



**VOTE
15**

**HIGHER EDUCATION
AND TRAINING**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



**Estimates of
National Expenditure
2018**

National Treasury

Republic of South Africa



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The 2018 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

When the Estimates of National Expenditure (ENE) publication was launched in 2001, we referred to it as “a significant step forward in national budget transparency”. Since then, even though the national budget has undergone many reforms, the ENE publications remain a key indicator and embodiment of the candour of the budgeting process.

The publications provide the media, civil society, the public, Parliament, departments, public entities and ministers with information about how taxpayers’ money is being spent: what it buys and for what purpose. Do not be concerned by the magnitude of this publication. Instead, let us use it as a reference to keep government institutions accountable and ensure that the expenditure of public funds achieves its intended policy outcomes to improve the welfare of citizens.

In the current economic climate, spending priorities and the sequencing of programme implementation are subject to a number of trade-offs. The focus of the 2018 Budget has solely been on the reprioritisation of existing baseline funding. The abridged ENE provides a coherent and summarised account of the priorities, spending plans and service delivery commitments of all 40 national votes and of government agencies. The e-publications for each vote contain more detail on, for example, goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

The ENE’s presentation of the detailed expenditure estimates of departments are the result of a lengthy executive and administrative process involving wide-ranging intergovernmental consultation. This process is led by a committee of senior officials in central government departments, under the political guidance of the Ministers’ Committee on the Budget. A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team that worked tirelessly to produce a document of which we are rightly proud.

The independent Open Budget Survey assessment of budget transparency commenced in 2006. It is conducted every two years to measure the accessibility and comprehensiveness of key budget documents and information across the world. In 2010, South Africa was ranked first out of 94 countries surveyed, scoring 92 per cent. In the latest iteration of the survey, which measured 115 countries, South Africa was ranked first again, tied with New Zealand, with a score of 89 per cent. Our country is one of only 11 that publish comprehensive, timely information in all the required budget documents.

Budgets link the outcomes targeted by government with the services that are ultimately delivered. In addition to South African budgets having become more transparent, recent efforts to increase public participation in budgeting are gaining momentum. South Africans are invited to scrutinise budget information and provide opinions on government service delivery. We rely on this participation to strengthen our budgeting system and make it even more reliable.



Dondo Mogajane
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2018 MTEF period is from 2018/19 to 2020/21.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2018 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2018 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Higher Education and Training

National Treasury

Republic of South Africa



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Vote 15

Higher Education and Training

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	432.3	427.8	–	4.5	462.1	493.7
Planning, Policy and Strategy	80.2	76.0	3.7	0.4	86.1	93.9
University Education	59 147.1	79.1	59 067.6	0.4	73 295.7	80 666.2
Technical and Vocational Education and Training	10 739.7	6 436.5	4 302.7	0.5	12 982.5	14 585.1
Skills Development	262.6	127.8	133.8	1.0	279.8	297.0
Community Education and Training	2 358.8	2 244.2	112.7	1.9	2 532.8	2 714.7
Subtotal	73 020.6	9 391.5	63 620.5	8.6	89 639.1	98 850.7
Direct charge against the National Revenue Fund						
Sector Education and Training Authorities	13 543.5	–	13 543.5	–	14 639.6	15 855.6
National Skills Fund	3 385.9	–	3 385.9	–	3 659.9	3 963.9
Total expenditure estimates	89 950.0	9 391.5	80 549.9	8.6	107 938.5	118 670.1

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 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 Higher Education Act (1997), which provides for a unified 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 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	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of students enrolled in higher education institutions per year ¹	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	969 155	985 212	1 035 000 ²	1 041 000	1 062 000	1 080 000	1 100 000
Number of doctoral graduates from universities per year	University Education		2 051	2 258	2 530	2 300	2 700	2 800	2 960
Number of postgraduate graduates per year	University Education		50 773	49 863	51 051	54 000	55 000	57 000	58 600
Number of first-year students in foundation programmes per year	University Education		17 960	19 212	20 942	34 000	37 000	39 000	24 500 ²
Number of graduates in initial teacher education from universities per year	University Education		16 808	19 124	20 698	19 400	18 600	19 600	23 300
Number of headcount enrolments in TVET colleges per year ¹	Technical and Vocational Education and Training		702 383	737 880	753 013 ³	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		228 642	298 457	225 557	230 086	234 669	239 362	244 150
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated	Technical and Vocational Education and Training		- ⁴	87% (1 079/1 240)	- ⁵	100%	100%	100%	100%
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		- ⁴	2	2	2	2	2	2
Number of new artisans registered for training each year	Skills Development		28 301	28 640	30 814	31 750	32 750	33 750	34 750
Number of artisan learners qualified each year	Skills Development		14 389	16 114	21 188	22 110	23 110	24 000	25 000
Number of work-based learning opportunities created per year	Skills Development		110 164	118 582	148 517	130 000	135 000	140 000	140 000
Number of headcount enrolments in community education and training colleges per year ¹	Community Education and Training		275 268	283 602	- ⁵	320 000	330 000	340 000	350 000
Percentage of certification rate per year in the general education and training certificate	Community Education and Training		- ⁴	- ⁴	- ⁵	38%	40%	45%	47%

1. Corrections have been attributed to the delay in reporting on the number of enrolments at universities headcount enrolment numbers, and to past TVET enrolment numbers revised in line with official statistics.

2. Decrease due to a decision taken by the previous minister that the department will no longer fund the University of South Africa for its foundation provision programme because the university does not have any extended curriculum programmes approved by the department.

3. Not yet verified.

4. No historical data available.

5. Audited data not yet available.

Expenditure analysis

The National Development Plan (NDP) and outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework envisage that, by 2030, South Africans should have access to post-school education and training of the highest quality, leading to significant improvements in what learners know and can do on completion of their education or training. In line with this, the department will, over the medium term, focus on supporting the post-school education and training system by expanding access to universities and TVET colleges and improving their performance, improving the development of artisans, and strengthening the management and governance of community education and training colleges.

Cabinet approved budget reductions of R28.2 million in the department's *Administration* programme over the medium term will be accommodated through cost containment measures on various goods and services items such as minor assets, outsourced services, travel and subsistence, computer services, and operating payments.

Expanding access to universities and increasing student financial aid

Expanding the higher education system to produce mid- to high-level skills is an ongoing pursuit. The number of students enrolled in higher education institutions is projected to reach 1.1 million in 2020/21, moving towards the NDP's target of 1.6 million enrolments by 2030. Transfers and subsidies to universities for operations and capital projects account for the bulk of the department's spending, increasing from R31.6 billion in 2017/18 to a projected R45.1 billion in 2020/21, at an average annual rate of 12.6 per cent. This increase is due an additional R11.3 billion that government has allocated to university subsidies over the medium term following the president's response to the commission of inquiry into higher education and training. This allocation is expected to cover the 8 per cent tuition fee increase in the 2018 academic year for undergraduate students from families with a combined annual income of between R350 000 and R600 000, and ensure that university operating costs are adequately covered. These transfers are made in the *University Education* programme, and include transfers for student financial aid.

Allocations to the National Student Financial Aid Scheme are set to increase at an average annual rate of 51.6 per cent, from R10.1 billion in 2017/18 to R35.3 billion in 2020/21. This significant increase is due to an additional allocation of R43.4 billion for the scheme over the MTEF period for the gradual phasing in of fee free higher education and training for the poor and working class. The provision of fully subsidised fee free higher education and training will be extended to all current and future undergraduate university and TVET college students from poor and working class families with a combined annual income of up to R350 000. This will begin in 2018 with students in their first year of study, and extend to second, third and fourth year students in subsequent years. These students will have their full cost of study (tuition fees, prescribed study material, meals, accommodation and/or transport) fully subsidised by government. This additional funding will increase the number of undergraduate university students to be supported by the scheme from 230 469 in 2017/18 to an estimated 1 123 212 over the medium term, and the number of TVET college students from 230 068 in 2017/18 to 1 137 204 over the same period. Also included in this additional allocation to the scheme is R105 million over the MTEF period towards the administration costs of the new bursary arrangements.

Expanding access to and improving the performance of TVET colleges

The NDP mandates the department to expand access to skills programmes that address the labour market's need for intermediate skills that include a practical component. Over the medium term, the department will continue to focus on expanding skills training, work opportunities and work placements for artisans. Funding constraints and a focus on improving the quality of teaching and learning at public TVET colleges is expected to result in the number of enrolments remaining constant at 710 535 per year over the medium term.

Transfers and subsidies to TVET colleges, made in the *Technical and Vocational Education and Training* programme, are expected to increase at an average annual rate of 66 per cent, from R1.5 billion in 2017/18 to R6.8 billion in 2020/21. Driving this significant increase is R4.4 billion over the same period for the introduction of TVET infrastructure baseline funding to refurbish campus buildings, purchase workshop equipment and maintain facilities. Due to additional allocations of R12.5 billion over the medium term, transfers and subsidies to TVET college are set to increase government funding from the current 54 per cent of total TVET programme costs to the 80 per cent by 2022/23 prescribed by the national norms and standards for funding TVET colleges. Included in these subsidies are additional allocations approved by Cabinet of R400 million in 2019/20 and R422 million in 2020/21 for the operationalisation of the 3 new TVET college campuses; and R161.9 million in 2019/20 and R290.1 million in 2020/21 for the TVET college examination services function.

In addition to these subsidies, the improved performance of TVET colleges will also be supported through partnerships with sector education and training authorities and funding from the National Skills Fund for initiatives such as infrastructure development and the provision of bursaries. This combined support is expected to contribute to an increase in the number of artisan learners qualifying from 22 110 in 2017/18 to 25 000 in 2020/21. In its efforts to improve the skills of lecturers and the performance of students, the department will develop and implement a teaching and learning support plan for TVET colleges, and ensure that all public TVET college examination centres conducting national examinations and assessments are evaluated each year over the MTEF period.

Spending on compensation of employees accounts for an estimated 58.4 per cent (R6.3 billion) of the *Technical and Vocational Education and Training* programme's budget of R10.7 billion in 2018/19, increasing at an average annual rate of 7.6 per cent over the medium term. This programme accounts for 51 per cent (more than 16 000) of all departmental personnel.

