economic classification														
Current payments	5 062.0	4 972.9	6 899.8	5 363.7	5 272.9	7 408.1	7 801.2	7 696.2	7 531.3	8 215.2	7 948.3	7 948.3	112.7%	115.1%
Compensation of employees	4 883.4	4 680.6	6 605.4	5 179.7	5 033.6	7 139.8	7 308.2	7 317.2	7 166.4	7 839.9	7 573.7	7 573.7	113.0%	115.8%
Goods and services	178.5	292.3	294.3	184.0	239.4	268.3	493.0	379.0	364.9	375.3	374.6	374.6	105.8%	101.3%
Transfers and subsidies	43 697.4	43 690.4	41 580.1	47 061.1	46 910.5	45 478.5	48 814.3	49 330.0	49 506.4	58 605.0	56 694.5	56 694.5	97.5%	98.3%
Departmental agencies and accounts	18 285.6	18 182.6	17 995.9	19 699.9	19 459.9	20 124.5	21 363.8	21 768.3	21 839.4	29 255.7	27 077.9	27 077.9	-	-
Higher education institutions	22 388.8	22 388.8	22 392.8	24 155.1	24 155.1	24 195.3	26 243.2	26 243.2	26 297.1	27 964.8	27 964.8	27 964.8	100.1%	100.1%
Foreign governments and international organisations	2.9	2.9	2.9	2.9	2.9	3.0	3.2	3.2	2.6	3.3	2.9	2.9	93.0%	96.3%
Non-profit institutions	3 020.2	3 020.2	1 091.1	3 203.2	3 193.2	1 155.5	1 204.1	1 315.0	1 362.0	1 381.2	1 641.2	1 641.2	59.6%	57.3%
Households	-	96.0	97.4	-	99.3	0.2	-	0.4	5.3	-	7.6	7.6	-	54.4%
Payments for capital assets	4.0	8.7	7.5	3.7	5.1	5.7	12.3	10.4	10.2	7.7	7.7	7.7	112.1%	97.9%
Machinery and equipment	4.0	8.5	7.5	3.7	5.1	5.7	12.3	10.4	10.1	7.7	7.7	7.7	111.7%	98.1%
Software and other intangible assets	-	0.2	0.0	-	-	-	-	-	0.1	-	-	-	-	61.8%
Payments for financial assets	-	-	0.1	-	-	0.0	-	-	51.9	-	-	-	-	-
Total	48 763.4	48 672.0	48 487.5	52 428.5	52 188.5	52 892.3	56 627.8	57 036.6	57 099.8	66 827.9	64 650.4	64 650.4	99.3%	100.3%

Expenditure estimates

Table 15.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Planning, Policy and Strategy									
3. University Education									
4. Technical and Vocational Education and Training									
5. Skills Development									
6. Community Education and Training									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	
Programme 1	372.7	-7.0%	0.5%	403.4	441.0	471.6	8.2%	0.6%	
Programme 2	71.6	11.6%	0.1%	73.3	79.7	85.7	6.2%	0.1%	
Programme 3	39 532.5	12.1%	58.8%	41 943.5	49 498.6	52 344.4	9.8%	61.9%	
Programme 4	6 960.2	5.8%	11.5%	7 408.2	8 029.3	8 604.5	7.3%	10.5%	
Programme 5	181.4	20.0%	0.3%	244.3	266.8	284.3	16.2%	0.3%	
Programme 6	2 069.8	5.2%	3.4%	2 234.9	2 356.4	2 530.3	6.9%	3.1%	
Subtotal	49 188.3	10.6%	74.7%	52 307.6	60 671.8	64 320.9	9.4%	76.5%	
Direct charge against the National Revenue Fund	15 462.2	7.9%	25.3%	16 641.5	17 968.2	19 454.1	8.0%	23.5%	
Sector education and training authorities	12 370.5	7.9%	20.3%	13 313.2	14 374.6	15 563.3	8.0%	18.8%	
National Skills Fund	3 091.7	7.9%	5.1%	3 328.3	3 593.6	3 890.8	8.0%	4.7%	
Total	64 650.4	9.9%	100.0%	68 949.1	78 640.0	83 775.0	9.0%	100.0%	
Change to 2016 Budget estimate				(3 054.1)	1 247.6	1 869.5			
Economic classification									
Current payments	7 948.3	16.9%	13.3%	8 845.8	9 401.5	10 106.6	8.3%	12.3%	
Compensation of employees	7 573.7	17.4%	12.8%	8 425.4	8 957.0	9 637.7	8.4%	11.7%	
Goods and services	374.6	8.6%	0.6%	420.4	444.5	468.9	7.8%	0.6%	
Transfers and subsidies	56 694.5	9.1%	86.6%	60 094.2	69 229.1	73 658.5	9.1%	87.7%	
Departmental agencies and accounts	27 077.9	14.2%	39.0%	27 043.3	31 380.0	33 678.4	7.5%	40.3%	
Higher education institutions	27 964.8	7.7%	45.2%	31 606.8	36 152.9	38 187.9	10.9%	45.2%	
Foreign governments and international organisations	2.9	0.4%	0.0%	3.5	3.7	3.9	10.4%	0.0%	
Non-profit institutions	1 641.2	-18.4%	2.4%	1 440.6	1 692.5	1 788.3	2.9%	2.2%	
Households	7.6	-57.0%	0.0%	-	-	-	-100.0%	0.0%	
Payments for capital assets	7.7	-3.9%	0.0%	9.1	9.4	9.9	8.7%	0.0%	
Machinery and equipment	7.7	-3.1%	0.0%	9.1	9.4	9.9	8.7%	0.0%	
Total	64 650.4	9.9%	100.0%	68 949.1	78 640.0	83 775.0	9.0%	100.0%	

Goods and services expenditure trends and estimates

Table 15.4 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
Administrative fees	846	265	1 024	2 116	35.7%	0.3%	1 222	1 319	1 392	-13.0%	0.4%
Advertising	2 269	2 671	3 175	1 966	-4.7%	0.8%	4 020	4 140	4 395	30.8%	0.9%
Minor assets	1 491	667	2 725	5 346	53.1%	0.8%	1 422	2 488	2 534	-22.0%	0.7%
Audit costs: External	11 299	8 101	9 525	13 637	6.5%	3.3%	14 433	15 424	16 288	6.1%	3.5%
Bursaries: Employees	349	376	2 529	310	-3.9%	0.3%	301	799	843	39.6%	0.1%
Catering: Departmental activities	6 286	1 501	2 138	2 986	-22.0%	1.0%	1 535	2 196	2 321	-8.1%	0.5%
Communication	15 407	13 454	8 264	11 283	-9.9%	3.7%	13 778	12 230	13 118	5.2%	3.0%
Computer services	25 771	38 193	65 030	77 539	44.4%	15.9%	51 219	55 297	58 192	-9.1%	14.2%
Consultants: Business and advisory services	1 647	1 729	4 026	9 898	81.8%	1.3%	8 142	8 528	9 233	-2.3%	2.1%
Legal services	1 367	3 236	1 972	5 609	60.1%	0.9%	5 097	5 352	5 652	0.3%	1.3%
Contractors	860	1 338	12 075	1 335	15.8%	1.2%	412	388	578	-24.3%	0.2%
Agency and support/outsourced services	9 345	4 432	17 061	9 111	-0.8%	3.1%	499	509	549	-60.8%	0.6%
Entertainment	91	62	52	101	3.5%	-	106	113	119	5.6%	-
Fleet services (including government motor transport)	877	974	1 286	1 049	6.2%	0.3%	1 292	1 827	1 920	22.3%	0.4%
Inventory: Clothing material and accessories	-	100	-	10	-	-	-	-	-	-100.0%	-
Inventory: Farming supplies	-	33	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	460	366	-	300	-13.3%	0.1%	3 000	3 500	3 696	131.0%	0.6%
Inventory: Fuel, oil and gas	-	11	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	300	2 991	-	1 044	51.5%	0.3%	-	-	-	-100.0%	0.1%
Inventory: Medical supplies	13	-	-	35	39.1%	-	40	45	48	11.1%	-
Inventory: Other supplies	400	2	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	2 164	6 345	3 536	-	0.9%	4 640	5 479	6 150	20.3%	1.2%
Consumables: Stationery, printing and office supplies	24 376	13 931	35 931	49 110	26.3%	9.5%	50 357	58 539	61 388	7.7%	12.8%

Table 15.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Operating leases	5 654	10 640	3 348	6 677	5.7%	2.0%	17 964	17 055	17 939	39.0%	3.5%
Rental and hiring	84	112	1 220	7 919	355.1%	0.7%	4 134	3 689	3 785	-21.8%	1.1%
Property payments	40 483	36 891	70 070	51 748	8.5%	15.3%	61 344	65 436	69 095	10.1%	14.5%
Transport provided: Departmental activity	-	82	1 273	-	-	0.1%	-	-	-	-	-
Travel and subsistence	119 876	106 493	88 580	69 431	-16.6%	29.5%	106 260	110 449	115 842	18.6%	23.5%
Training and development	8 838	5 515	2 446	25 394	42.2%	3.2%	50 921	50 080	52 823	27.7%	10.5%
Operating payments	8 819	4 971	14 651	13 630	15.6%	3.2%	16 631	18 251	19 513	12.7%	4.0%
Venues and facilities	7 105	7 044	10 157	3 454	-21.4%	2.1%	1 633	1 377	1 444	-25.2%	0.5%
Total	294 313	268 345	364 903	374 574	8.4%	100.0%	420 402	444 510	468 857	7.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 15.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	17 995 935	20 124 503	21 839 390	27 077 895	14.6%	45.0%	27 043 271	31 380 000	33 678 409	7.5%	45.9%
other	-	-	358	-	-	-	-	-	-	-	-
National Student Financial Aid Scheme	5 769 405	6 138 832	6 448 551	11 392 674	25.5%	15.4%	10 143 091	13 138 067	13 935 227	6.9%	18.7%
Council on Higher Education	41 888	42 689	40 819	40 928	-0.8%	0.1%	47 946	50 727	53 568	9.4%	0.1%
South African Qualifications Authority	49 401	55 008	54 757	56 895	4.8%	0.1%	64 940	68 707	72 555	8.4%	0.1%
Sector education and training authorities	-	-	22 781	46 363	-	-	15 158	16 036	16 934	-28.5%	-
Quality Council for Trades and Occupations	21 747	23 167	21 848	23 138	2.1%	-	26 920	28 481	30 076	9.1%	-
Direct charge: Sector education and training authorities	9 673 818	11 071 025	12 125 894	12 370 513	8.5%	23.4%	13 313 165	14 374 564	15 563 299	8.0%	21.4%
Direct charge: National Skills Fund	2 416 368	2 767 773	3 030 539	3 091 657	8.6%	5.9%	3 328 291	3 593 640	3 890 824	8.0%	5.4%
Public Service Sector Education and Training Authority	23 308	26 009	93 843	55 727	33.7%	0.1%	103 760	109 778	115 926	27.7%	0.1%
Higher education institutions											
Current	20 231 668	21 482 293	22 991 096	24 563 860	6.7%	46.2%	28 082 809	32 460 607	34 317 412	11.8%	46.0%
University subsidies	20 081 668	21 323 293	22 790 082	24 273 431	6.5%	45.8%	27 722 073	32 044 118	33 877 600	11.8%	45.4%
University of Mpumalanga	86 872	102 345	58 111	186 585	29.0%	0.2%	212 611	235 294	248 470	10.0%	0.3%
Sol Plaatje University	63 128	56 655	142 903	103 844	18.0%	0.2%	148 125	181 195	191 342	22.6%	0.2%
Capital	2 161 099	2 713 000	3 305 978	3 400 958	16.3%	6.0%	3 524 032	3 692 252	3 870 478	4.4%	5.6%
University subsidies	2 011 099	2 213 000	1 985 978	2 426 222	6.5%	4.5%	2 545 550	2 691 710	2 826 113	5.2%	4.0%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	150 000	500 000	1 320 000	-	-100.0%	1.0%	-	-	-	-	-
University of Mpumalanga	-	-	-	623 831	-	0.3%	624 552	638 508	668 394	2.3%	1.0%
Sol Plaatje University	-	-	-	350 905	-	0.2%	353 930	362 034	375 971	2.3%	0.6%
Foreign governments and international organisations											
Current	2 927	2 983	2 588	2 896	-0.4%	-	3 489	3 691	3 898	10.4%	-
India-Brazil-South Africa Trilateral Commission	511	551	-	100	-41.9%	-	553	585	618	83.5%	-
Commonwealth of Learning	2 416	2 432	2 588	2 796	5.0%	-	2 936	3 106	3 280	5.5%	-
Non-profit institutions											
Current	1 091 062	1 155 492	1 362 040	1 641 222	14.6%	2.7%	1 440 575	1 692 541	1 788 332	2.9%	2.5%
Universities South Africa	7 000	7 420	7 761	8 172	5.3%	-	8 581	9 079	9 587	5.5%	-
Technical and vocational education and training colleges	1 084 062	1 148 072	1 262 521	1 534 848	12.3%	2.6%	1 328 096	1 573 538	1 662 665	2.7%	2.3%
Community education and training colleges	-	-	91 758	98 202	-	0.1%	103 898	109 924	116 080	5.7%	0.2%
Households											
Social benefits											
Current	97 420	221	5 315	7 627	-57.2%	0.1%	-	-	-	-100.0%	-
Employee social benefits	97 420	221	5 315	7 627	-57.2%	0.1%	-	-	-	-100.0%	-
Total	41 580 111	45 478 492	49 506 407	56 694 458	10.9%	100.0%	60 094 176	69 229 091	73 658 529	9.1%	100.0%