Developing artisans

Over the medium term, the department also aims to improve the public skills development system by managing the performance of service level agreements with sector education and training authorities more effectively, and by providing funding to trade institutions and quality assurance institutions for occupational qualifications. These institutions play a pivotal role in ensuring that the increasing number of qualified artisans and the creation of more work-based learning opportunities for university and TVET college students meet the requisite quality standards. In line with the NDP's objective of increasing the number of skilled individuals in the country, the number of qualified artisans is projected to increase from 22 110 in 2017/18 to 25 000 in 2020/21, and the number of work-based learning opportunities created from 130 000 to 140 000 over the same period.

The skills development levy is transferred directly to sector education and training authorities and the National Skills Fund, and is projected to increase at an average annual rate of 7.9 per cent, from R15.8 billion in 2017/18 to R19.8 billion in 2020/21. Sector education and training authorities offer skills programmes, learnerships, internships and apprenticeships, whereas the National Skills Fund provides funding for various skills development projects and bursaries for universities and TVET college programmes. An estimated 4 200 learners and 4 200 workers are expected to benefit from the fund over the medium term. Allocations for strengthening the monitoring and evaluation of service level agreements with sector education and training authorities and other relevant institutions are in the *Skills Development* programme, which has a total budget of R839.4 million over the medium term.

Strengthening the management and governance of community education and training colleges

Community education and training colleges also fall within the realm of higher education, and primarily target youths and adults who did not complete or attend school. In line with the NDP's vision, the department will aim to expand the sub-sector. It is projected that enrolments at these institutions will increase steadily from 320 000 learners in 2017/18 to 350 000 learners in 2020/21.

In contributing to improved governance and performance, previously developed regulations and policies for community education and training colleges will be implemented over the medium term, and annual oversight reports will be produced to monitor and evaluate their performance. Expenditure in the *Community Education and Training* programme is expected to increase at an average annual rate of 7.3 per cent, from R2.2 billion in 2017/18 to R2.7 billion in 2020/21. Expenditure on compensation of employees accounts for a projected 92.6 per cent of the programme's budget, increasing at an average annual rate of 7.5 per cent, from R2.2 billion in 2018/19 to R2.5 billion in 2020/21. About 46 per cent of the department's personnel, mainly community education and training educators, are in this programme, in 3 276 community learning centres throughout the country.

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			Revised estimate			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18							
R million																				
Programme 1	217.1	285.7	234.1	318.3	359.5	346.8	373.7	372.7	372.7	403.4	400.4	400.4	103.2%	95.5%						
Programme 2	48.8	91.7	45.7	54.8	58.3	52.0	71.5	71.6	56.8	73.3	68.3	68.3	89.7%	76.9%						
Programme 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	39 515.7	41 943.5	41 931.7	41 931.7	100.0%	100.1%						
Programme 4	6 311.2	6 208.2	6 304.5	6 604.2	6 642.4	6 604.8	6 917.2	6 960.2	7 030.0	7 408.2	7 460.2	7 460.2	100.6%	100.5%						
Programme 5	110.6	106.3	132.0	204.5	112.6	216.7	224.5	181.4	180.6	244.3	249.4	249.4	99.3%	119.9%						
Programme 6	1 852.8	1 852.8	1 853.1	1 911.5	1 859.9	1 824.4	2 069.7	2 069.8	1 981.7	2 234.9	2 197.7	2 197.7	97.4%	98.5%						
Subtotal	38 988.5	38 988.5	39 053.5	41 937.8	41 880.1	41 943.4	49 188.3	49 188.3	49 137.6	52 307.6	52 307.6	52 307.6	100.0%	100.0%						
Direct charge against the National Revenue Fund	13 440.0	13 200.0	13 838.8	14 690.0	15 156.4	15 156.4	17 639.6	15 462.2	15 233.0	16 641.5	15 770.6	15 770.6	96.1%	100.7%						
Sector education and training authorities	10 752.6	10 560.6	11 071.0	11 752.7	12 125.9	12 125.9	14 112.5	12 370.5	12 199.9	13 313.2	12 616.4	12 616.4	96.2%	100.7%						
National Skills Fund	2 687.4	2 639.4	2 767.8	2 937.3	3 030.5	3 030.5	3 527.1	3 091.7	3 033.1	3 328.3	3 154.1	3 154.1	96.0%	100.6%						
Total	52 428.5	52 188.5	52 892.3	56 627.8	57 036.6	57 099.8	66 827.9	64 650.4	64 370.6	68 949.1	68 078.2	68 078.2	99.0%	100.2%						
Change to 2017 Budget estimate										(870.9)										
Economic classification																				
Current payments	5 363.7	5 272.9	7 408.1	7 801.2	7 696.2	7 531.3	8 215.2	7 948.3	7 883.2	8 845.8	8 669.6	8 669.6	104.2%	106.4%						
Compensation of employees	5 179.7	5 033.6	7 139.8	7 308.2	7 317.2	7 166.4	7 839.9	7 573.7	7 516.6	8 425.4	8 282.3	8 282.3	104.7%	106.7%						
Goods and services	184.0	239.4	268.3	493.0	379.0	364.9	375.3	374.6	366.6	420.4	387.3	387.3	94.2%	100.5%						
Transfers and subsidies	47 061.1	46 910.5	45 478.5	48 814.3	49 330.0	49 506.4	58 605.0	56 694.5	56 477.4	60 094.2	59 399.0	59 399.0	98.3%	99.3%						
Departmental agencies and accounts	19 699.9	19 459.9	20 124.5	21 363.8	21 768.3	21 839.4	29 255.7	27 077.9	26 819.2	27 043.3	26 172.4	26 172.4	–	–						
Higher education institutions	24 155.1	24 155.1	24 195.3	26 243.2	26 243.2	26 297.1	27 964.8	27 964.8	27 964.6	31 606.8	31 580.5	31 580.5	100.1%	100.1%						
Foreign governments and international organisations	2.9	2.9	3.0	3.2	3.2	2.6	3.3	2.9	2.6	3.5	3.5	3.5	90.9%	94.0%						
Non-profit institutions	3 203.2	3 193.2	1 155.5	1 204.1	1 315.0	1 362.0	1 381.2	1 641.2	1 673.0	1 440.6	1 634.6	1 634.6	80.6%	74.8%						
Households	–	99.3	0.2	–	0.4	5.3	–	7.6	18.0	–	8.1	8.1	–	27.4%						
Payments for capital assets	3.7	5.1	5.7	12.3	10.4	10.2	7.7	7.7	9.9	9.1	9.6	9.6	107.6%	108.2%						
Machinery and equipment	3.7	5.1	5.7	12.3	10.4	10.1	7.7	7.7	9.9	9.1	7.8	7.8	101.9%	108.2%						
Software and other intangible assets	–	–	–	–	–	0.1	–	–	0.1	–	1.7	1.7	–	109.9%						
Payments for financial assets	–	–	0.0	–	–	51.9	–	–	0.1	–	–	–	–	–						
Total	52 428.5	52 188.5	52 892.3	56 627.8	57 036.6	57 099.8	66 827.9	64 650.4	64 370.6	68 949.1	68 078.2	68 078.2	99.0%	100.2%						

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	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21		
Programme 1	400.4	11.9%	0.6%	432.3	462.1	493.7	7.2%	0.5%	
Programme 2	68.3	-9.4%	0.1%	80.2	86.1	93.9	11.2%	0.1%	
Programme 3	41 931.7	11.3%	59.7%	59 147.1	73 295.7	80 666.2	24.4%	66.3%	
Programme 4	7 460.2	6.3%	11.3%	10 739.7	12 982.5	14 585.1	25.0%	11.9%	
Programme 5	249.4	32.9%	0.3%	262.6	279.8	297.0	6.0%	0.3%	
Programme 6	2 197.7	5.9%	3.2%	2 358.8	2 532.8	2 714.7	7.3%	2.5%	
Subtotal	52 307.6	10.3%	75.3%	73 020.6	89 639.1	98 850.7	23.6%	81.6%	
Direct charge against the National Revenue Fund	15 770.6	6.1%	24.7%	16 929.4	18 299.5	19 819.5	7.9%	18.4%	
Sector education and training authorities	12 616.4	6.1%	19.8%	13 543.5	14 639.6	15 855.6	7.9%	14.7%	
National Skills Fund	3 154.1	6.1%	4.9%	3 385.9	3 659.9	3 963.9	7.9%	3.7%	
Total	68 078.2	9.3%	100.0%	89 950.0	107 938.5	118 670.1	20.3%	100.0%	
Change to 2017 Budget estimate				12 348.9	25 318.2	29 531.0			
Economic classification									
Current payments	8 669.6	18.0%	13.0%	9 391.5	10 370.7	11 133.7	8.7%	10.3%	
Compensation of employees	8 282.3	18.1%	12.4%	8 957.0	9 637.7	10 360.5	7.7%	9.7%	
Goods and services	387.3	17.4%	0.6%	434.5	733.0	773.2	25.9%	0.6%	
Transfers and subsidies	59 399.0	8.2%	87.0%	80 549.9	97 558.5	107 526.5	21.9%	89.7%	
Departmental agencies and accounts	26 172.4	10.4%	39.2%	37 533.0	49 413.2	55 440.8	28.4%	43.8%	
Higher education institutions	31 580.5	9.3%	45.4%	38 559.0	42 237.9	45 102.2	12.6%	40.9%	
Foreign governments and international organisations	3.5	6.2%	0.0%	3.7	3.9	4.1	5.6%	0.0%	
Non-profit institutions	1 634.6	-20.0%	2.4%	4 454.2	5 903.5	6 979.4	62.2%	4.9%	
Households	8.1	-56.7%	0.0%	-	-	-	-100.0%	0.0%	
Payments for capital assets	9.6	23.6%	0.0%	8.6	9.3	9.9	1.2%	0.0%	
Machinery and equipment	7.8	15.7%	0.0%	8.5	9.1	9.8	7.8%	0.0%	
Software and other intangible assets	1.7	-	0.0%	0.2	0.2	0.1	-61.3%	0.0%	
Total	68 078.2	9.3%	100.0%	89 950.0	107 938.5	118 670.1	20.3%	100.0%	