Personnel information

Table 15.6 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled / planned for on funded establishment															Number	
Number of posts estimated for 31 March 2017																	Average growth rate (%)	Average: Salary level/Total (%)
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									2016/17 - 2019/20	
		2015/16		2016/17		2017/18			2018/19			2019/20						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Higher Education and Training																		
Salary level	36 939	35 213	7 166.4	0.2	35 326	7 573.7	0.2	36 415	8 425.4	0.2	36 212	8 957.0	0.2	36 988	9 637.7	0.3	1.5%	100.0%
1 – 6	9 765	10 733	2 055.8	0.2	10 144	2 129.5	0.2	10 242	2 312.6	0.2	10 169	2 470.4	0.2	10 780	2 715.8	0.3	2.0%	28.5%
7 – 10	9 139	8 502	3 018.6	0.4	8 590	3 276.4	0.4	9 188	3 727.4	0.4	9 210	4 000.0	0.4	9 214	4 275.1	0.5	2.4%	25.0%
11 – 12	572	542	363.8	0.7	600	430.3	0.7	599	461.3	0.8	600	495.7	0.8	600	531.0	0.9	–	1.7%
13 – 16	162	135	139.7	1.0	162	172.3	1.1	163	185.3	1.1	166	201.7	1.2	166	214.1	1.3	0.8%	0.5%
Other	17 301	15 301	1 588.5	0.1	15 830	1 565.2	0.1	16 223	1 738.7	0.1	16 067	1 789.1	0.1	16 228	1 901.7	0.1	0.8%	44.4%
Programme	36 939	35 213	7 166.4	0.2	35 326	7 573.7	0.2	36 415	8 425.4	0.2	36 212	8 957.0	0.2	36 988	9 637.7	0.3	1.5%	100.0%
Programme 1	581	535	161.7	0.3	638	203.4	0.3	636	222.2	0.3	650	247.8	0.4	658	267.4	0.4	1.0%	1.8%
Programme 2	95	90	42.5	0.5	123	58.3	0.5	117	59.8	0.5	121	65.4	0.5	123	70.7	0.6	–	0.3%
Programme 3	117	87	43.5	0.5	110	61.1	0.6	111	65.4	0.6	116	72.0	0.6	119	78.0	0.7	2.7%	0.3%
Programme 4	16 918	17 448	5 119.8	0.3	16 643	5 254.8	0.3	17 343	5 910.6	0.3	17 343	6 279.8	0.4	17 865	6 756.4	0.4	2.4%	47.7%
Programme 5	286	261	86.6	0.3	267	90.3	0.3	269	97.7	0.4	280	111.4	0.4	279	120.3	0.4	1.5%	0.8%
Programme 6	18 942	16 792	1 712.3	0.1	17 545	1 905.8	0.1	17 939	2 069.8	0.1	17 702	2 180.7	0.1	17 944	2 344.9	0.1	0.8%	49.1%

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

2. Rand million.

Departmental receipts

Table 15.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	11 880	11 594	15 444	37 883	37 883	47.2%	100.0%	12 184	12 792	13 432	-29.2%	100.0%
Sales of goods and services produced by department	6 042	5 634	8 983	10 472	10 472	20.1%	40.5%	5 682	5 965	6 263	-15.7%	37.2%
Sales by market establishments of which:	383	404	3 534	4 340	4 340	124.6%	11.3%	566	593	622	-47.7%	8.0%
Academic services: Temporary accommodation	220	223	218	278	278	8.1%	1.2%	292	307	322	5.0%	1.6%
Sale of assets less than R5 000	–	–	–	12	12	–	–	13	14	15	7.7%	0.1%
Commission	163	181	3 316	4 050	4 050	191.8%	10.0%	261	272	285	-58.7%	6.4%
Administrative fees of which:	4 936	4 465	4 657	5 334	5 334	2.6%	25.2%	4 202	4 412	4 632	-4.6%	24.4%
Exams	1 352	1 557	2 338	2 690	2 690	25.8%	10.3%	1 263	1 326	1 392	-19.7%	8.7%
Trade test fee	2 878	2 767	2 270	2 238	2 238	-8.0%	13.2%	2 613	2 744	2 881	8.8%	13.7%
Universities	60	90	49	34	34	-17.2%	0.3%	123	129	135	58.4%	0.6%
Further education and training	3	3	–	–	–	-100.0%	–	203	213	224	–	0.8%
Sports and club facilities/sale of tender documents	643	48	–	372	372	-16.7%	1.4%	–	–	–	-100.0%	0.5%
Other sales of which:	723	765	792	798	798	3.3%	4.0%	914	960	1 009	8.1%	4.8%
Boarding fees	118	134	122	72	72	-15.2%	0.6%	144	151	159	30.2%	0.7%
Parking	20	21	67	100	100	71.0%	0.3%	32	34	36	-28.9%	0.3%
Sale of meals and refreshments	182	201	195	202	202	3.5%	1.0%	262	275	289	12.7%	1.3%
Rental	403	409	408	424	424	1.7%	2.1%	476	500	525	7.4%	2.5%
Sales of scrap, waste, arms and other used current goods	29	17	15	–	–	-100.0%	0.1%	35	37	39	–	0.1%
Waste paper	29	17	15	–	–	-100.0%	0.1%	35	37	39	–	0.1%
Interest, dividends and rent on land	3 374	3 343	3 791	2 538	2 538	-9.1%	17.0%	5 104	5 359	5 626	30.4%	24.4%
Interest	3 374	3 343	3 791	2 538	2 538	-9.1%	17.0%	5 104	5 359	5 626	30.4%	24.4%
Sales of capital assets	–	15	172	–	–	–	0.2%	–	–	–	–	–
Transactions in financial assets and liabilities	2 435	2 585	2 483	24 873	24 873	117.0%	42.2%	1 363	1 431	1 504	-60.7%	38.2%
Total	11 880	11 594	15 444	37 883	37 883	47.2%	100.0%	12 184	12 792	13 432	-29.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 15.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17					2016/17 - 2019/20	
Ministry	29.7	32.4	39.7	33.3	3.8%	11.1%	33.9	36.8	39.5	5.9%	8.5%
Department Management	37.8	38.4	51.2	46.9	7.5%	14.3%	49.7	54.7	59.0	7.9%	12.5%
Corporate Services	91.0	80.2	126.4	148.7	17.8%	36.6%	164.1	179.6	192.1	8.9%	40.5%
Office of the Chief Financial Officer	61.4	40.5	55.7	81.2	9.8%	19.6%	83.4	92.7	99.5	7.0%	21.1%
Internal Audit	9.0	6.1	6.7	9.2	0.8%	2.5%	8.6	9.2	9.9	2.2%	2.2%
Office Accommodation	38.4	36.5	67.2	53.4	11.6%	16.0%	63.7	67.9	71.7	10.3%	15.2%
Total	267.4	234.1	346.8	372.7	11.7%	100.0%	403.4	441.0	471.6	8.2%	100.0%
Change to 2016 Budget estimate				(0.9)			4.1	13.8	15.8		
Economic classification											
Current payments	262.4	230.6	338.1	367.3	11.9%	98.2%	398.0	435.3	465.5	8.2%	98.7%
Compensation of employees	147.4	121.9	161.7	203.4	11.3%	52.0%	222.2	247.8	267.4	9.5%	55.7%
Goods and services ¹	115.0	108.7	176.5	163.9	12.5%	46.2%	175.9	187.5	198.2	6.5%	43.0%
of which:											
Audit costs: External	11.3	8.1	9.5	13.6	6.5%	3.5%	14.4	15.4	16.3	6.1%	3.5%
Computer services	13.7	22.4	30.6	31.5	32.0%	8.0%	36.8	39.0	41.0	9.2%	8.8%
Consultants: Business and advisory services	0.6	1.1	1.2	5.2	105.1%	0.7%	7.4	7.8	8.5	18.1%	1.7%
Property payments	39.9	36.1	67.7	51.1	8.6%	15.9%	60.4	64.5	68.1	10.1%	14.5%
Travel and subsistence	22.0	19.0	18.0	14.5	-12.9%	6.0%	19.1	21.2	22.1	14.9%	4.6%
Operating payments	2.0	1.4	2.1	8.9	63.3%	1.2%	7.2	8.1	8.8	-0.1%	2.0%
Transfers and subsidies¹	0.0	0.1	0.2	0.1	84.9%	-	-	-	-	-100.0%	-
Departmental agencies and accounts	-	-	0.2	-	-	-	-	-	-	-	-
Households	0.0	0.1	0.1	0.1	84.9%	-	-	-	-	-100.0%	-
Payments for capital assets	5.0	3.4	8.2	5.3	2.0%	1.8%	5.3	5.7	6.0	4.6%	1.3%
Machinery and equipment	4.9	3.4	8.1	5.3	2.2%	1.8%	5.3	5.7	6.0	4.6%	1.3%
Software and other intangible assets	0.0	-	0.1	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.0	-	0.3	-	-100.0%	-	-	-	-	-	-
Total	267.4	234.1	346.8	372.7	11.7%	100.0%	403.4	441.0	471.6	8.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.6%	0.8%	0.8%	-	-	0.8%	0.7%	0.7%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 2: Planning, Policy and Strategy

Programme purpose

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

Objectives

- Ensure a sound post-school education and training system through the development of two new, and the revision of two existing pieces of legislation, policies and regulations by 31 March 2018.
- Ensure the effective oversight of the implementation of the post-school education and training system by producing six oversight reports on social inclusion and equity, flexible modes of learning delivery, and teaching and learning support plans over the medium term.
- Provide management information and statistics on post-school education and training performance annually for effective policy development and planning.