Expenditure trends and estimates for significant spending items

Table 15.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Subsidies: Community education and training colleges	-	91 758	98 053	103 898	-	0.2%	109 924	116 080	122 464	5.6%	0.1%
Subsidies: Technical and vocational education and training colleges	1 148 072	1 262 521	1 566 747	1 495 749	9.2%	3.0%	4 287 538	5 768 665	6 837 112	66.0%	5.9%
Subsidies: Higher education institutions	24 195 293	26 297 074	27 964 560	31 606 841	9.3%	60.3%	38 597 859	42 237 891	45 102 225	12.6%	50.2%
National Student Financial Aid Scheme	6 138 832	6 448 551	11 392 674	10 143 091	18.2%	18.7%	20 334 391	30 829 474	35 321 406	51.6%	30.8%
Compensation of employees: Technical and vocational education and training	1 774 703	1 712 348	1 850 581	2 029 783	4.6%	4.0%	2 183 023	2 347 452	2 519 480	7.5%	2.9%
Sector education and training authorities	5 097 809	5 119 809	5 289 339	5 822 490	4.5%	11.7%	6 276 197	6 753 374	7 263 108	7.6%	8.3%
Sector education and training authorities ¹	11 071 025	12 125 894	12 199 864	12 616 443	4.5%	-	13 543 507	14 639 578	15 855 564	7.9%	-
National Skills Fund ¹	2 767 773	3 030 539	3 033 145	3 154 111	4.5%	-	3 385 876	3 659 894	3 963 890	7.9%	-
Total	52 193 507	56 088 494	63 394 963	66 972 406	54.8%	97.9%	88 718 315	106 352 408	116 985 249	166.7%	98.2%

1. This item is a direct charge against the National Revenue Fund, and is spent in terms of a statute and is not budgeted for in any programme of the vote. Hence it is shown as a separate item and is not included in the vote's appropriated total.

Goods and services expenditure trends and estimates

Table 15.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administrative fees	231	1 024	1 084	1 127	69.6%	0.2%	1 338	114 535	1 504	10.1%	5.1%
Advertising	2 705	3 175	5 105	3 592	9.9%	1.1%	4 238	4 437	4 687	9.3%	0.7%
Minor assets	667	2 725	1 867	5 269	99.2%	0.8%	2 152	2 221	2 405	-23.0%	0.5%
Audit costs: External	8 101	9 525	11 181	15 245	23.5%	3.2%	19 924	21 288	22 684	14.2%	3.4%
Bursaries: Employees	376	2 529	272	308	-6.4%	0.3%	799	843	875	41.6%	0.1%
Catering: Departmental activities	1 501	2 138	3 551	1 247	-6.0%	0.6%	4 864	5 410	6 087	69.6%	0.8%
Communication	13 454	8 264	8 761	11 577	-4.9%	3.0%	13 243	18 819	19 485	19.0%	2.7%
Computer services	38 193	65 030	85 136	47 733	7.7%	17.0%	53 987	76 610	89 418	23.3%	11.5%
Consultants: Business and advisory services	1 729	4 026	3 284	15 297	106.8%	1.8%	8 436	8 890	9 326	-15.2%	1.8%
Legal services	3 236	1 972	9 405	5 287	17.8%	1.4%	5 029	5 303	5 598	1.9%	0.9%
Contractors	1 338	12 075	2 167	390	-33.7%	1.2%	302	341	358	-2.8%	0.1%
Agency and support/outsourced services	4 432	17 061	14 597	2 316	-19.5%	2.8%	906	940	986	-24.8%	0.2%
Entertainment	62	52	38	106	19.6%	-	113	119	126	5.9%	-
Fleet services (including government motor transport)	974	1 287	1 111	1 268	9.2%	0.3%	2 254	1 947	2 025	16.9%	0.3%
Inventory: Clothing material and accessories	100	-	-	125	7.7%	-	370	192	211	19.1%	-
Inventory: Farming supplies	33	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Food and food supplies	366	-	74	-	-100.0%	-	-	-	-	-	-
Inventory: Fuel, oil and gas	11	-	-	413	234.9%	-	212	272	285	-11.6%	0.1%
Inventory: Materials and supplies	2 991	-	2 080	2 821	-1.9%	0.6%	4 189	4 019	4 213	14.3%	0.7%
Inventory: Medical supplies	-	-	-	-	-	-	20	25	23	-	-
Inventory: Other supplies	2	-	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	2 164	6 345	3 032	4 004	22.8%	1.1%	4 887	11 369	11 068	40.3%	1.3%
Consumables: Stationery, printing and office supplies	13 931	35 931	30 391	63 317	65.6%	10.3%	46 516	57 732	60 589	-1.5%	9.8%
Operating leases	10 640	3 347	5 256	9 287	-4.4%	2.1%	13 421	24 188	29 920	47.7%	3.3%
Rental and hiring	112	1 220	101	3 855	225.3%	0.4%	3 765	3 895	4 062	1.8%	0.7%
Property payments	36 891	70 070	59 100	60 736	18.1%	16.3%	69 230	72 867	76 509	8.0%	12.0%
Transport provided: Departmental activity	82	1 234	5 329	3 550	251.1%	0.7%	2 459	2 765	3 499	-0.5%	0.5%
Travel and subsistence	106 493	88 619	84 373	91 252	-5.0%	26.7%	109 029	216 537	325 315	52.8%	31.9%
Training and development	5 515	2 446	2 536	16 231	43.3%	1.9%	48 089	50 890	53 343	48.7%	7.2%
Operating payments	4 971	14 651	15 636	12 437	35.8%	3.4%	12 990	24 716	35 161	41.4%	3.7%
Venues and facilities	7 044	10 158	11 100	8 547	6.7%	2.7%	1 765	1 854	3 466	-26.0%	0.7%
Total	268 345	364 904	366 567	387 337	13.0%	100.0%	434 527	733 024	773 228	25.9%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 15.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Households											
Social benefits											
Current	221	5 316	17 968	7 996	230.7%	-	-	-	-	-100.0%	-
Employee social benefits	221	5 316	17 968	7 987	230.6%	-	-	-	-	-100.0%	-
Education, Training and Development Practices Sector Education and Training Authority	-	-	-	9	-	-	-	-	-	-100.0%	-

Table 15.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20 124 503	21 839 389	26 819 212	26 172 369	9.2%	45.0%	37 532 974	49 413 225	55 440 766	28.4%	48.9%
Employee social benefits	–	357	593	–	–	–	–	–	–	–	–
Public Service Sector Education and Training Authority	26 009	93 843	55 737	103 760	58.6%	0.1%	106 425	112 304	118 516	4.5%	0.1%
Education, Training and Development Practices Sector Education and Training Authority	–	22 781	16 238	15 158	–	–	17 949	18 957	19 991	9.7%	–
National Student Financial Aid Scheme	6 138 832	6 448 551	11 392 674	10 143 091	18.2%	16.2%	20 334 391	30 829 474	35 321 406	51.6%	28.0%
Council on Higher Education	42 689	40 819	40 928	47 946	3.9%	0.1%	50 727	53 568	56 514	5.6%	0.1%
South African Qualifications Authority	55 008	54 757	56 895	64 940	5.7%	0.1%	66 719	70 473	74 349	4.6%	0.1%
Quality Council for Trades and Occupations	23 167	21 848	23 138	26 920	5.1%	–	27 380	28 977	30 535	4.3%	–
Sector education and training authorities	11 071 025	12 125 894	12 199 864	12 616 443	4.5%	22.8%	13 543 507	14 639 578	15 855 565	7.9%	16.4%
National Skills Fund	2 767 773	3 030 539	3 033 145	3 154 111	4.5%	5.7%	3 385 876	3 659 894	3 963 890	7.9%	4.1%
Non-profit institutions											
Current	1 155 492	1 362 040	1 672 972	1 634 551	12.3%	2.8%	4 454 218	5 903 526	6 979 389	62.2%	5.5%
Universities South Africa	7 420	7 761	8 172	8 581	5.0%	–	17 919	18 781	19 813	32.2%	–
Technical and Vocational Education and Training colleges	1 148 072	1 262 521	1 566 747	1 495 749	9.2%	2.6%	4 287 538	5 768 665	6 837 112	66.0%	5.3%
Community Education and Training colleges	–	91 758	98 053	103 898	–	0.1%	109 924	116 080	122 464	5.6%	0.1%
National Institute for the Humanities and Social Sciences	–	–	–	26 323	–	–	38 837	–	–	-100.0%	–
Households											
Other transfers to households											
Current	–	–	–	75	–	–	–	–	–	-100.0%	–
Employee social benefits	–	–	–	75	–	–	–	–	–	-100.0%	–
Foreign governments and international organisations											
Current	2 983	2 588	2 648	3 489	5.4%	–	3 691	3 898	4 112	5.6%	–
India-Brazil-South Africa Trilateral Commission	551	–	–	553	0.1%	–	585	618	652	5.6%	–
Commonwealth of Learning	2 432	2 588	2 648	2 936	6.5%	–	3 106	3 280	3 460	5.6%	–
Higher education institutions											
Current	21 482 293	22 991 096	24 563 055	28 056 486	9.3%	46.0%	34 866 933	38 351 285	41 018 870	13.5%	41.2%
University subsidies	21 323 293	22 790 082	24 272 626	27 695 750	9.1%	45.6%	34 311 340	37 671 160	40 225 237	13.2%	40.5%
University of Mpumalanga	102 345	58 111	186 585	212 611	27.6%	0.3%	324 398	375 841	440 498	27.5%	0.4%
Sol Plaatje University	56 655	142 903	103 844	148 125	37.8%	0.2%	231 195	304 284	353 135	33.6%	0.3%
Capital	2 713 000	3 305 978	3 401 505	3 524 032	9.1%	6.1%	3 692 089	3 886 606	4 083 355	5.0%	4.4%
University subsidies	2 213 000	1 985 978	2 348 505	2 545 550	4.8%	4.3%	2 691 547	2 842 241	2 981 550	5.4%	3.2%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	500 000	1 320 000	–	–	-100.0%	0.9%	–	–	–	–	–
University of Mpumalanga	–	–	673 920	624 552	–	0.6%	638 508	665 948	700 570	3.9%	0.8%
Sol Plaatje University	–	–	379 080	353 930	–	0.3%	362 034	378 417	401 235	4.3%	0.4%
Total	45 478 492	49 506 407	56 477 360	59 398 998	9.3%	100.0%	80 549 905	97 558 540	107 526 492	21.9%	100.0%