Subprogrammes

- *Programme Management: Planning, Policy and Strategy* 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 resource 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.
- *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 15.9 Planning, Policy and Strategy expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Programme Management: Planning, Policy and Strategy	3.7	2.9	3.2	3.3	-3.5%	6.0%	3.7	4.0	4.3	9.6%	4.9%
Human Resource Development, Strategic Planning and Coordination	11.2	11.6	14.8	17.0	15.0%	25.2%	16.8	18.1	19.5	4.7%	23.0%
Planning, Information, Monitoring and Evaluation Coordination	7.4	6.9	10.7	17.8	34.0%	19.7%	15.9	17.4	18.7	1.6%	22.5%
International Relations	10.3	10.8	11.2	13.3	9.0%	21.0%	12.8	13.9	14.9	3.8%	17.7%
Legal and Legislative Services	11.3	9.4	7.5	14.5	8.8%	19.7%	16.9	18.3	19.7	10.6%	22.4%
Social Inclusion in Education	3.8	4.2	4.6	5.6	13.7%	8.4%	7.2	8.0	8.6	15.4%	9.5%
Total	47.7	45.7	52.0	71.6	14.5%	100.0%	73.3	79.7	85.7	6.2%	100.0%
Change to 2016 Budget estimate				0.0			(3.1)	(2.1)	(2.0)		
Economic classification											
Current payments	44.2	42.5	49.1	68.2	15.5%	94.0%	69.6	75.8	81.6	6.2%	95.2%
Compensation of employees	38.0	34.6	42.5	58.3	15.3%	79.9%	59.8	65.4	70.7	6.6%	81.9%
Goods and services ¹	6.2	7.8	6.7	9.9	17.0%	14.1%	9.8	10.4	11.0	3.4%	13.3%
of which:											
Communication	0.9	0.8	0.8	0.6	-10.2%	1.4%	0.7	0.8	0.8	7.0%	0.9%
Legal services	1.4	3.2	1.0	4.2	45.1%	4.5%	4.4	4.6	4.9	5.1%	5.8%
Consumables: Stationery, printing and office supplies	0.7	0.2	0.9	0.9	11.8%	1.2%	1.0	1.0	1.1	5.6%	1.3%
Travel and subsistence	2.4	2.1	2.8	3.2	9.3%	4.8%	2.7	2.8	3.0	-2.0%	3.8%
Training and development	0.2	0.2	0.0	0.1	-23.2%	0.2%	0.2	0.3	0.3	39.4%	0.3%
Operating payments	0.2	0.2	0.2	0.3	24.2%	0.4%	0.4	0.4	0.4	9.3%	0.5%
Transfers and subsidies¹	3.1	3.0	2.6	2.9	-2.1%	5.3%	3.5	3.7	3.9	10.3%	4.5%
Foreign governments and international organisations	2.9	3.0	2.6	2.9	-0.4%	5.3%	3.5	3.7	3.9	10.4%	4.5%
Households	0.2	0.0	0.0	0.0	-67.0%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.3	0.2	0.3	0.5	12.1%	0.6%	0.2	0.2	0.2	-25.9%	0.3%
Machinery and equipment	0.3	0.2	0.2	0.5	12.1%	0.6%	0.2	0.2	0.2	-25.9%	0.3%
Total	47.7	45.7	52.0	71.6	14.5%	100.0%	73.3	79.7	85.7	6.2%	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 selected transfers and subsidies											
Foreign governments and international organisations											
Current	2.9	3.0	2.6	2.9	-0.4%	5.3%	3.5	3.7	3.9	10.4%	4.5%
India-Brazil-South Africa Trilateral Commission	0.5	0.6	-	0.1	-41.9%	0.5%	0.6	0.6	0.6	83.5%	0.6%
Commonwealth of Learning	2.4	2.4	2.6	2.8	5.0%	4.7%	2.9	3.1	3.3	5.5%	3.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

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 national institutes for higher education.

Objectives

- Ensure a sound post-school education and training system through the development of three new and the revision of two existing pieces of legislation, regulations and policies for university education by 31 March 2019.
- Ensure integrated planning in support of improved collaboration within the post-school education and training sub-systems by developing an integrated plan by 31 March 2018.
- Ensure effectual monitoring and evaluation of the higher education sector by producing 15 annual oversight reports on:
 - the financial health of the sector, governance, teaching and research development, and research productivity
 - the higher education and training HIV and AIDS programme, infrastructure development, foundation provisioning, and new universities
 - the expansion and efficiency of the higher education system, academic forums and think-tank partnerships within the Brazil-Russia-India-China-South Africa group of countries, student support services, ministerial enrolment targets, and the institutional governance capacity development programme
 - the staffing South Africa's universities framework, and the teaching and learning development capacity improvement plan.
- Provide teaching and learning support services by implementing the five developed teaching and learning support plans aimed at improving access to quality teaching and learning in higher education institutions by 31 March 2020.
- Provide student support services for higher education through the development of two student support plans in order to promote the success of students within the post-school education and training system by the end of March 2019.
- Ensure effective policy development and planning by providing management information and statistics on the performance of higher education institutions 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 the higher education management information system 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 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	Average Expenditure/Total (%)	2017/18	2018/19	2019/20		
R million											
Programme Management: University Education	1.8	2.0	3.9	4.7	37.8%	–	4.3	4.7	5.1	2.8%	–
University - Academic Planning and Management	5 870.9	6 249.1	6 557.9	11 508.5	25.2%	23.0%	10 273.9	13 277.1	14 082.5	7.0%	26.8%
University - Financial Planning and Information Systems	8.7	7.6	8.4	12.6	13.2%	–	11.3	12.5	13.5	2.2%	–
University - Policy and Development	20.2	19.7	21.0	27.6	11.0%	0.1%	27.6	30.1	32.4	5.4%	0.1%
Teacher Education	8.9	10.5	10.2	14.3	16.9%	–	19.5	21.3	23.1	17.3%	–
University Subsidies	22 392.8	24 195.3	26 297.1	27 964.8	7.7%	76.9%	31 606.8	36 152.9	38 187.9	10.9%	73.0%
Total	28 303.3	30 484.2	32 898.6	39 532.5	11.8%	100.0%	41 943.5	49 498.6	52 344.4	9.8%	100.0%
Change to 2016 Budget estimate				0.9			(0.6)	5 178.7	5 541.1		
Economic classification											
Current payments	41.9	44.6	49.4	68.6	17.9%	0.2%	71.8	78.7	85.1	7.4%	0.2%
Compensation of employees	33.1	39.1	43.5	61.1	22.6%	0.1%	65.4	72.0	78.0	8.5%	0.2%
Goods and services ¹	8.8	5.5	5.9	7.5	-4.9%	–	6.4	6.8	7.1	-1.8%	–
of which:											
Advertising	0.2	–	0.0	0.1	-12.4%	–	0.2	0.1	0.2	1.8%	–
Communication	0.5	0.5	0.6	0.4	-5.7%	–	0.4	0.4	0.5	4.2%	–
Computer services	0.2	0.2	0.3	0.7	62.4%	–	0.7	0.8	0.8	8.5%	–
Consumables: Stationery, printing and office supplies	0.4	0.2	0.5	0.5	10.7%	–	0.6	0.6	0.7	9.3%	–
Operating leases	0.1	0.1	0.1	0.1	6.0%	–	0.2	0.2	0.2	28.0%	–
Travel and subsistence	4.4	3.7	3.7	4.1	-2.8%	–	3.6	3.8	4.1	–	–
Transfers and subsidies¹	28 261.0	30 439.2	32 849.0	39 463.5	11.8%	99.8%	41 871.4	49 419.4	52 258.8	9.8%	99.8%
Departmental agencies and accounts	5 860.7	6 236.5	6 544.2	11 490.5	25.2%	23.0%	10 256.0	13 257.5	14 061.4	7.0%	26.8%
Higher education institutions	22 392.8	24 195.3	26 297.1	27 964.8	7.7%	76.9%	31 606.8	36 152.9	38 187.9	10.9%	73.0%
Non-profit institutions	7.0	7.4	7.8	8.2	5.3%	–	8.6	9.1	9.6	5.5%	–
Households	0.6	–	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.3	0.3	0.2	0.4	9.8%	–	0.4	0.4	0.5	7.0%	–
Machinery and equipment	0.3	0.3	0.2	0.4	9.8%	–	0.4	0.4	0.5	7.0%	–
Payments for financial assets	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Total	28 303.3	30 484.2	32 898.6	39 532.5	11.8%	100.0%	41 943.5	49 498.6	52 344.4	9.8%	100.0%
Proportion of total programme expenditure to vote expenditure	77.8%	78.1%	78.4%	80.4%	–	–	80.2%	81.6%	81.4%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	5 860.7	6 236.5	6 544.1	11 490.5	25.2%	23.0%	10 256.0	13 257.5	14 061.4	7.0%	26.8%
National Student Financial Aid Scheme	5 769.4	6 138.8	6 448.6	11 392.7	25.5%	22.7%	10 143.1	13 138.1	13 935.2	6.9%	26.5%
Council on Higher Education	41.9	42.7	40.8	40.9	-0.8%	0.1%	47.9	50.7	53.6	9.4%	0.1%
South African Qualifications Authority	49.4	55.0	54.8	56.9	4.8%	0.2%	64.9	68.7	72.6	8.4%	0.1%
Non-profit institutions	7.0	7.4	7.8	8.2	5.3%	–	8.6	9.1	9.6	5.5%	–
Current	7.0	7.4	7.8	8.2	5.3%	–	8.6	9.1	9.6	5.5%	–
Universities South Africa	7.0	7.4	7.8	8.2	5.3%	–	8.6	9.1	9.6	5.5%	–
Higher education institutions	20 231.7	21 482.3	22 991.1	24 563.9	6.7%	68.0%	28 082.8	32 460.6	34 317.4	11.8%	65.1%
Current	20 081.7	21 323.3	22 790.1	24 273.4	6.5%	67.4%	27 722.1	32 044.1	33 877.6	11.8%	64.3%
University subsidies	20 081.7	21 323.3	22 790.1	24 273.4	6.5%	67.4%	27 722.1	32 044.1	33 877.6	11.8%	64.3%
University of Mpumalanga	86.9	102.3	58.1	186.6	29.0%	0.3%	212.6	235.3	248.5	10.0%	0.5%
Sol Plaatje University	63.1	56.7	142.9	103.8	18.0%	0.3%	148.1	181.2	191.3	22.6%	0.3%
Capital	2 161.1	2 713.0	3 306.0	3 401.0	16.3%	8.8%	3 524.0	3 692.3	3 870.5	4.4%	7.9%
University subsidies	2 011.1	2 213.0	1 986.0	2 426.2	6.5%	6.6%	2 545.6	2 691.7	2 826.1	5.2%	5.7%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	150.0	500.0	1 320.0	–	-100.0%	1.5%	–	–	–	–	–
University of Mpumalanga	–	–	–	623.8	–	0.5%	624.6	638.5	668.4	2.3%	1.4%
Sol Plaatje University	–	–	–	350.9	–	0.3%	353.9	362.0	376.0	2.3%	0.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 4: Technical and Vocational Education and Training

Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for technical and vocational education and training.

Objectives

- Ensure a sound post-school education and training system through the development of six new and the revision of two existing pieces of legislation, regulations and policies for the TVET sector by 31 March 2018.
- Ensure effectual monitoring and evaluation of the TVET sector by producing 13 annual oversight reports over the medium term on:
 - the conduct of public TVET college examination centres during national examinations and assessments
 - the implementation of the IT examination services system
 - the eradication of certification backlogs
 - the performance of students in colleges
 - the sampling of colleges evaluated for compliance to recommended governance standards, teaching and learning support plans in colleges, student support services plans in colleges, and strategic partnerships with key stakeholders
 - the infrastructure plans of college campuses.
- Improve learning assessment services for TVET colleges by 31 March 2020, by ensuring that all seven resulting cycles for national examinations are concluded per year and that 100 per cent of all examination-related complaints are finalised in accordance to service standards.
- Provide TVET teaching and learning support plans aimed at improving access to quality teaching and learning in the sector through
 - the development of one new teaching and learning support plan, and
 - the revision of two existing teaching and learning support plans over the medium term.
- Provide student support services for TVET colleges through the development of three student support plans in support of an improved post-school education and training system by 31 March 2020.
- Develop an infrastructure rollout plan for the construction of six TVET college campuses to ensure optimal geographic spread by 31 March 2018.

Subprogrammes

- *Programme Management: Technical and Vocational Education and Training* manages the delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Technical and Vocational Education and Training System Planning and Institutional Support* provides support to management and councils, monitors and evaluates the TVET system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for TVET colleges to enter into partnerships for the use of infrastructure and funding resources, and maps the institutional landscape for the rollout of the TVET college system.
- *Programmes and Qualifications* manages and coordinates curriculum development processes, ensures the development of quality learning and teaching materials, monitors and supports the implementation of curriculum statements and assessment regulations, monitors and supports the development of lecturers, and provides leadership for TVET colleges to diversify their programmes, qualifications and curriculums.
- *National Examination and Assessment* administers and manages the conduct of national assessment in TVET and community education and training colleges.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of TVET colleges; manages and determines the fair distribution of funding to TVET colleges in accordance with funding norms and standards for funding these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.

Expenditure trends and estimates

Table 15.11 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Programme Management: Technical and Vocational Education and Training	8.1	9.1	6.2	3.8	-22.6%	0.1%	5.1	5.3	5.8	15.2%	0.1%
Technical and Vocational Education and Training System Planning and Institutional Support	5 607.3	6 104.5	6 144.2	6 662.4	5.9%	95.2%	7 089.2	7 688.9	8 240.6	7.3%	95.7%
Programmes and Qualifications	88.3	10.1	11.5	10.6	-50.7%	0.5%	11.5	12.7	13.7	9.1%	0.2%
National Examination and Assessment	173.2	178.1	439.1	278.5	17.2%	4.2%	294.8	314.9	336.5	6.5%	4.0%
Financial Planning	2.4	2.7	3.8	5.0	28.1%	0.1%	7.7	7.5	8.0	17.2%	0.1%
Total	5 879.3	6 304.5	6 604.8	6 960.2	5.8%	100.0%	7 408.2	8 029.3	8 604.5	7.3%	100.0%
Change to 2016 Budget estimate				43.1			(6.0)	163.6	172.7		
Economic classification											
Current payments	4 698.8	5 155.5	5 263.2	5 372.8	4.6%	79.6%	6 065.1	6 440.3	6 925.5	8.8%	80.0%
Compensation of employees	4 625.5	5 097.8	5 119.8	5 254.8	4.3%	78.1%	5 910.6	6 279.8	6 756.4	8.7%	78.1%
Goods and services ¹	73.2	57.7	143.4	118.0	17.2%	1.5%	154.6	160.6	169.2	12.7%	1.9%
of which:											
Computer services	11.9	15.5	34.0	45.3	56.1%	0.4%	13.6	15.4	16.3	-29.0%	0.3%
Consumables: Stationery, printing and office supplies	15.0	8.4	26.4	16.2	2.6%	0.3%	9.8	11.1	11.7	-10.4%	0.2%
Operating leases	0.2	5.2	0.2	0.2	-0.8%	-	10.1	9.0	9.5	257.7%	0.1%
Travel and subsistence	26.5	21.5	53.9	40.2	14.9%	0.6%	73.0	74.2	78.1	24.8%	0.9%
Training and development	0.2	-	0.0	-	-100.0%	-	32.7	35.0	36.9	-	0.3%
Operating payments	5.9	3.1	11.3	3.9	-13.0%	0.1%	8.9	9.5	10.0	37.5%	0.1%
Transfers and subsidies¹	1 180.0	1 148.2	1 289.2	1 586.6	10.4%	20.2%	1 342.5	1 588.7	1 678.7	1.9%	20.0%
Departmental agencies and accounts	-	-	22.8	45.6	-	0.3%	14.4	15.2	16.1	-29.4%	0.3%
Non-profit institutions	1 084.1	1 148.1	1 262.5	1 534.8	12.3%	19.5%	1 328.1	1 573.5	1 662.7	2.7%	19.7%
Households	95.9	0.1	3.9	6.2	-59.9%	0.4%	-	-	-	-100.0%	-
Payments for capital assets	0.5	0.8	1.1	0.8	18.2%	-	0.7	0.2	0.2	-32.3%	-
Machinery and equipment	0.5	0.8	1.1	0.8	18.2%	-	0.7	0.2	0.2	-32.3%	-
Payments for financial assets	0.0	-	51.3	-	-100.0%	0.2%	-	-	-	-	-
Total	5 879.3	6 304.5	6 604.8	6 960.2	5.8%	100.0%	7 408.2	8 029.3	8 604.5	7.3%	100.0%
Proportion of total programme expenditure to vote expenditure	16.2%	16.1%	15.7%	14.2%	-	-	14.2%	13.2%	13.4%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	22.8	45.6	-	0.3%	14.4	15.2	16.1	-29.4%	0.3%
Sector education and training authorities	-	-	22.8	45.6	-	0.3%	14.4	15.2	16.1	-29.4%	0.3%
Non-profit institutions											
Current	1 084.1	1 148.1	1 262.5	1 534.8	12.3%	19.5%	1 328.1	1 573.5	1 662.7	2.7%	19.7%
Technical and vocational education and training colleges	1 084.1	1 148.1	1 262.5	1 534.8	12.3%	19.5%	1 328.1	1 573.5	1 662.7	2.7%	19.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

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

- Ensure a sound post-school education and training system through the revision of four existing pieces of legislation, regulations and policies for skills development colleges by 31 March 2019.
- Ensure effectual monitoring and evaluation of artisan development by producing five annual oversight reports on the national skills development strategy and good governance standards by sector education and training authorities over the medium term.

- Ensure effectual artisan development assessment services in support of an improved post-school education and training system over the medium term by maintaining 100 per cent provision of trade testing dates to all qualifying applications received, and conducting trade testing within 60 days of all applications received.
- Develop security infrastructure at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments by 31 March 2018 in order to improve artisan development.

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 by 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 its operations.

Expenditure trends and estimates

Table 15.12 Skills Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20		
R million											
Programme Management: Skills Development	1.2	1.4	2.6	2.2	21.7%	1.1%	2.2	2.3	2.5	4.3%	0.9%
SETA Coordination	92.4	101.1	182.7	147.8	17.0%	80.2%	207.7	227.6	242.8	18.0%	84.5%
National Skills Development Services	7.7	6.4	9.0	8.3	2.7%	4.8%	7.5	8.4	9.0	2.6%	3.4%
Quality Development and Promotion	21.7	23.2	22.5	23.1	2.1%	13.9%	26.9	28.5	30.1	9.1%	11.1%
Total	123.0	132.0	216.7	181.4	13.8%	100.0%	244.3	266.8	284.3	16.2%	100.0%
Change to 2016				(43.1)			(0.4)	6.2	7.1		
Budget estimate											
Economic classification											
Current payments	76.3	82.4	100.2	102.2	10.2%	55.3%	112.8	127.6	137.3	10.4%	49.1%
Compensation of employees	65.0	71.6	86.6	90.3	11.6%	48.0%	97.7	111.4	120.3	10.0%	43.0%
Goods and services ¹	11.2	10.8	13.6	11.8	1.7%	7.3%	15.1	16.1	17.0	12.8%	6.1%
of which:											
Communication	1.4	1.2	1.3	1.2	-5.4%	0.8%	1.7	1.7	1.8	13.4%	0.6%
Inventory: Food and food supplies	0.5	0.4	-	0.3	-13.3%	0.2%	3.0	3.5	3.7	131.0%	1.1%
Consumable supplies	-	0.7	4.7	2.0	-	1.1%	2.3	2.9	3.1	15.8%	1.0%
Consumables: Stationery, printing and office supplies	3.1	0.7	0.6	0.9	-32.6%	0.8%	1.6	1.2	1.3	10.7%	0.5%
Property payments	0.5	0.8	0.6	0.7	6.3%	0.4%	0.9	0.9	1.0	13.5%	0.3%
Travel and subsistence	3.2	2.2	2.3	2.4	-9.0%	1.5%	3.4	3.4	3.6	14.7%	1.3%
Transfers and subsidies¹	45.8	49.2	115.8	79.0	19.9%	44.4%	130.7	138.3	146.0	22.7%	50.6%
Departmental agencies and accounts	45.1	49.2	115.8	78.9	20.5%	44.2%	130.7	138.3	146.0	22.8%	50.6%
Households	0.7	-	0.1	0.1	-49.4%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	0.9	0.4	0.4	0.3	-32.5%	0.3%	0.8	0.9	1.0	50.6%	0.3%
Machinery and equipment	0.9	0.4	0.4	0.3	-32.5%	0.3%	0.8	0.9	1.0	50.6%	0.3%
Payments for financial assets	-	0.0	0.3	-	-	-	-	-	-	-	-
Total	123.0	132.0	216.7	181.4	13.8%	100.0%	244.3	266.8	284.3	16.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.5%	0.4%	-	-	0.5%	0.4%	0.4%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	45.1	49.2	115.7	78.9	20.5%	44.2%	130.7	138.3	146.0	22.8%	50.6%
Quality Council for Trades and Occupations	21.7	23.2	21.8	23.1	2.1%	13.8%	26.9	28.5	30.1	9.1%	11.1%
Public Service Sector Education and Training Authority	23.3	26.0	93.8	55.7	33.7%	30.4%	103.8	109.8	115.9	27.7%	39.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 6: Community Education and Training

Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training.