Personnel information

Table 15.7 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 funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)					
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
Higher Education and Training		36 898	151	32 711	7 516.6	0.2	33 391	8 282.3	0.2	33 458	8 957.0	0.3	33 464	9 637.7	0.3	33 357	10 360.5	0.3	-0.0%	100.0%
Salary level		36 898	151	32 711	7 516.6	0.2	33 391	8 282.3	0.2	33 458	8 957.0	0.3	33 464	9 637.7	0.3	33 357	10 360.5	0.3	-0.0%	100.0%
1 – 6	9 666	–	9 168	1 900.4	0.2	9 561	2 156.8	0.2	9 579	2 330.6	0.2	9 579	2 516.8	0.3	9 480	2 687.8	0.3	-0.3%	28.6%	
7 – 10	9 353	1	9 149	3 414.4	0.4	9 332	3 780.6	0.4	9 346	4 084.9	0.4	9 346	4 411.3	0.5	9 346	4 763.9	0.5	0.0%	28.0%	
11 – 12	628	–	559	408.3	0.7	613	501.6	0.8	624	550.8	0.9	624	594.9	1.0	624	642.4	1.0	0.6%	1.9%	
13 – 16	189	–	149	158.0	1.1	175	199.7	1.1	187	228.0	1.2	187	243.9	1.3	187	260.9	1.4	2.2%	0.6%	
Other	17 062	150	13 686	1 635.4	0.1	13 710	1 643.6	0.1	13 722	1 762.7	0.1	13 728	1 870.8	0.1	13 720	2 005.5	0.1	0.0%	41.1%	
Programme	36 898	151	32 711	7 516.6	0.2	33 391	8 282.3	0.2	33 458	8 957.0	0.3	33 464	9 637.7	0.3	33 357	10 360.5	0.3	-0.0%	100.0%	
Programme 1	535	74	495	196.8	0.4	528	219.2	0.4	552	248.0	0.4	553	267.4	0.5	545	287.5	0.5	1.1%	1.6%	
Programme 2	93	22	85	44.4	0.5	106	54.8	0.5	125	65.9	0.5	127	71.0	0.6	127	76.5	0.6	6.2%	0.4%	
Programme 3	102	5	77	45.9	0.6	83	53.4	0.6	101	72.1	0.7	104	77.9	0.7	104	83.9	0.8	7.8%	0.3%	
Programme 4	17 127	33	16 552	5 289.3	0.3	17 077	5 822.5	0.3	17 077	6 276.2	0.4	17 077	6 753.4	0.4	16 978	7 263.1	0.4	-0.2%	51.0%	
Programme 5	292	13	250	89.6	0.4	266	102.7	0.4	272	111.7	0.4	272	120.5	0.4	272	130.1	0.5	0.7%	0.8%	
Programme 6	18 749	4	15 252	1 850.6	0.1	15 331	2 029.8	0.1	15 331	2 183.0	0.1	15 331	2 347.5	0.2	15 331	2 519.5	0.2	–	45.9%	

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

2. Rand million.

Departmental receipts

Table 15.8 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 (%)		
	2014/15	2015/16	2016/17					2017/18		2018/19			2019/20	2020/21
	2014/15	2015/16	2016/17					2017/18	2017/18	2018/19			2019/20	2020/21
Departmental receipts	11 594	15 444	25 549	29 065	29 065	35.8%	100.0%	15 864	16 217	16 324	-17.5%	100.0%		
Sales of goods and services produced by department	5 634	8 983	10 218	10 251	10 251	22.1%	43.0%	11 290	11 851	12 138	5.8%	58.8%		
Sales by market establishments of which:	404	3 534	4 459	4 042	4 042	115.5%	15.2%	4 780	5 019	5 270	9.2%	24.7%		
Academic services: Temporary accommodation	223	218	212	214	214	-1.4%	1.1%	307	322	338	16.5%	1.5%		
Sale of assets less than R5 000	–	–	–	13	13	–	–	14	15	16	7.2%	0.1%		
Commission	181	3 316	4 247	3 815	3 815	176.2%	14.2%	4 459	4 682	4 916	8.8%	23.1%		
Administrative fees of which:	4 465	4 657	4 989	5 381	5 381	6.4%	23.9%	5 567	5 846	5 838	2.8%	29.2%		
Exams	1 557	2 338	2 438	1 365	1 365	-4.3%	9.4%	2 560	2 688	2 522	22.7%	11.8%		
Trade test fee	2 767	2 270	2 119	2 752	2 752	-0.2%	12.1%	2 744	2 881	3 025	3.2%	14.7%		
Universities	90	49	48	476	476	74.2%	0.8%	50	53	56	-51.0%	0.8%		
Further education and training	3	–	12	788	788	540.4%	1.0%	213	224	235	-33.2%	1.9%		
Sports and club facilities/ Sale of tender documents	48	–	372	–	–	-100.0%	0.5%	–	–	–	–	–		
Other sales of which:	765	792	770	828	828	2.7%	3.9%	943	986	1 030	7.5%	4.9%		
Boarding fees	134	122	67	124	124	-2.6%	0.5%	151	159	167	10.4%	0.8%		
Parking	21	67	100	98	98	67.1%	0.4%	100	100	100	0.7%	0.5%		
Sale of meals and refreshments	201	195	183	186	186	-2.6%	0.9%	192	202	212	4.5%	1.0%		
Rental	409	408	420	420	420	0.9%	2.0%	500	525	551	9.5%	2.6%		
Sales of scrap, waste, arms and other used current goods of which:	17	15	44	158	158	110.3%	0.3%	37	39	41	-36.2%	0.4%		
Waste paper	17	15	44	158	158	110.3%	0.3%	37	39	41	-36.2%	0.4%		
Interest, dividends and rent on land	3 343	3 791	3 433	4 426	4 426	9.8%	18.4%	3 124	2 843	2 587	-16.4%	16.8%		
Interest	3 343	3 791	3 433	4 426	4 426	9.8%	18.4%	3 124	2 843	2 587	-16.4%	16.8%		
Sales of capital assets	15	172	–	–	–	-100.0%	0.2%	–	–	–	–	–		
Transactions in financial assets and liabilities	2 585	2 483	11 854	14 230	14 230	76.6%	38.2%	1 413	1 484	1 558	-52.2%	24.1%		
Total	11 594	15 444	25 549	29 065	29 065	35.8%	100.0%	15 864	16 217	16 324	-17.5%	100.0%		

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 15.9 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Ministry	32 408	39 735	39 558	34 892	2.5%	10.8%	38 910	41 409	45 817	9.5%	9.0%
Department Management	38 400	51 153	56 308	45 783	6.0%	14.2%	52 010	55 800	59 846	9.3%	11.9%
Corporate Services	80 230	126 422	143 098	162 443	26.5%	37.8%	168 743	180 606	192 401	5.8%	39.4%
Office of the Chief Financial Officer	40 483	55 663	66 443	83 704	27.4%	18.2%	91 165	98 125	104 894	7.8%	21.1%
Internal Audit	6 051	6 676	9 025	9 851	17.6%	2.3%	13 572	14 538	15 490	16.3%	3.0%
Office Accommodation	36 525	67 170	58 281	63 683	20.4%	16.7%	67 877	71 671	75 255	5.7%	15.6%
Total	234 097	346 819	372 713	400 356	19.6%	100.0%	432 277	462 149	493 703	7.2%	100.0%
Change to 2017 Budget estimate				(3 000)			(8 697)	(9 413)	(9 143)		
Economic classification											
Current payments	230 623	338 139	366 785	394 882	19.6%	98.3%	427 768	457 356	488 685	7.4%	98.9%
Compensation of employees	121 938	161 657	196 833	219 153	21.6%	51.7%	248 028	267 389	287 538	9.5%	57.1%
Goods and services ¹	108 685	176 482	169 952	175 729	17.4%	46.6%	179 740	189 967	201 147	4.6%	41.7%
of which:											
Audit costs: External	8 101	9 525	11 181	15 245	23.5%	3.3%	15 424	16 288	17 184	4.1%	3.6%
Computer services	22 405	30 603	25 354	33 072	13.9%	8.2%	37 310	39 054	40 941	7.4%	8.4%
Consultants: Business and advisory services	1 112	1 158	687	12 977	126.8%	1.2%	7 399	7 818	8 203	-14.2%	2.0%
Consumables: Stationery, printing and office supplies	3 355	5 819	5 757	6 338	23.6%	1.6%	6 856	7 193	7 662	6.5%	1.6%
Property payments	36 060	67 713	58 767	60 375	18.7%	16.5%	68 303	71 919	75 514	7.7%	15.4%
Travel and subsistence	19 004	18 048	20 497	14 499	-8.6%	5.3%	17 567	18 146	19 090	9.6%	3.9%
Transfers and subsidies¹	95	246	902	152	17.0%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts	-	170	449	-	-	-	-	-	-	-	-
Households	95	76	453	152	17.0%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	3 379	8 160	5 026	5 322	16.3%	1.6%	4 509	4 793	5 018	-1.9%	1.1%
Machinery and equipment	3 379	8 072	4 968	3 599	2.1%	1.5%	4 349	4 613	4 918	11.0%	1.0%
Software and other intangible assets	-	88	58	1 723	-	0.1%	160	180	100	-61.3%	0.1%
Payments for financial assets	-	274	-	-	-	-	-	-	-	-	-
Total	234 097	346 819	372 713	400 356	19.6%	100.0%	432 277	462 149	493 703	7.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.8%	0.8%	0.8%	-	-	0.6%	0.5%	0.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	95	76	453	77	-6.8%	0.1%	-	-	-	-100.0%	-
Employee social benefits	95	76	453	68	-10.5%	0.1%	-	-	-	-100.0%	-
Education, Training and Development Practices Sector Education and Training Authority	-	-	-	9	-	-	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	-	-	-	75	-	-	-	-	-	-100.0%	-
Employee social benefits	-	-	-	75	-	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	170	449	-	-	-	-	-	-	-	-
Employee social benefits	-	170	449	-	-	-	-	-	-	-	-

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.