Objectives

- Ensure a sound post-school education and training system through the development of two new and the revision of two existing pieces of legislation, regulations and policies for community education and training colleges by 31 March 2018.
- Ensure effectual monitoring and evaluation of the community education and training sector by producing one annual oversight report on teaching and learning support by 31 March 2020.
- Provide learning assessment services for community education and training colleges by concluding two annual resulting cycles for community education and training national examinations, and finalising all examination-related complaints, in support of an improved post-school education and training system over the medium term.

Subprogrammes

- *Programme Management: Community Education and Training* manages the delegated administrative and financial responsibilities, and coordinates the monitoring and evaluation function of the programme.
- *Community Education and Training Colleges Systems Planning, Institutional Development and Support* supports management and councils, monitors and evaluates the community education and training system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for community education and training colleges to enter into partnerships for the use of infrastructure for college site-hosting centres and funding these partnerships, maps an institutional landscape for the rollout of the community education and training system, and is responsible for community education and training infrastructure planning and development.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of community education and training colleges; manages and determines the fair distribution of funding to community education and training colleges in accordance with funding norms and standards for funding these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Education and Training and Development Support* manages and coordinates curriculum development processes; ensures the development of quality learning and teaching materials; monitors and supports the implementation of curriculum statements and assessment regulations; monitors and supports the development of lecturers; provides leadership for community education and training colleges to diversify their programmes, qualifications and curriculums; and provides leadership for colleges to form partnerships and linkages for programme diversification.

Expenditure trends and estimates

Table 15.13 Community Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20		
R million											
Programme Management: Community Education and Training	–	–	–	2.9	–	–	1.7	2.0	2.1	-9.2%	0.1%
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 771.1	1 847.2	1 653.2	1 883.6	2.1%	95.1%	2 055.2	2 165.0	2 328.7	7.3%	91.7%
Financial Planning	–	–	157.2	166.3	–	4.3%	166.3	177.0	186.8	3.9%	7.6%
Education and Training and Development Support	5.7	5.9	14.0	17.0	44.4%	0.6%	11.6	12.5	12.7	-9.4%	0.6%
Total	1 776.8	1 853.1	1 824.4	2 069.8	5.2%	100.0%	2 234.9	2 356.4	2 530.3	6.9%	100.0%
Change to 2016 Budget estimate				0.0			(2.4)	(23.2)	(26.6)		

Table 15.13 Community Education and Training expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million											
Current payments	1 776.2	1 852.5	1 731.3	1 969.1	3.5%	97.4%	2 128.4	2 243.8	2 411.3	7.0%	95.2%
Compensation of employees	1 696.3	1 774.7	1 712.3	1 905.8	4.0%	94.2%	2 069.8	2 180.7	2 344.9	7.2%	92.5%
Goods and services ¹	79.9	77.8	18.9	63.3	-7.5%	3.2%	58.6	63.1	66.4	1.6%	2.7%
of which:											
Communication	6.0	6.3	0.2	1.7	-35.1%	0.2%	2.1	2.6	2.8	18.9%	0.1%
Consumable supplies	–	–	0.0	0.1	–	–	1.0	1.3	1.7	204.7%	–
Consumables: Stationery, printing and office supplies	2.0	1.0	1.8	25.5	133.0%	0.4%	31.5	38.3	40.2	16.3%	1.5%
Rental and hiring	–	–	0.5	5.0	–	0.1%	3.6	3.5	3.5	-10.9%	0.2%
Travel and subsistence	61.3	58.1	7.9	5.1	-56.4%	1.8%	4.4	4.9	5.0	-0.7%	0.2%
Training and development	3.3	4.0	0.0	22.3	88.3%	0.4%	14.4	10.9	11.5	-19.8%	0.6%
Transfers and subsidies¹	–	–	93.1	100.2	–	2.6%	104.7	110.8	117.0	5.3%	4.7%
Departmental agencies and accounts	–	–	–	0.8	–	–	0.8	0.8	0.9	3.7%	–
Non-profit institutions	–	–	91.8	98.2	–	2.5%	103.9	109.9	116.1	5.7%	4.7%
Households	–	–	1.3	1.2	–	–	–	–	–	-100.0%	–
Payments for capital assets	0.5	0.6	0.0	0.5	-2.0%	–	1.8	1.9	2.0	57.8%	0.1%
Machinery and equipment	0.5	0.6	0.0	0.5	-2.0%	–	1.8	1.9	2.0	57.8%	0.1%
Total	1 776.8	1 853.1	1 824.4	2 069.8	5.2%	100.0%	2 234.9	2 356.4	2 530.3	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	4.9%	4.7%	4.3%	4.2%	–	–	4.3%	3.9%	3.9%	–	–
Details of selected transfers and subsidies											
Non-profit institutions											
Current	–	–	91.8	98.2	–	2.5%	103.9	109.9	116.1	5.7%	4.7%
Community education and training colleges	–	–	91.8	98.2	–	2.5%	103.9	109.9	116.1	5.7%	4.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Entities¹

National Skills Fund

Mandate

The National Skills Fund was established in 1999 in terms of section 27 of the Skills Development Act (1998). The fund focuses on national priority projects identified in the national skills development strategy related to the achievement of the purposes of the act, as determined by the director general of the Department of Higher Education and Training, and any activity undertaken by the Minister of Higher Education and Training to achieve a national standard of good practice in skills development.

Selected performance indicators

Table 15.14 National Skills Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current 2016/17	Projections		
			2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
Number of learners who completed their education and training towards priority occupations per year	Grant disbursement		– ¹	– ¹	– ¹	6 500	7 000	7 500	7 500
Number of small, medium and micro enterprises and cooperatives that benefited from the fund's skills development initiatives per year	Grant disbursement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	– ¹	– ¹	– ¹	100	150	200	250
Number of learners who acquired skills through funded community-based skills development initiatives per year	Grant disbursement		– ¹	– ¹	– ¹	1 400	1 400	1 400	1 400
Number of workers to be educated through workers' education initiatives per year	Grant disbursement		– ¹	– ¹	– ¹	560	840	1 120	1 400

1. No historical data available.

Expenditure analysis

Over the medium term, the National Skills Fund will continue supporting quality and growth in the post-school education and training system by funding national priority skills initiatives such as artisan development and creating greater opportunities for out-of-school youth. The fund will also focus on supporting small, medium and micro enterprises and cooperatives on learner and worker education and training, skills infrastructure

¹. This section has been compiled with the latest available information from the entities concerned.

development, skills development research, innovation and communication, and projects aimed at expanding, integrating and improving the effectiveness of the post-school education and training system. This is in line with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

Transfer payments to skills development programmes and projects account for 97 per cent of the fund's total budget over the MTEF period. The value of these transfer payments, however, is expected to decrease from R8.9 billion in 2016/17 to R6 billion in 2019/20, in line with downward revised estimates of the skills development levy income and the use of accumulated surpluses. Over the medium term, this spending will contribute to an estimated 600 small, medium and micro enterprises and cooperatives benefiting from the fund's skills development initiatives; 4 200 learners acquiring various skills through community-based skills development initiatives; and 3 360 workers benefiting from workers' education initiatives.

The fund has committed to assisting projects in expanding and improving the TVET system; providing various workplace-based opportunities (apprenticeships, internships and skills programmes); financially supporting 20 centres of specialisation related to priority artisan trades at public TVET colleges across the country; and providing bursaries and scholarships to the new generation of academics in the university system.

The fund is in the process of implementing a new organisational structure to improve its capabilities in skills planning, skills development initiation, monitoring and evaluation, and financial management for projects. The process, which was implemented in 2015/16, accounts for the more than 200 per cent increase in spending on compensation of employees from R40.4 million in 2015/16 to R131 million in 2016/17. The implementation of the new organisational structure is also responsible for the increase in the entity's staff complement to 215 over the same period. This increase includes an internship programme, which the fund will establish and expand over the medium term to accommodate approximately 30 young people on an annual basis within the entity and institutions in the broader post-school education and training system. As a result, spending on compensation of employees over the medium term is expected to increase at an average annual rate of 6.1 per cent.

The fund's primary source of revenue is 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. This transfer is expected to increase from R3.1 billion in 2016/17 to R3.9 billion in 2019/20, and accounts for 92.5 per cent of total revenue over the medium term.

Programmes/objectives/activities

Table 15.15 National Skills Fund expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	95.4	127.6	140.0	390.3	60.0%	4.6%	401.2	424.7	442.4	4.3%	8.8%
Grant disbursement	2 290.1	2 925.1	4 194.5	5 044.7	30.1%	95.4%	9 162.0	3 166.1	3 270.5	-13.5%	91.2%
Total	2 385.5	3 052.7	4 334.5	5 435.1	31.6%	100.0%	9 563.2	3 590.8	3 712.8	-11.9%	100.0%

Statements of historical financial performance and position

Table 15.16 National Skills Fund statements of historical financial performance and position

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17	
Revenue									
Non-tax revenue	399.0	1 469.1	419.5	3 128.1	961.4	1 102.8	363.1	408.8	285.1%
Other non-tax revenue	399.0	1 469.1	419.5	3 128.1	961.4	1 102.8	363.1	408.8	285.1%
Interest, dividends and rent on land	399.0	356.9	419.5	423.0	321.5	678.6	278.2	350.1	127.5%
Transfers received	2 480.6	2 514.9	3 247.9	2 750.6	3 159.3	3 033.1	3 527.1	3 179.4	92.5%
Total revenue	2 879.6	3 984.0	3 667.4	5 878.7	4 120.7	4 135.9	3 890.2	3 588.2	120.8%
Expenses									
Current expenses	207.6	46.6	110.5	95.8	170.3	91.4	235.5	235.5	64.8%
Compensation of employees	47.0	24.5	53.2	29.2	57.7	40.4	131.0	131.0	77.9%
Goods and services	160.6	21.9	57.3	63.9	112.5	45.9	95.4	95.4	53.3%
Depreciation	-	0.3	-	2.7	-	5.1	9.1	9.1	189.1%
Transfers and subsidies	2 508.8	3 027.2	4 487.8	3 138.9	4 538.9	4 405.8	6 201.4	5 279.8	89.4%
Total expenses	2 716.5	3 073.8	4 598.3	3 234.7	4 709.2	4 497.2	6 436.9	5 515.4	88.4%
Surplus/(Deficit)	163.0	910.0	(931.0)	2 644.0	(589.0)	(361.0)	(2 547.0)	(1 927.0)	

Table 15.16 National Skills Fund statements of historical financial performance and position