Personnel information

Table 15.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21							
Administration		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	535	74	495	196.8	0.4	528	219.2	0.4	552	248.0	0.4	553	267.4	0.5	545	287.5	0.5	1.1%	100.0%
1 – 6	243	–	212	44.9	0.2	232	52.5	0.2	243	58.9	0.2	243	63.6	0.3	243	68.7	0.3	1.6%	44.1%
7 – 10	213	–	189	72.8	0.4	206	85.8	0.4	213	95.8	0.4	213	103.5	0.5	213	111.8	0.5	1.1%	38.8%
11 – 12	45	–	41	32.9	0.8	39	34.0	0.9	43	40.5	0.9	43	43.7	1.0	43	47.2	1.1	3.3%	7.7%
13 – 16	32	–	32	40.6	1.3	30	40.9	1.4	32	46.4	1.5	32	49.7	1.6	32	53.1	1.7	2.2%	5.8%
Other	2	74	21	5.7	0.3	21	6.0	0.3	21	6.4	0.3	22	7.0	0.3	14	6.8	0.5	-12.6%	3.6%

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

2. Rand million.

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 a new and the revision of an existing piece of legislation, policy and regulation by March 2021.
- Ensure effective oversight of the implementation of the post-school education and training system by producing 4 oversight reports on articulation, open learning, international relations, and macro trends on post-school education and training over the medium term.
- Improve access to quality teaching and learning in the post-school education and training system by implementing approved appropriate teaching and learning support plans over the medium term.
- Promote the success of students within the post-school education and training system by developing a student support plan by March 2019 and ensuring its implementation over the medium term.
- Ensure effective policy development and planning by providing management information and statistics on the performance of post-school education and training annually.

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 these policies.

Expenditure trends and estimates

Table 15.11 Planning, Policy and Strategy expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average Expenditure/ Total (%)
R thousand											
Programme Management:	2 933	3 222	2 189	2 725	-2.4%	5.0%	3 362	3 605	3 864	12.3%	4.1%
Planning, Policy and Strategy											
Human Resource Development, Strategic Planning and Coordination	11 584	14 816	15 770	17 812	15.4%	26.9%	20 751	22 181	23 717	10.0%	25.7%
Planning, Information, Monitoring and Evaluation	6 854	10 707	9 871	13 357	24.9%	18.3%	16 326	17 852	19 175	12.8%	20.3%
International Relations	10 775	11 242	11 961	13 347	7.4%	21.2%	14 549	15 534	18 131	10.8%	18.7%
Legal and Legislative Services	9 386	7 464	11 945	14 899	16.7%	19.6%	18 789	20 088	21 638	13.2%	23.0%
Social Inclusion in Education	4 151	4 568	5 080	6 158	14.1%	9.0%	6 377	6 856	7 366	6.2%	8.1%
Total	45 683	52 019	56 816	68 298	14.3%	100.0%	80 154	86 116	93 891	11.2%	100.0%
Change to 2017 Budget estimate				(5 000)			475	387	2 036		
Economic classification											
Current payments	42 454	49 149	53 680	64 205	14.8%	94.0%	76 048	81 884	89 407	11.7%	94.9%
Compensation of employees	34 614	42 479	44 362	54 794	16.5%	79.1%	65 856	71 039	76 464	11.7%	81.6%
Goods and services ¹	7 840	6 670	9 318	9 411	6.3%	14.9%	10 192	10 845	12 943	11.2%	13.2%
of which:											
Communication	769	815	744	669	-4.5%	1.3%	738	829	882	9.7%	0.9%
Computer services	105	139	29	328	46.2%	0.3%	460	461	525	17.0%	0.5%
Legal services	3 236	966	3 674	3 961	7.0%	5.3%	4 453	4 692	4 956	7.8%	5.5%
Consumables: Stationery, printing and office supplies	238	855	724	930	57.5%	1.2%	829	977	993	2.2%	1.1%
Travel and subsistence	2 050	2 793	2 983	2 485	6.6%	4.6%	2 749	2 860	4 336	20.4%	3.8%
Operating payments	204	207	375	109	-18.9%	0.4%	420	439	455	61.0%	0.4%
Transfers and subsidies¹	2 984	2 606	2 726	3 510	5.6%	5.3%	3 691	3 898	4 112	5.4%	4.6%
Departmental agencies and accounts	-	7	16	-	-	-	-	-	-	-	-
Foreign governments and international organisations	2 983	2 588	2 648	3 489	5.4%	5.3%	3 691	3 898	4 112	5.6%	4.6%
Households	1	11	62	21	175.9%	-	-	-	-	-100.0%	-
Payments for capital assets	245	264	410	583	33.5%	0.7%	415	334	372	-13.9%	0.5%
Machinery and equipment	245	240	410	583	33.5%	0.7%	415	334	372	-13.9%	0.5%
Software and other intangible assets	-	24	-	-	-	-	-	-	-	-	-
Total	45 683	52 019	56 816	68 298	14.3%	100.0%	80 154	86 116	93 891	11.2%	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 transfers and subsidies											
Households											
Social benefits											
Current	1	11	62	21	175.9%	-	-	-	-	-100.0%	-
Employee social benefits	1	11	62	21	175.9%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	7	16	-	-	-	-	-	-	-	-
Employee social benefits	-	7	16	-	-	-	-	-	-	-	-
Foreign governments and international organisations											
Current	2 983	2 588	2 648	3 489	5.4%	5.3%	3 691	3 898	4 112	5.6%	4.6%
India-Brazil-South Africa Trilateral Commission	551	-	-	553	0.1%	0.5%	585	618	652	5.6%	0.7%
Commonwealth of Learning	2 432	2 588	2 648	2 936	6.5%	4.8%	3 106	3 280	3 460	5.6%	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.

Personnel information

Table 15.12 Planning, Policy and Strategy personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018			Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Planning, Policy and Strategy																			
Salary level	93	22	85	44.4	0.5	106	54.8	0.5	125	65.9	0.5	127	71.0	0.6	127	76.5	0.6	6.2%	100.0%
1 – 6	7	–	3	1.1	0.4	7	2.4	0.3	8	2.8	0.4	8	3.0	0.4	8	3.3	0.4	4.6%	6.4%
7 – 10	46	–	38	15.4	0.4	44	19.2	0.4	44	20.7	0.5	44	22.3	0.5	44	24.1	0.5	–	36.3%
11 – 12	23	–	17	12.2	0.7	19	14.8	0.8	23	19.2	0.8	23	20.7	0.9	23	22.4	1.0	6.6%	18.1%
13 – 16	17	–	14	14.9	1.1	15	17.0	1.1	17	20.8	1.2	17	22.2	1.3	17	23.8	1.4	4.3%	13.6%
Other	–	22	13	0.8	0.1	21	1.4	0.1	33	2.4	0.1	35	2.7	0.1	35	2.9	0.1	18.6%	25.6%

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

2. Rand million.

Programme 3: University Education

Programme purpose

Develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. Provide financial and other 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 implementation of approved legislation, regulations and policies for university education over the medium term.
- Ensure the implementation of previously approved integrated plans for improved collaboration within the post-school education and training sub-systems by March 2021.
- Ensure effectual monitoring and evaluation of the university education sector by producing 14 annual oversight reports on:
 - the higher education and training HIV and AIDS programme
 - the financial health of universities
 - the effective use of the infrastructure and efficiency grants earmarked for universities, the foundation provision grant, and research outputs
 - ministerial enrolment targets, institutional governance, the international scholarships programme, the compliance of public higher education institutions with regulations, and student leadership capacity
 - academic forums and think-tank partnerships within the Brazil-Russia-India-China-South Africa (BRICS) group of countries, the university capacity development programme, and the teaching and learning development capacity improvement plan.
- Provide teaching and learning support services by implementing previously developed teaching and learning support plans for university education, aimed at improving access to quality teaching and learning in higher education institutions, by March 2021.
- Provide student support services for higher education institutions through the implementation of the student support services plan for university education by March 2021, to promote the success of students within the post-school education and training system.
- Ensure effective policy development and planning by providing management information and statistics on the performance of higher education institutions annually.
- Ensure a strong university education stakeholder network through the operationalisation of the BRICS think-tank and participative academic forum by March 2021 in support of the effective collaboration of stakeholders within the post-school education and training system.

Subprogrammes

- *Programme Management: University Education* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions for the programme.
- *University Planning and Institutional Funding* manages planning and funding for the public higher education sector.
- *Institutional Governance and Management Support* monitors and supports institutional governance management, and provides sector liaison services.
- *Higher Education Policy Development and Research* develops higher education policy, supports research and regulates the private higher education system.
- *Teaching and Learning Development* promotes, develops, monitors and evaluates the implementation of qualification policies, programmes and systems for the development of high quality teaching across all education sectors, including pre-schooling, schooling and post-schooling; and ensures effective teaching and learning development in universities.
- *University Subsidies* transfers payments to universities annually.

Expenditure trends and estimates

Table 15.13 University Education 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Programme Management: University Education	1 959	3 915	4 320	4 578	32.7%	–	6 376	6 708	7 284	16.7%	–
University Planning and Institutional Funding	12 695	14 469	14 317	11 693	-2.7%	–	17 392	18 373	19 836	19.3%	–
Institutional Governance and Management Support	6 246 690	6 555 321	11 503 511	10 273 427	18.0%	23.9%	20 471 624	30 975 017	35 475 385	51.1%	38.1%
Higher Education Policy Development and Research	17 024	17 606	18 999	21 983	8.9%	0.1%	33 357	35 394	37 668	19.7%	0.1%
Teaching and Learning Development	10 494	10 208	10 011	13 199	7.9%	–	20 489	22 288	23 824	21.8%	–
University Subsidies	24 195 293	26 297 074	27 964 560	31 606 841	9.3%	76.0%	38 597 859	42 237 891	45 102 225	12.6%	61.8%
Total	30 484 155	32 898 593	39 515 718	41 931 721	11.2%	100.0%	59 147 097	73 295 671	80 666 222	24.4%	100.0%
Change to 2017 Budget estimate				(11 812)			9 648 506	20 951 255	24 172 860		
Economic classification											
Current payments	44 639	49 369	52 124	59 963	10.3%	0.1%	79 091	85 086	91 491	15.1%	0.1%
Compensation of employees	39 093	43 468	45 918	53 408	11.0%	0.1%	72 148	77 897	83 859	16.2%	0.1%
Goods and services ¹	5 546	5 901	6 206	6 555	5.7%	–	6 943	7 189	7 632	5.2%	–
of which:											
Communication	542	613	552	439	-6.8%	–	581	606	627	12.6%	–
Computer services	184	259	145	757	60.2%	–	789	833	875	4.9%	–
Consumables: Stationery, printing and office supplies	248	479	391	652	38.0%	–	625	661	691	2.0%	–
Travel and subsistence	3 650	3 697	4 163	3 156	-4.7%	–	3 404	3 731	4 015	8.4%	–
Operating payments	287	155	225	219	-8.6%	–	217	226	227	1.2%	–
Venues and facilities	65	275	325	484	95.3%	–	395	374	390	-6.9%	–
Transfers and subsidies¹	30 439 242	32 848 998	39 463 316	41 871 399	11.2%	99.9%	59 067 615	73 210 187	80 574 307	24.4%	99.9%
Departmental agencies and accounts	6 236 529	6 544 156	11 490 525	10 255 977	18.0%	23.8%	20 451 837	30 953 515	35 452 269	51.2%	38.1%
Higher education institutions	24 195 293	26 297 074	27 964 560	31 580 518	9.3%	76.0%	38 559 022	42 237 891	45 102 225	12.6%	61.7%
Non-profit institutions	7 420	7 761	8 172	34 904	67.6%	–	56 756	18 781	19 813	-17.2%	0.1%
Households	–	7	59	–	–	–	–	–	–	–	–
Payments for capital assets	274	226	278	359	9.4%	–	391	398	424	5.7%	–
Machinery and equipment	274	226	278	359	9.4%	–	391	398	424	5.7%	–
Total	30 484 155	32 898 593	39 515 718	41 931 721	11.2%	100.0%	59 147 097	73 295 671	80 666 222	24.4%	100.0%
Proportion of total programme expenditure to vote expenditure	78.1%	78.4%	80.4%	80.2%	–	–	81.0%	81.8%	81.6%	–	–

Table 15.13 University Education expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
	R thousand										
Households											
Social benefits											
Current	–	7	59	–	–	–	–	–	–	–	–
Employee social benefits	–	7	59	–	–	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	6 236 529	6 544 156	11 490 525	10 255 977	18.0%	23.8%	20 451 837	30 953 515	35 452 269	51.2%	38.1%
Employee social benefits	–	29	28	–	–	–	–	–	–	–	–
National Student Financial Aid Scheme	6 138 832	6 448 551	11 392 674	10 143 091	18.2%	23.6%	20 334 391	30 829 474	35 321 406	51.6%	37.9%
Council on Higher Education	42 689	40 819	40 928	47 946	3.9%	0.1%	50 727	53 568	56 514	5.6%	0.1%
South African Qualifications Authority	55 008	54 757	56 895	64 940	5.7%	0.2%	66 719	70 473	74 349	4.6%	0.1%
Non-profit institutions											
Current	7 420	7 761	8 172	34 904	67.6%	–	56 756	18 781	19 813	-17.2%	0.1%
Universities South Africa	7 420	7 761	8 172	8 581	5.0%	–	17 919	18 781	19 813	32.2%	–
National Institute for the Humanities and Social Sciences	–	–	–	26 323	–	–	38 837	–	–	-100.0%	–
Higher education institutions											
Current	21 482 293	22 991 096	24 563 055	28 056 486	9.3%	67.0%	34 866 933	38 351 285	41 018 870	13.5%	55.8%
University subsidies	21 323 293	22 790 082	24 272 626	27 695 750	9.1%	66.3%	34 311 340	37 671 160	40 225 237	13.2%	54.9%
University of Mpumalanga	102 345	58 111	186 585	212 611	27.6%	0.4%	324 398	375 841	440 498	27.5%	0.5%
Sol Plaatje University	56 655	142 903	103 844	148 125	37.8%	0.3%	231 195	304 284	353 135	33.6%	0.4%
Capital	2 713 000	3 305 978	3 401 505	3 524 032	9.1%	8.9%	3 692 089	3 886 606	4 083 355	5.0%	6.0%
University subsidies	2 213 000	1 985 978	2 348 505	2 545 550	4.8%	6.3%	2 691 547	2 842 241	2 981 550	5.4%	4.3%
University of the Witwatersrand:	500 000	1 320 000	–	–	-100.0%	1.3%	–	–	–	–	–
University of Mpumalanga and Sol Plaatje University	–	–	673 920	624 552	–	0.9%	638 508	665 948	700 570	3.9%	1.0%
University of Mpumalanga	–	–	673 920	624 552	–	0.9%	638 508	665 948	700 570	3.9%	1.0%
Sol Plaatje University	–	–	379 080	353 930	–	0.5%	362 034	378 417	401 235	4.3%	0.6%

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.

Personnel information

Table 15.14 University Education personnel numbers and cost by salary level¹

University Education	Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2016/17			2017/18			2018/19		2019/20		2020/21						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	102	5	77	45.9	0.6	83	53.4	0.6	101	72.1	0.7	104	77.9	0.7	104	83.9	0.8	7.8%	100.0%
1–6	5	–	5	1.3	0.3	5	1.4	0.3	5	1.5	0.3	5	1.6	0.3	5	1.8	0.4	–	5.1%
7–10	49	1	36	14.7	0.4	41	17.8	0.4	48	21.9	0.5	48	23.6	0.5	48	25.5	0.5	5.4%	47.2%
11–12	27	–	23	17.9	0.8	24	20.2	0.8	27	24.5	0.9	27	26.5	1.0	27	28.6	1.1	4.0%	26.8%
13–16	21	–	11	11.9	1.1	12	14.0	1.2	20	24.1	1.2	20	25.8	1.3	20	27.6	1.4	18.6%	18.4%
Other	–	4	2	0.2	0.1	1	0.1	0.1	1	0.1	0.1	4	0.3	0.1	4	0.3	0.1	58.7%	2.6%

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

2. Rand million.

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 implementation of TVET legislation, regulations and policies by March 2021.
- Ensure effectual monitoring and evaluation of the TVET sector by producing 28 annual oversight reports over the medium term on:
 - the conduct of public TVET college examination centres during national examinations and assessments
 - the eradication of certification backlogs
 - the implementation of the IT examination services system
 - the performance of students in colleges
 - the compliance of sampled TVET colleges to recommended governance standards
 - the implementation of teaching and learning support plans in colleges, and of the student support services plan.
- Provide TVET teaching and learning support plans aimed at improving access to quality teaching and learning in TVET colleges by implementing previously developed TVET teaching and learning support plans by March 2021.
- Implement the student support services plan in support of an improved post-school education and training system by March 2021.
- Develop a rollout plan for the construction of 9 TVET college campuses by March 2018, and implement the plan to ensure optimal geographic spread by March 2021.
- Ensure a strong TVET stakeholder network by operationalising the South African Institute for Vocational and Continuing Education and Training unit over the medium term in support of effective collaboration between stakeholders in the post-school education and training system.

Subprogrammes

- *Programme Management: Technical and Vocational Education and Training* manages the delegated administrative and financial responsibilities of the programme, 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 performance of the TVET system 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 out 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 curricula.
- *National Examination and Assessment* administers and manages the conduct of national assessments 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 norms and standards; 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 15.15 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Programme Management: Technical and Vocational Education and Training	9 104	6 177	4 569	5 562	-15.1%	0.1%	3 567	3 827	4 102	-9.7%	-
Technical and Vocational Education and Training	6 104 460	6 144 249	6 572 115	7 079 976	5.1%	94.5%	10 396 390	12 453 575	13 903 202	25.2%	95.8%
System Planning and Institutional Support											
Programmes and Qualifications	10 110	11 482	10 860	9 506	-2.0%	0.2%	13 621	14 608	15 655	18.1%	0.1%
National Examination and Assessment	178 102	439 072	437 516	355 499	25.9%	5.1%	315 627	499 149	650 024	22.3%	4.0%
Financial Planning	2 738	3 830	4 927	9 655	52.2%	0.1%	10 534	11 320	12 155	8.0%	0.1%
Total	6 304 514	6 604 810	7 029 987	7 460 198	5.8%	100.0%	10 739 739	12 982 479	14 585 138	25.0%	100.0%
Change to 2017 Budget estimate				51 949			2 710 433	4 377 967	5 372 249		
Economic classification											
Current payments	5 155 521	5 263 170	5 434 713	5 944 388	4.9%	79.6%	6 436 542	7 197 061	7 730 187	9.2%	59.7%
Compensation of employees	5 097 809	5 119 809	5 289 339	5 822 490	4.5%	77.8%	6 276 197	6 753 374	7 263 108	7.6%	57.1%
Goods and services ¹	57 712	143 361	145 374	121 898	28.3%	1.7%	160 345	443 687	467 079	56.5%	2.6%
of which:											
Administrative fees	18	2	19	-	-100.0%	-	17	113 139	22	-	0.2%
Computer services	15 499	34 020	59 608	13 576	-4.3%	0.4%	15 428	36 262	47 077	51.4%	0.2%
Consumables: Stationery, printing and office supplies	8 365	26 382	19 889	23 339	40.8%	0.3%	11 186	21 745	22 333	-1.5%	0.2%
Travel and subsistence	21 540	53 892	41 517	63 557	43.4%	0.7%	73 068	178 404	285 083	64.9%	1.3%
Training and development	-	12	-	-	-	-	35 034	37 048	38 771	-	0.2%
Operating payments	3 087	11 328	11 211	8 680	41.1%	0.1%	9 269	19 768	30 257	51.6%	0.1%
Transfers and subsidies¹	1 148 197	1 289 219	1 593 620	1 515 150	9.7%	20.2%	4 302 727	5 784 704	6 854 034	65.4%	40.3%
Departmental agencies and accounts	-	22 833	13 780	14 366	-	0.2%	15 189	16 039	16 922	5.6%	0.1%
Non-profit institutions	1 148 072	1 262 521	1 566 747	1 495 749	9.2%	20.0%	4 287 538	5 768 665	6 837 112	66.0%	40.2%
Households	125	3 865	13 093	5 035	242.8%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	796	1 075	1 538	660	-6.1%	-	470	714	917	11.6%	-
Machinery and equipment	796	1 075	1 538	660	-6.1%	-	470	714	917	11.6%	-
Payments for financial assets	-	51 346	116	-	-	0.2%	-	-	-	-	-
Total	6 304 514	6 604 810	7 029 987	7 460 198	5.8%	100.0%	10 739 739	12 982 479	14 585 138	25.0%	100.0%
Proportion of total programme expenditure to vote expenditure	16.1%	15.7%	14.3%	14.3%	-	-	14.7%	14.5%	14.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	125	3 865	13 093	5 035	242.8%	0.1%	-	-	-	-100.0%	-
Employee social benefits	125	3 865	13 093	5 035	242.8%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	22 833	13 780	14 366	-	0.2%	15 189	16 039	16 922	5.6%	0.1%
Employee social benefits	-	52	68	-	-	-	-	-	-	-	-
Education, Training and Development Practices Sector	-	22 781	13 712	14 366	-	0.2%	15 189	16 039	16 922	5.6%	0.1%
Education and Training Authority											
Non-profit institutions											
Current	1 148 072	1 262 521	1 566 747	1 495 749	9.2%	20.0%	4 287 538	5 768 665	6 837 112	66.0%	40.2%
Technical and vocational education and training colleges	1 148 072	1 262 521	1 566 747	1 495 749	9.2%	20.0%	4 287 538	5 768 665	6 837 112	66.0%	40.2%

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.