Statement of financial position									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
Carrying value of assets	-	1.0	-	261.4	-	602.0	635.7	51.0	144.0%
<i>of which:</i>									
Acquisition of assets	-	(159.4)	-	(105.0)	-	(345.7)	-	(1 772.5)	-
Investments	4 094.7	5 956.1	4 094.7	7 931.1	10 541.7	10 423.3	8 185.8	6 240.8	113.5%
Receivables and prepayments	-	2 251.4	-	1 782.4	-	715.2	755.3	797.5	734.4%
Cash and cash equivalents	-	1 161.9	-	2 270.5	-	186.1	196.5	207.5	1 947.2%
Total assets	4 094.7	9 370.3	4 094.7	12 245.4	10 541.7	11 926.6	9 773.2	7 296.8	143.3%
Accumulated surplus/(deficit)	-	6 017.1	-	6 040.8	10 541.7	6 278.8	4 185.8	3 742.1	149.9%
Capital and reserves	-	2 577.9	-	5 198.8	-	4 599.5	4 480.4	3 505.0	354.5%
Capital reserve fund	-	745.7	-	948.1	-	1 001.4	1 057.5	-	254.9%
Trade and other payables	-	25.4	-	50.6	-	38.8	41.0	41.2	380.6%
Provisions	-	4.3	-	7.2	-	3.0	3.2	3.2	557.7%
Derivatives financial instruments	-	-	-	-	-	5.1	5.4	5.4	194.6%
Total equity and liabilities	-	9 370.3	-	12 245.4	10 541.7	11 926.6	9 773.2	7 296.8	201.0%

Statements of estimates of financial performance and position**Table 15.17 National Skills Fund statements of estimates of financial performance and position**

Statement of financial performance								
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2016/17	2013/14 - 2016/17	2017/18		
Revenue								
Non-tax revenue	408.8	-34.7%	32.0%	306.1	231.3	171.0	-25.2%	7.5%
Other non-tax revenue	408.8	-34.7%	32.0%	306.1	231.3	171.0	-25.2%	7.5%
Interest, dividends and rent on land	350.1	-0.6%	10.6%	247.4	172.6	112.3	-31.5%	6.0%
Transfers received	3 179.4	8.1%	68.0%	3 328.3	3 593.6	3 890.8	7.0%	92.5%
Total revenue	3 588.2	-3.4%	100.0%	3 634.4	3 825.0	4 061.9	4.2%	100.0%
Expenses								
Current expenses	235.5	71.6%	2.7%	238.7	254.1	262.2	3.6%	6.8%
Compensation of employees	131.0	74.9%	1.2%	139.8	148.1	156.3	6.1%	2.9%
Goods and services	95.4	63.4%	1.4%	86.6	91.0	90.8	-1.6%	1.8%
Depreciation	9.1	216.5%	0.1%	12.2	15.1	15.1	18.3%	0.3%
Transfers and subsidies	5 279.8	20.4%	97.3%	9 565.0	3 477.4	3 696.2	-11.2%	95.0%
Total expenses	5 515.4	21.5%	100.0%	9 803.7	3 731.4	3 958.4	-10.5%	100.0%
Surplus/(Deficit)	(1 927.0)	(2)		(6 169.0)	94.0	104.0	-137.8%	
Statement of financial position								
Carrying value of assets	51.0	272.0%	2.0%	45.5	21.0	11.7	-38.8%	0.7%
<i>of which:</i>								
Acquisition of assets	(1 772.5)	123.2%	-7.4%	(759.7)	-	-	-100.0%	-9.8%
Investments	6 240.8	1.6%	75.3%	3 968.8	2 292.8	674.5	-52.4%	65.2%
Receivables and prepayments	798	-29.2%	13.9%	889	992	1 047	9.5%	27.1%
Cash and cash equivalents	207	-43.7%	8.8%	231	258	272	9.5%	7.0%
Total assets	7 296.8	-8.0%	100.0%	5 135.0	3 563.5	2 006.0	-35.0%	100.0%
Accumulated surplus/(deficit)	3 742.1	-14.6%	54.4%	84.1	65.3	52.9	-75.8%	14.3%
Capital and reserves	3 505.0	10.8%	39.1%	4 989.5	3 442.6	1 894.3	-18.5%	84.1%
Trade and other payables	41.2	17.4%	0.4%	52.3	46.1	48.7	5.7%	1.3%
Provisions	3.2	-9.9%	0.0%	3.4	3.5	3.7	5.9%	0.1%
Derivatives financial instruments	5.4	-	0.0%	5.7	6.1	6.4	5.9%	0.2%
Total equity and liabilities	7 296.8	-8.0%	100.0%	5 135.0	3 563.5	2 006.0	-35.0%	100.0%

Personnel information

Table 15.18 National Skills Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)				
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20			
		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	215	215	99	40.4	0.4	215	131.0	0.6	214	139.8	0.7	214	148.1	0.7	214	156.3	0.7	6.1%	100.0%
1 – 6	42	42	25	2.9	0.1	42	4.8	0.1	41	5.1	0.1	41	5.5	0.1	41	5.8	0.1	5.9%	19.3%
7 – 10	87	87	48	15.8	0.3	87	37.9	0.4	87	40.4	0.5	87	42.8	0.5	87	45.2	0.5	6.0%	40.6%
11 – 12	59	59	18	13.8	0.8	59	56.4	1.0	59	60.4	1.0	59	63.9	1.1	59	67.5	1.1	6.2%	27.5%
13 – 16	27	27	8	8.0	1.0	27	31.9	1.2	27	33.8	1.3	27	35.8	1.3	27	37.8	1.4	5.9%	12.6%

1. Rand million.

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, 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 of funded students, undertaking research for the better use of financial resources, and advising the minister on matters relating to student financial aid.

Selected performance indicators

Table 15.19 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
Amount of financial aid raised from new funders for qualifying students per year	Student-centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	R374m	R69.5m	R18.6m	R10m	R11m	R12.2m	R13.4m
Total amount of financial aid raised for qualifying students from current funders ¹	Student-centred financial aid		R1.3bn	R727m	R2.4bn	R188m	10% growth on 2016/17 actual	10% growth on 2017/18 actual	10% growth on 2018/19 actual
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid		R339m	R248m	R227m	R285m	50% growth on 2016/17 actual	75% growth on 2017/18 actual	100% growth on 2018/19 actual
Percentage of students migrated to the new student-centred model (cumulative)	Administration	Entity mandate	– ²	– ²	24% (99 587/ 413 000)	80%	100%	– ³	– ³
Number of students assisted in higher education institutions per year	Student-centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	194 923	186 150	178 961	205 000 ⁴	205 000 ⁴	205 000 ⁴	205 000 ⁴
Number of students assisted in TVET colleges per year	Student-centred financial aid		220 978	228 642	235 988	200 000 ⁴	200 000 ⁴	200 000 ⁴	200 000 ⁴
Percentage of students in the student-centred model per year paid tuition and residence fees within 30 days	Student-centred financial aid		– ²	– ²	98.5% (60 166/ 61 083)	98%	98%	99%	100%
Percentage of students in the student-centred model per year paid allowances on or before due date	Student-centred financial aid		– ²	– ²	94.1% (27 398/ 29 127)	98%	98%	99%	100%
Percentage of claims per year paid to institutions outside of the student-centred model on or before due date	Student-centred financial aid		– ²	– ²	100% (R7.9bn)	100%	100%	– ³	– ³
Percentage of upfront payments made per year to institutions outside of the student-centred model on or before due date	Student-centred financial aid		100% (R649m)	100% (R1.1bn)	100% (R1.7bn)	100%	– ⁵	– ⁵	– ⁵

1. Indicator has been rephrased to cumulative measurement in line with the 2017/18 annual performance plan, impacting on amounts from 2015/16.

2. No historical data available.

3. The project to migrate all students on to the new student-centred model is expected to be completed in 2017/18.

4. Aligned with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

5. New system integrated with higher education institutions planned for implementation in 2017/18 will no longer require measurement of this indicator.

Expenditure analysis

Over the medium term, the National Student Financial Aid Scheme will focus on increasing student funding and improving loan recoveries to ensure that all qualifying students who cannot afford to pay for their studies receive adequate funding support. Other focus areas over the period include implementing the scheme's funding and recovery strategies, and finalising the implementation of the student-centred model. By providing funding for poor

students to access university education, the entity's work supports the realisation of outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

The number of students assisted with financial aid for the full cost of study (tuition, accommodation, books, meals and a stipend) in higher education institutions and TVET colleges decreased in 2014/15 and 2015/16 as funding was insufficient and tuition fees increased at a quicker rate than general inflation. However, in an effort to ensure access to higher education for poor students, the number of students assisted in higher education institutions is expected to increase over the medium term, from 178 961 in 2015/16 to 205 000 in 2019/20, supported partially by the additional R7.7 billion allocated to the scheme over the medium term period. This additional funding supplements the additional R10.6 billion that government allocated to the scheme in the 2016 budget.

The process of migrating all students at universities and TVET colleges to the new student-centred model by the end of 2017/18 is still under way. The model will see the introduction of an automated financial means test that allows students to apply for funding online and directly to the scheme, not through institutions. The rollout of the model and the additional allocation for new and continuing students is placing considerable pressure on the administration budget, particularly on ICT capacity and human resources. To remain within budget, adjustments in the 2016/17 baseline have been effected to increase the administration budget, specifically for spending on goods and services. Expenditure on agency support and outsourced services was adjusted upward by R7.6 million, consultants by R18.4 million, and contractors by R8 million from interest revenue earned.

Due to the repeal of section 23 of the National Student Financial Aid Scheme Act (2011), which gave the scheme legal right to effect garnishee orders on debtors without consent, debt collections have been declining. The amount of funds recovered from the scheme's debtors per year decreased from R339 million in 2013/14 to R227 million in 2015/16. However, the implementation of the new recoveries strategy in December 2015 saw an increase in debt collections from R227 million in 2015/16 to R285 million in 2016/17.

The scheme increased its staff complement from 260 in 2015/16 to 361 in 2016/17 to build capacity for the rollout of the recoveries strategy and the student-centred model. This resulted in an increase in spending on compensation of employees, from R95.9 million in 2015/16 to R138.7 million in 2016/17. Spending on compensation of employees is expected to increase at an average annual rate of 6.7 per cent over the medium term, with the number of posts increasing to 396 by 2019/20.

The scheme derives most of its revenue from transfers from the Department of Higher Education and Training. Transfers are also received from a few higher education institutions, the National Skills Fund, and some of the sector education and training authorities. These transfers contribute a projected 22 per cent, or R4.7 billion, of the scheme's total revenue over the medium term.

Programmes/objectives/activities

Table 15.20 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Administration	126.0	123.0	128.6	189.2	14.5%	1.5%	197.1	207.7	218.8	5.0%	1.9%
Student centered financial aid	7 745.0	10 727.3	8 476.9	9 531.1	7.2%	98.5%	10 181.7	10 675.7	11 240.9	5.7%	98.1%
Total	7 871.0	10 850.3	8 605.5	9 720.4	7.3%	100.0%	10 378.8	10 883.3	11 459.7	5.6%	100.0%

Statements of historical financial performance and position

Table 15.21 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
R million	Budget 2013/14	Audited outcome	Budget 2014/15	Audited outcome	Budget 2015/16	Audited outcome	Budget estimate 2016/17	Revised estimate	
Revenue									
Non-tax revenue	708.2	670.6	27.6	871.4	890.7	720.3	913.4	783.2	119.9%
Sale of goods and services other than capital assets	19.7	14.9	27.6	16.2	16.7	22.3	17.6	19.8	89.6%
<i>of which:</i>									
Administrative fees	19.7	14.9	27.6	16.2	16.7	22.3	17.6	19.8	89.6%
Other non-tax revenue	688.5	655.8	–	855.3	873.9	697.9	895.8	763.5	120.9%
Transfers received	8 142.4	7 999.5	13 435.1	8 881.4	9 226.1	9 543.5	14 311.0	14 311.0	90.3%
Total revenue	8 850.6	8 670.2	13 462.7	9 752.8	10 116.7	10 263.8	15 224.3	15 094.2	91.9%
Expenses									
Current expenses	130.3	2 191.0	143.8	4 733.6	197.2	2 185.5	194.4	267.5	1 408.7%
Compensation of employees	52.3	65.9	84.6	82.3	101.6	95.9	107.2	138.7	110.7%
Goods and services	72.6	2 094.3	52.1	4 624.6	67.6	2 063.5	57.8	99.4	3 551.6%
Depreciation	5.4	30.8	7.1	26.7	28.1	26.0	29.3	29.3	161.4%
Transfers and subsidies	6 000.7	5 680.0	6 911.9	6 116.7	7 242.4	6 420.0	8 435.7	9 452.9	96.8%
Total expenses	6 131.0	7 871.0	7 055.7	10 850.3	7 439.6	8 605.5	8 630.1	9 720.4	126.6%
Surplus/(Deficit)	2 720.0	799.0	6 407.0	(1 098.0)	2 677.0	1 658.0	6 594.0	5 374.0	
Statement of financial position									
Carrying value of assets	9.8	62.2	10.4	38.3	40.6	22.0	43.1	22.8	139.8%
<i>of which:</i>									
Acquisition of assets	(5.4)	(69.3)	(7.1)	(2.8)	(12.7)	(9.7)	(12.1)	(14.0)	257.2%
Investments	635.9	–	670.9	–	–	–	–	–	–
Loans	7 560.0	7 442.8	7 938.0	6 110.2	6 476.8	7 176.2	10 644.8	10 284.2	95.1%
Receivables and prepayments	489.9	903.1	516.9	1 262.5	1 373.4	1 980.2	1 458.5	2 029.4	160.9%
Cash and cash equivalents	2 334.7	1 842.4	2 463.1	1 535.9	1 628.0	912.9	1 728.9	1 004.2	64.9%
Total assets	11 030.3	10 250.5	11 599.2	8 946.8	9 518.8	10 091.3	13 875.4	13 340.6	92.6%
Accumulated surplus/(deficit)	1 572.4	799.2	1 621.1	(1 097.5)	445.8	1 658.3	490.2	1 741.2	75.1%
Capital and reserves	9 272.2	7 682.0	9 782.1	8 472.8	7 375.2	7 375.2	11 598.9	10 485.2	89.4%
Capital reserve fund	–	(8.4)	–	–	–	–	–	–	–
Deferred income	173.9	1 400.8	183.5	1 265.0	1 340.9	825.9	1 410.6	867.2	140.2%
Trade and other payables	11.9	312.4	12.6	241.5	291.2	172.0	309.2	180.6	145.1%
Provisions	–	64.5	–	65.0	65.7	59.9	66.3	66.3	193.7%
Total equity and liabilities	11 030.3	10 250.5	11 599.2	8 946.8	9 518.8	10 091.3	13 875.4	13 340.6	92.6%

Statements of estimates of financial performance and position

Table 15.22 National Student Financial Aid Scheme statements of estimates of financial performance and position

Statement of financial performance								
R million	Revised estimate 2016/17	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2017/18	2018/19	2019/20	2016/17 - 2019/20	
Revenue								
Non-tax revenue	783.2	5.3%	7.2%	863.4	947.8	1 040.9	9.9%	5.4%
Sale of goods and services other than capital assets	19.8	10.0%	0.2%	23.5	24.0	24.7	7.8%	0.1%
<i>of which:</i>								
Administrative fees	19.8	10.0%	0.2%	23.5	24.0	24.7	7.8%	0.1%
Other non-tax revenue	763.5	5.2%	7.0%	839.8	923.8	1 016.2	10.0%	5.2%
Transfers received	14 311.0	21.4%	92.8%	15 640.2	16 421.6	17 382.9	6.7%	94.6%
Total revenue	15 094.2	20.3%	100.0%	16 503.5	17 369.4	18 423.8	6.9%	100.0%
Expenses								
Current expenses	267.5	-50.4%	24.9%	271.2	286.1	301.7	4.1%	3.6%
Compensation of employees	138.7	28.2%	1.0%	152.0	160.0	168.7	6.7%	1.5%
Goods and services	99.4	-63.8%	23.6%	88.7	93.6	98.7	-0.2%	0.9%
Depreciation	29.3	-1.6%	0.3%	30.5	32.5	34.3	5.3%	0.3%
Transfers and subsidies	9 452.9	18.5%	75.1%	10 107.6	10 597.2	11 158.0	5.7%	97.3%
Total expenses	9 720.4	7.3%	100.0%	10 378.8	10 883.3	11 459.7	5.6%	100.0%
Surplus/(Deficit)	5 374.0	1.0		6 125.0	6 486.0	6 964.0	9.0%	
Statement of financial position								
Carrying value of assets	22.8	-28.4%	0.4%	23.6	24.4	25.2	3.5%	0.1%
<i>of which:</i>								
Acquisition of assets	(14.0)	-41.4%	-0.2%	(8.9)	(9.4)	(9.9)	-10.8%	-0.1%
Loans	10 284.2	11.4%	72.3%	12 317.5	14 544.8	16 991.2	18.2%	80.4%
Receivables and prepayments	2 029.4	31.0%	14.4%	2 079.9	2 131.5	2 184.5	2.5%	12.8%
Cash and cash equivalents	1 004.2	-18.3%	12.9%	1 054.4	1 109.8	1 170.8	5.2%	6.6%
Total assets	13 340.6	9.2%	100.0%	15 475.3	17 810.5	20 371.8	15.2%	100.0%
Accumulated surplus/(deficit)	1 741.2	29.6%	6.3%	1 828.3	1 919.7	2 015.7	5.0%	11.4%
Capital and reserves	10 485.2	10.9%	80.3%	12 479.8	14 667.9	17 073.8	17.6%	81.4%
Deferred income	867.2	-14.8%	10.6%	910.5	956.0	1 003.8	5.0%	5.7%
Trade and other payables	180.6	-16.7%	2.2%	189.7	199.2	209.1	5.0%	1.2%
Provisions	66.3	0.9%	0.6%	67.0	67.7	69.4	1.5%	0.4%
Total equity and liabilities	13 340.6	9.2%	100.0%	15 475.3	17 810.5	20 371.8	15.2%	100.0%

Personnel information

Table 15.23 National Student Financial Aid Scheme personnel numbers and cost by salary level

National Student Financial Aid Scheme	Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Salary level	362	361	260	95.9	0.4	361	138.7	0.4	393	152.0	0.4	397	160.0	0.4	396	168.7	0.4	6.7%	100.0%
1 – 6	216	215	144	26.7	0.2	215	41.9	0.2	253	52.9	0.2	259	57.1	0.2	258	60.0	0.2	12.7%	63.6%
7 – 10	84	84	66	25.7	0.4	84	36.9	0.4	78	36.8	0.5	78	39.0	0.5	78	41.1	0.5	3.7%	20.6%
11 – 12	30	30	23	15.4	0.7	30	22.9	0.8	31	25.3	0.8	30	26.0	0.9	30	27.5	0.9	6.2%	7.8%
13 – 16	32	32	27	28.2	1.0	32	37.0	1.2	31	37.0	1.2	30	38.0	1.3	30	40.1	1.3	2.7%	8.0%

1. Rand million.

Sector education and training authorities

Mandate

As per the Skills Development Act (1998), sector education and training authorities are mandated to implement 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.

Selected performance indicators

Table 15.24 Sector education and training authorities performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of unemployed persons entering skills programmes per year	Discretionary grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	18 231	31 978	38 622	31 715	34 252	36 992	39 211
Number of workers entering skills programmes per year	Mandatory grant		75 644	105 305	84 971	78 215	84 472	91 229	96 702
Number of unemployed persons completing skills programmes per year	Discretionary grant		18 835	23 923	35 675	16 074	17 359	18 747	19 872
Number of workers completing skills programmes per year	Mandatory grant		91 438	82 536	91 469	62 388	67 379	72 769	77 135
Number of unemployed persons entering learnerships per year	Discretionary grant		46 012	48 831	67 029	47 554	51 358	55 466	58 794
Number of workers entering learnerships per year	Mandatory grant		30 511	29 099	27 340	33 085	35 731	38 589	40 904
Number of unemployed persons completing learnerships per year	Discretionary grant		25 372	22 206	28 356	24 878	26 868	29 017	30 758
Number of workers completing learnerships per year	Mandatory grant		14 500	18 685	14 957	17 927	19 361	20 909	22 164
Number of unemployed persons receiving bursaries per year	Discretionary grant		13 105	14 683	19 044	11 630	12 560	13 564	14 378
Number of workers receiving bursaries per year	Mandatory grant		5 563	7 624	7 056	8 157	8 809	9 513	10 084
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grant		3 859	7 590	7 643	20 089	21 696	23 431	24 837
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grant		11 953	14 400	13 213	11 633	12 563	13 568	14 382

Expenditure analysis

The core focus of sector education and training authorities is creating a training system that caters for different needs and produces skilled individuals. The authorities derive their objectives directly from the third national skills development strategy, which aims to: increase access to occupationally directed programmes; promote the growth of public TVET colleges; address low levels of youth and adult literacy and numeracy skills; and encourage the better use of workplace-based skills development. These objectives are in line with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

The authorities will continue to strengthen and deliver relevant priority skills to South Africa's labour market, with particular emphasis on artisan development, apprenticeships, learnerships, internships and bursaries; and partnerships with TVET colleges, universities and the market to provide work experience opportunities. Over the MTEF period, the authorities plan to facilitate the entry of 382 858 individuals into various skills programmes, and 280 842 individuals into learnerships.

The number of bursaries awarded to unemployed individuals is expected to increase from 11 630 in 2016/17 to 14 378 in 2019/20, and from 8 157 workers in 2016/17 to 10 084 to workers in 2019/20. The placement of university students is expected to increase from 20 089 in 2016/17 to 24 837 in 2019/20, while the placement of TVET college students is also expected to increase from 11 663 to 14 382 over the same period.