Personnel information

Table 15.16 Technical and Vocational Education and Training personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21			
Technical and Vocational Education and Training		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost		
Salary level	17 127	33	16 552	5 289.3	0.3	17 077	5 822.5	0.3	17 077	6 276.2	0.4	17 077	6 753.4	0.4	16 978	7 263.1	0.4	-0.2%	100.0%
1 – 6	8 162	–	7 764	1 623.5	0.2	8 090	1 840.8	0.2	8 090	1 986.1	0.2	8 090	2 144.8	0.3	7 991	2 286.1	0.3	-0.4%	47.3%
7 – 10	8 494	–	8 367	3 097.2	0.4	8 494	3 418.2	0.4	8 494	3 687.9	0.4	8 494	3 982.6	0.5	8 494	4 300.9	0.5	–	49.8%
11 – 12	392	–	351	249.5	0.7	392	317.0	0.8	392	342.0	0.9	392	369.3	0.9	392	398.8	1.0	–	2.3%
13 – 16	79	–	65	63.2	1.0	78	84.5	1.1	78	90.3	1.2	78	96.6	1.2	78	103.4	1.3	–	0.5%
Other	–	33	5	256.0	51.2	23	162.0	7.0	23	169.9	7.4	23	160.0	7.0	23	173.9	7.6	–	0.1%

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

2. Rand million.

Programme 5: Skills Development

Programme purpose

Promote and monitor the national skills development strategy. Develop skills development policies and regulatory frameworks for an effective skills development system.

Objectives

- Ensure a sound post-school education and training system through the implementation of previously developed legislation, regulations and policies for skills development by March 2021.
- Ensure the effectual monitoring and evaluation of the skills development sector by developing and approving 5 monitoring reports per year over the medium term on the national skills development strategy, and good governance standards by sector education and training authorities.
- Ensure effective artisan development assessment services in support of an improved post-school education and training system over the medium term by providing dates for trade tests to all qualifying applicants, and conducting trade tests within 60 days of application.
- Implement security infrastructure at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments to improve the development of artisans by March 2021.
- Develop and approve a national artisan development information management system in support of sector education and training authority performance monitoring to improve the development of artisans by March 2019.

Subprogrammes

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

Expenditure trends and estimates

Table 15.17 Skills Development 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 (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand												
Programme Management: Skills Development	1 413	2 645	1 601	2 763		25.0%	1.1%	3 576	3 829	4 093	14.0%	1.3%
SETA Coordination	101 053	182 666	147 961	207 170		27.0%	82.0%	221 444	236 132	250 759	6.6%	84.1%
National Skills Development Services	6 361	8 950	7 935	12 504		25.3%	4.6%	10 179	10 877	11 640	-2.4%	4.2%
Quality Development and Promotion	23 167	22 480	23 138	26 920		5.1%	12.3%	27 380	28 977	30 535	4.3%	10.5%
Total	131 994	216 741	180 635	249 357		23.6%	100.0%	262 579	279 815	297 027	6.0%	100.0%
Change to 2017 Budget estimate				5 064				(4 191)	(4 526)	(5 360)		
Economic classification												
Current payments	82 369	100 191	100 611	117 782		12.7%	51.5%	127 818	137 503	146 903	7.6%	48.7%
Compensation of employees	71 606	86 634	89 558	102 679		12.8%	45.0%	111 712	120 542	130 071	8.2%	42.7%
Goods and services ¹	10 763	13 557	11 053	15 103		12.0%	6.5%	16 106	16 961	16 832	3.7%	6.0%
of which:												
Communication	1 192	1 297	1 543	1 055		-4.0%	0.7%	1 718	1 620	1 699	17.2%	0.6%
Inventory: Materials and supplies	2 991	-	2 080	2 710		-3.2%	1.0%	4 000	3 900	4 095	14.8%	1.4%
Consumable supplies	723	4 655	1 581	1 457		26.3%	1.1%	2 173	2 727	2 183	14.4%	0.8%
Operating leases	597	668	602	853		12.6%	0.3%	891	916	971	4.4%	0.3%
Property payments	829	603	333	355		-24.6%	0.3%	927	948	995	41.0%	0.3%
Travel and subsistence	2 193	2 283	1 923	2 248		0.8%	1.1%	2 935	3 024	3 170	12.1%	1.0%
Transfers and subsidies¹	49 176	115 843	79 078	130 744		38.5%	48.1%	133 805	141 281	149 051	4.5%	51.0%
Departmental agencies and accounts	49 176	115 790	78 901	130 680		38.5%	48.1%	133 805	141 281	149 051	4.5%	51.0%
Households	-	53	177	64		-	-	-	-	-	-100.0%	-
Payments for capital assets	432	425	944	831		24.4%	0.3%	956	1 031	1 073	8.9%	0.4%
Machinery and equipment	432	425	944	831		24.4%	0.3%	956	1 031	1 073	8.9%	0.4%
Payments for financial assets	17	282	2	-		-100.0%	-	-	-	-	-	-
Total	131 994	216 741	180 635	249 357		23.6%	100.0%	262 579	279 815	297 027	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.5%	0.4%	0.5%		-	-	0.4%	0.3%	0.3%	-	-
Details of transfers and subsidies												
Households												
Social benefits												
Current	-	53	177	64		-	-	-	-	-	-100.0%	-
Employee social benefits	-	53	177	64		-	-	-	-	-	-100.0%	-
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	49 176	115 790	78 901	130 680		38.5%	48.1%	133 805	141 281	149 051	4.5%	51.0%
Employee social benefits	-	99	26	-		-	-	-	-	-	-	-
Quality Council for Trades and Occupations	23 167	21 848	23 138	26 920		5.1%	12.2%	27 380	28 977	30 535	4.3%	10.5%
Public Service Sector Education and Training Authority	26 009	93 843	55 737	103 760		58.6%	35.9%	106 425	112 304	118 516	4.5%	40.5%

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.

Personnel information

Table 15.18 Skills Development personnel numbers and cost by salary level¹

Salary level	Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment										Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate				Average growth rate (%)	Average Salary level/Total (%)					
			2016/17	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21											
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Skills Development	292	13	250	89.6	0.4	266	102.7	0.4	272	111.7	0.4	272	120.5	0.4	272	130.1	0.5	0.7%	100.0%
1 - 6	165	-	137	28.7	0.2	145	33.3	0.2	151	36.9	0.2	151	39.9	0.3	151	43.0	0.3	1.4%	55.3%
7 - 10	100	-	87	38.7	0.4	96	45.6	0.5	96	49.2	0.5	96	53.1	0.6	96	57.3	0.6	-	35.5%
11 - 12	19	-	17	13.7	0.8	17	14.9	0.9	17	16.0	0.9	17	17.3	1.0	17	18.7	1.1	-	6.3%
13 - 16	8	-	8	8.4	1.0	8	9.0	1.1	8	9.6	1.2	8	10.3	1.3	8	11.0	1.4	-	3.0%
Other	-	13	1	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

2. Rand million.

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 implementation of previously developed legislation, regulations and policies for community education and training colleges by March 2021.
- Ensure effective monitoring and evaluation of the skills development sector by producing 8 annual reports over the medium term on:
 - the implementation of the teaching and learning support framework
 - the performance of the community education and training college sector
 - college partnerships
 - the maintenance of college infrastructure.
- Provide teaching and support to the community education and training sector to improve access to quality teaching and learning in colleges by March 2021.
- Operationalise 9 community education and training colleges to ensure optimal geographic spread by March 2021.

Subprogrammes

- *Programme Management: Community Education and Training* manages the delegated administrative and financial responsibilities of the programme, and coordinates the monitoring and evaluation function.
- *Community Education and Training Colleges Systems Planning, Institutional Development and Support* provides support to management and councils; monitors and evaluates the performance of the community education and training system; 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 funds these partnerships; maps an institutional landscape for the rollout of the community education and training system; and is responsible for the planning and development of community education and training infrastructure.
- *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 norms and standards; 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 curricula; and provides leadership for colleges to form partnerships and linkages for programme diversification.