Authorities generate revenue from the skills development levy, which is collected by the South African Revenue Service and transferred to them as a direct charge against the National Revenue Fund. The value of these transfers is expected to increase at an average annual rate of 8 per cent, from R12.4 billion in 2016/17 to R15.6 billion in 2019/20, constituting approximately 93 per cent of the authorities' total revenues. Other revenue generated by sector education and training authorities is mostly generated from interest income amounting to R1.8 billion over the medium term; and fines, penalties and forfeits amounting to R235.8 million over the same period.

Statements of historical financial performance and position

Table 15.25 Sector education and training authorities consolidation statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
Revenue									
Non-tax revenue	562.3	855.3	598.8	1 152.2	879.6	1 572.2	840.8	888.9	155.1%
Other non-tax revenue	562.3	855.3	598.8	1 152.2	879.6	1 572.2	840.8	888.9	155.1%
Transfers received	9 482.6	10 183.8	10 207.7	11 158.5	12 075.6	12 519.8	12 803.5	12 666.9	104.4%
Total revenue	10 045.0	11 039.2	10 689.7	12 310.7	12 955.2	14 092.0	13 644.3	13 555.9	107.7%
Expenses									
Current expenses	1 287.8	1 412.0	1 573.9	1 522.6	1 867.7	1 687.9	1 821.9	1 996.1	101.0%
Compensation of employees	644.4	712.1	758.9	763.1	832.7	811.9	932.5	937.3	101.8%
Goods and services	623.3	673.0	775.9	726.9	1 006.1	838.8	859.1	1 026.1	100.0%
Depreciation	19.6	25.6	38.9	30.2	28.8	31.0	30.3	32.7	101.7%
Interest, dividends and rent on land	0.5	1.3	0.2	2.4	-	6.2	-	-	1 225.3%
Transfers and subsidies	7 548.4	8 788.2	4 799.4	9 003.2	9 756.0	9 572.1	11 340.9	11 956.2	117.6%
Total expenses	8 836.3	10 200.2	6 373.3	10 525.8	11 623.6	11 260.0	13 162.8	13 952.3	114.9%
Surplus/(Deficit)	1 209.0	839.0	4 316.0	1 785.0	1 332.0	2 832.0	482.0	(396.0)	
Statement of financial position									
Carrying value of assets	233.4	181.0	337.5	208.1	416.8	288.9	510.1	553.4	82.2%
of which:									
Acquisition of assets	(24.0)	(86.1)	(36.5)	(68.0)	(57.0)	(146.9)	(27.9)	(35.9)	231.6%
Investments	1 759.0	1 320.0	1 206.0	1 643.3	1 746.5	2 018.0	1 737.0	1 950.0	107.5%
Inventory	1.6	3.6	2.6	4.4	3.7	5.9	3.9	3.6	149.4%
Accrued investment interest	9.1	62.4	42.1	66.4	33.4	5.2	35.8	35.8	141.0%
Receivables and prepayments	110.2	142.2	91.2	260.3	133.0	288.7	125.6	131.3	178.8%
Cash and cash equivalents	4 261.4	10 084.4	4 697.9	9 850.9	7 429.0	11 039.2	7 519.9	7 711.0	161.8%
Total assets	6 374.6	11 793.6	6 377.2	12 033.4	9 762.4	13 645.8	9 932.3	10 385.1	147.5%
Accumulated surplus/(deficit)	2 706.5	5 006.9	3 252.9	4 568.3	4 766.5	5 403.7	4 867.5	4 346.3	123.9%
Capital and reserves	2 018.2	3 240.6	1 379.0	4 902.7	3 304.4	6 033.4	3 427.1	4 103.2	180.5%
Capital reserve fund	-	113.8	-	71.9	66.3	171.4	66.3	148.4	381.3%
Borrowings	1.2	1.0	1.0	-	1.0	-	1.1	1.1	48.0%
Finance lease	144.9	3.5	1.9	4.3	5.3	1.9	8.3	6.7	10.2%
Deferred income	11.9	29.3	12.5	21.0	2.7	18.1	2.9	2.9	237.6%
Trade and other payables	899.6	857.5	878.0	1 082.2	608.8	881.6	590.4	740.5	119.7%
Provisions	202.9	2 077.5	552.1	831.3	713.7	760.0	668.3	677.1	203.4%
Managed funds (e.g. poverty alleviation fund)	0.3	-	0.4	-	-	-	-	-	-
Derivatives financial instruments	7.0	463.6	151.3	551.7	293.6	375.6	299.5	328.9	228.9%
Total equity and liabilities	5 992.5	11 793.6	6 229.0	12 033.4	9 762.4	13 645.8	9 931.3	10 355.0	149.9%

Statements of estimates of financial performance and position

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

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Revenue									
Non-tax revenue	888.9	1.3%	8.7%	843.3	813.5	832.8	-2.2%	5.8%	
Other non-tax revenue	888.9	1.3%	8.7%	843.3	813.5	832.8	-2.2%	5.8%	
Transfers received	12 666.9	7.5%	91.3%	13 184.5	14 006.4	14 764.7	5.2%	94.2%	
Total revenue	13 555.9	7.1%	100.0%	14 027.8	14 820.0	15 597.5	4.8%	100.0%	

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

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
					2016/17	2013/14 - 2016/17	2017/18		
R million									
Expenses									
Current expenses		1 996.1	12.2%	14.4%	2 051.9	2 174.4	2 305.5	4.9%	20.3%
Compensation of employees		937.3	9.6%	7.0%	1 028.5	1 095.3	1 165.3	7.5%	7.4%
Goods and services		1 026.1	15.1%	7.1%	981.9	1 036.3	1 095.0	2.2%	7.3%
Depreciation		32.7	8.5%	0.3%	41.5	42.9	45.2	11.4%	0.3%
Interest, dividends and rent on land		0.0	-76.8%	0.0%	0.0	0.0	0.0	-19.2%	0.0%
Transfers and subsidies		11 956.2	10.8%	85.6%	11 602.9	12 145.4	12 794.3	2.3%	85.1%
Total expenses		13 952.3	11.0%	100.0%	13 654.8	14 319.9	15 099.9	2.7%	100.0%
Surplus/(Deficit)		(396.0)	(2)		373.0	500.0	498.0	-207.9%	
Statement of financial position									
Carrying value of assets		553.4	45.2%	2.7%	534.2	541.1	551.4	-0.1%	5.3%
of which:									
Acquisition of assets		(35.9)	-25.3%	-0.7%	(48.9)	(47.7)	(47.7)	10.0%	-0.4%
Investments		1 950.0	13.9%	14.6%	1 665.0	1 406.9	1 190.0	-15.2%	15.1%
Inventory		3.6	-0.2%	0.0%	3.6	3.8	3.9	2.4%	0.0%
Accrued investment interest		35.8	-16.9%	0.4%	41.9	42.1	41.2	4.8%	0.4%
Receivables and prepayments		131.3	-2.6%	1.7%	137.6	140.2	144.3	3.2%	1.3%
Cash and cash equivalents		7 711.0	-8.6%	80.6%	7 857.6	8 000.3	8 331.8	2.6%	77.8%
Total assets		10 385.1	-4.2%	100.0%	10 240.0	10 134.3	10 262.6	-0.4%	100.0%
Accumulated surplus/(deficit)		4 346.3	-4.6%	40.5%	4 597.7	4 582.6	4 626.5	2.1%	44.3%
Capital and reserves		4 103.2	8.2%	38.0%	3 827.8	3 747.7	3 801.9	-2.5%	37.8%
Capital reserve fund		148.4	9.2%	1.1%	148.4	148.4	148.4	-	1.4%
Borrowings		1.1	4.0%	0.0%	1.2	1.2	1.3	5.7%	0.0%
Finance lease		6.7	24.5%	0.0%	4.1	4.3	4.6	-11.7%	0.0%
Deferred income		2.9	-53.8%	0.1%	3.0	3.2	3.4	5.3%	0.0%
Trade and other payables		740.5	-4.8%	7.5%	687.7	693.5	717.5	-1.0%	6.9%
Provisions		677.1	-31.2%	9.2%	638.0	617.0	620.1	-2.9%	6.2%
Derivatives financial instruments		328.9	-10.8%	3.6%	332.1	336.3	338.9	1.0%	3.3%
Total equity and liabilities		10 355.0	-4.2%	100.0%	10 240.0	10 134.3	10 262.6	-0.4%	100.0%

Personnel information

Table 15.27 Sector education and training authorities consolidation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)	Average: Salary level/Total (%)						
		2015/16	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20												
Sector education and training authorities consolidation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Salary level	29 293	2 183	2 059	811.9	0.4	2 145	937.3	0.4	2 157	1 028.5	0.5	2 159	1 095.3	0.5	2 158	1 165.3	0.5	7.5%	100.0%
1 - 6	7 217	486	487	54.6	0.1	488	65.8	0.1	476	67.4	0.1	478	72.0	0.2	477	76.5	0.2	5.1%	22.2%
7 - 10	11 562	1 218	1 146	389.6	0.3	1 186	445.2	0.4	1 222	495.3	0.4	1 223	526.9	0.4	1 223	560.1	0.5	8.0%	56.3%
11 - 12	3 976	315	278	176.2	0.6	311	206.4	0.7	298	225.0	0.8	298	238.8	0.8	277	235.0	0.8	4.4%	13.7%
13 - 16	6 534	160	143	177.7	1.2	157	210.5	1.3	157	226.9	1.4	156	242.4	1.6	177	277.7	1.6	9.7%	7.5%
17 - 22	4	4	5	13.8	2.8	4	9.3	2.3	5	13.9	2.8	5	15.1	3.0	5	16.0	3.2	19.7%	0.2%

1. Rand million.

Other entities

Comprehensive coverage of the following entities is provided with the more detailed information for the vote at www.treasury.gov.za under the budget information link.

- The **Council on Higher Education** is tasked with developing and implementing a system of quality assurance for higher education, including programme accreditation, institutional audits, quality promotion and capacity development. The entity's total budget for 2017/18 is R52.8 million.
- The **Quality Council for Trades and Occupations** oversees the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework, and advises the Minister of Higher Education and Training on all matters of policy concerning occupational standards and qualifications. The entity's total budget for 2017/18 is R117.6 million.
- The **South African Qualifications Authority** oversees the development of the national qualifications framework by formulating and publishing policies and criteria for the registration of organisations. It also oversees the implementation of the national framework by ensuring the registration, accreditation and assignment of functions. The entity's total budget for 2017/18 is R121.9 million.

Additional table: Summary of expenditure on infrastructure

Project name R million	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Tertiary institutions infrastructure	Construction of hostels, lecture halls and laboratories	Various	35 184.6	2 000.0	2 200.0	1 981.2	2 422.0	2 541.9	2 688.1	2 822.5
New universities in Mpumalanga and Northern Cape	Construction of hostels, lecture halls and laboratories	Various	12 917.1	150.0	500.0	1 320.0	-	-	-	-
University of Mpumalanga	Construction of hostels, lecture halls and laboratories	Various	-	-	-	-	623.8	624.6	638.5	668.4
Sol Plaatje University	Construction of hostels, lecture halls and laboratories	Various	-	-	-	-	350.9	353.9	362.0	376.0
Total			48 101.8	2 150.0	2 700.0	3 301.2	3 396.7	3 520.4	3 688.6	3 866.8