Expenditure trends and estimates

Table 15.19 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 (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21
R thousand											
Programme Management: Community Education and Training	–	–	1 477	1 941	–	–	5 160	5 387	5 631	42.6%	0.2%
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 847 177	1 653 166	1 849 487	2 025 922	3.1%	93.9%	2 160 587	2 323 417	2 493 789	7.2%	91.8%
Financial Planning	–	157 186	128 966	166 189	–	5.8%	176 428	186 167	196 144	5.7%	7.4%
Education and Training and Development Support	5 885	14 027	1 763	3 657	-14.7%	0.3%	16 622	17 849	19 139	73.6%	0.6%
Total	1 853 062	1 824 379	1 981 693	2 197 709	5.9%	100.0%	2 358 797	2 532 820	2 714 703	7.3%	100.0%
Change to 2017 Budget estimate				(37 201)			2 367	2 526	(1 658)		
Economic classification											
Current payments	1 852 502	1 731 281	1 875 245	2 088 424	4.1%	96.1%	2 244 224	2 411 827	2 587 075	7.4%	95.2%
Compensation of employees	1 774 703	1 712 348	1 850 581	2 029 783	4.6%	93.8%	2 183 023	2 347 452	2 519 480	7.5%	92.6%
Goods and services ¹	77 799	18 933	24 664	58 641	-9.0%	2.3%	61 201	64 375	67 595	4.9%	2.6%
of which:											
Audit costs: External	–	–	–	–	–	–	4 500	5 000	5 500	–	0.2%
Catering: Departmental activities	12	687	814	57	68.1%	–	2 709	3 204	3 716	302.5%	0.1%
Consumables: Stationery, printing and office supplies	1 023	1 769	3 013	30 701	210.8%	0.5%	26 332	26 181	28 190	-2.8%	1.1%
Rental and hiring	–	451	–	3 463	–	–	3 455	3 536	3 713	2.4%	0.1%
Travel and subsistence	58 056	7 906	13 290	5 307	-55.0%	1.1%	9 306	10 372	9 621	21.9%	0.4%
Training and development	4 000	34	–	12 269	45.3%	0.2%	8 950	9 462	9 935	-6.8%	0.4%
Transfers and subsidies¹	–	93 062	104 709	107 489	–	3.9%	112 684	118 998	125 533	5.3%	4.7%
Departmental agencies and accounts	–	–	2 532	792	–	–	2 760	2 918	3 069	57.1%	0.1%
Non-profit institutions	–	91 758	98 053	103 898	–	3.7%	109 924	116 080	122 464	5.6%	4.6%
Households	–	1 304	4 124	2 799	–	0.1%	–	–	–	-100.0%	–
Payments for capital assets	560	36	1 739	1 796	47.5%	0.1%	1 889	1 995	2 095	5.3%	0.1%
Machinery and equipment	560	36	1 739	1 796	47.5%	0.1%	1 889	1 995	2 095	5.3%	0.1%
Total	1 853 062	1 824 379	1 981 693	2 197 709	5.9%	100.0%	2 358 797	2 532 820	2 714 703	7.3%	100.0%
Proportion of total programme expenditure to vote expenditure	4.7%	4.3%	4.0%	4.2%	–	–	3.2%	2.8%	2.7%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	1 304	4 124	2 799	–	0.1%	–	–	–	-100.0%	–
Employee social benefits	–	1 304	4 124	2 799	–	0.1%	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	2 532	792	–	–	2 760	2 918	3 069	57.1%	0.1%
Employee social benefits	–	–	6	–	–	–	–	–	–	–	–
Education, Training and Development Practices Sector Education and Training Authority	–	–	2 526	792	–	–	2 760	2 918	3 069	57.1%	0.1%
Non-profit institutions											
Current	–	91 758	98 053	103 898	–	3.7%	109 924	116 080	122 464	5.6%	4.6%
Community education and training colleges	–	91 758	98 053	103 898	–	3.7%	109 924	116 080	122 464	5.6%	4.6%

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.

Personnel information

Table 15.20 Community Education and Training personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual 2016/17			Revised estimate 2017/18			Medium-term expenditure estimate						Average growth rate (%) 2017/18 - 2020/21	Average: Salary level/Total (%) 2017/18 - 2020/21					
		Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19		2019/20		2020/21								
Community Education and Training		18 749	4	15 252	1 850.6	0.1	15 331	2 029.8	0.1	15 331	2 183.0	0.1	15 331	2 347.5	0.2	15 331	2 519.5	0.2	–	100.0%
Salary level																				
1 – 6	1 084	–	1 047	200.9	0.2	1 082	226.5	0.2	1 082	244.3	0.2	1 082	263.9	0.2	1 082	285.0	0.3	–	7.1%	
7 – 10	451	–	432	175.7	0.4	451	194.1	0.4	451	209.4	0.5	451	226.1	0.5	451	244.2	0.5	–	2.9%	
11 – 12	122	–	110	82.1	0.7	122	100.7	0.8	122	108.6	0.9	122	117.3	1.0	122	126.7	1.0	–	0.8%	
13 – 16	32	–	19	19.0	1.0	32	34.4	1.1	32	36.8	1.1	32	39.3	1.2	32	42.1	1.3	–	0.2%	
Other	17 060	4	13 644	1 372.7	0.1	13 644	1 474.2	0.1	13 644	1 583.9	0.1	13 644	1 700.8	0.1	13 644	1 821.6	0.1	–	89.0%	

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

2. Rand million.

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

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of learners who completed their education and training towards priority occupations per year	Grant disbursement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	– ¹	– ¹	3 267	7 000	7 500	7 500	7 500
Number of small, medium and micro enterprises and cooperatives that benefitted from the fund's skills development initiatives per year	Grant disbursement		– ¹	– ¹	2 158	150	200	250	300
Number of learners who acquired skills through funded community-based skills development initiatives per year	Grant disbursement		– ¹	– ¹	3 289	1 400	1 400	1 400	1 400
Number of workers to be educated through workers' education initiatives per year	Grant disbursement		– ¹	– ¹	0 ²	840	1 120	1 400	1 680

1. No historical data available.

2. No funding available due to other pressures in the entity's post-school education and training function.

Expenditure analysis

Over the medium term, the National Skills Fund will continue to fund initiatives that develop skills, such as those of artisans, considered national priorities. Through this, the fund aims to contribute to reducing the skills gap and creating greater opportunities for out-of-school youth in need of skills interventions. It will also support initiatives aimed at enhancing quality in the post-school education and training system. Through its work, the fund aims to fulfil objectives of the NDP and outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

The fund will focus, over the MTEF period, on learner education and training; the provision of financial support to small, medium and micro enterprises and cooperatives; the development of skills infrastructure; and research on skills development. The fund aims to assist 4 200 learners in acquiring skills through community-based initiatives such as entrepreneurial development; and educate 4 200 workers through initiatives such as

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

the provision of bursaries, and occupational training and skills development programmes. Spending on these initiatives is through transfers and subsidies, mainly to private skills development providers and higher education and training institutions, and accounts for 96 per cent (R15.1 billion) of the fund's total projected expenditure over the medium term. This spending is set to decrease from R10.2 billion in 2017/18 to R3.7 billion in 2020/21 in line with the expected decrease in income from the skills development levy, which is the fund's primary source of revenue. The South African Revenue Service collects the levy from employers and transfers these collections to the entity as a direct charge against the National Revenue Fund. The expected decrease in spending is in line with the service's revision of earmarked tax on employers whose payroll is higher than R500 000 per year. The fund will mitigate the impact of this decrease by using income generated from investments.

The fund has implemented a new organisational structure to improve its capabilities in planning, monitoring and evaluation, and financial management. In line with this, 50 additional personnel are set to be employed over the medium term, increasing the number of personnel in the fund from 79 to 129 over the MTEF period. As a result, spending on compensation of employees is projected to increase at an average annual rate of 23 per cent, from R61 million in 2017/18 to R113.6 million in 2020/21.

Programmes/objectives/activities

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

R thousand	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administration	127 609	146 543	167 547	192 952	14.8%	3.1%	341 285	295 339	300 669	15.9%	5.1%
Grant disbursement	2 925 088	4 357 162	5 015 848	10 125 401	51.3%	96.9%	6 108 209	5 154 822	3 624 987	-29.0%	94.9%
Total	3 052 697	4 503 705	5 183 395	10 318 353	50.1%	100.0%	6 449 494	5 450 161	3 925 656	-27.5%	100.0%

Statements of historical financial performance and position

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

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/Budget (%) 2014/15 - 2017/18
	Budget 2014/15	2015/16	Budget 2015/16	2016/17	Budget 2016/17	2017/18	Budget estimate 2017/18	Revised estimate	
Revenue									
Non-tax revenue	419 540	3 128 131	961 363	1 102 780	408 758	822 804	306 080	548 930	267.3%
Other non-tax revenue	419 540	3 128 131	961 363	1 102 780	408 758	822 804	306 080	548 930	267.3%
Transfers received	3 247 890	2 750 601	3 159 293	3 033 122	3 179 447	3 051 031	3 328 291	3 154 111	92.8%
Total revenue	3 667 430	5 878 732	4 120 656	4 135 902	3 588 205	3 873 835	3 634 371	3 703 041	117.2%
Expenses									
Current expenses	110 487	95 825	170 271	97 914	235 540	119 081	238 676	142 686	60.3%
Compensation of employees	53 170	29 229	57 724	40 502	131 046	45 686	139 807	61 014	46.2%
Goods and services	57 317	63 872	112 547	52 313	95 395	67 190	86 620	73 966	73.1%
Depreciation	-	2 724	-	5 099	9 099	6 205	12 249	7 706	101.8%
Transfers and subsidies	4 487 835	2 956 872	4 538 942	4 405 791	5 279 812	5 064 314	9 564 991	10 175 667	94.7%
Total expenses	4 598 322	3 052 697	4 709 213	4 503 705	5 515 352	5 183 395	9 803 667	10 318 353	93.6%
Surplus/(Deficit)	(930 892)	2 826 035	(588 557)	(367 803)	(1 927 147)	(1 309 560)	(6 169 296)	(6 615 312)	
Statement of financial position									
Carrying value of assets	-	11 759	-	601 988	50 971	544 385	45 467	1 165 415	2 409.4%
of which:									
Acquisition of assets	-	(105 031)	-	(345 738)	(1 772 472)	(152 504)	(759 708)	(789 467)	55.0%
Investments	4 094 688	8 180 688	10 541 726	10 423 328	6 199 636	8 860 484	100 000	3 544 194	148.1%
Receivables and prepayments	-	1 782 439	-	715 204	-	742 237	-	788 256	-
Cash and cash equivalents	-	2 270 541	-	186 073	-	610 190	-	610 190	-
Total assets	4 094 688	12 245 427	10 541 726	11 926 593	6 250 607	10 757 296	145 467	6 108 055	195.1%
Accumulated surplus/(deficit)	-	6 040 779	10 541 726	6 272 273	3 742 069	5 170 085	84 094	2 639 819	140.1%
Capital and reserves	-	5 198 752	-	4 599 455	2 500 000	4 392 083	-	2 199 010	655.6%
Capital reserve fund	-	948 105	-	1 001 407	-	1 113 932	-	1 182 996	-
Trade and other payables	-	50 641	-	45 365	-	61 140	52 306	68 037	430.5%
Provisions	-	7 150	-	2 991	3 156	4 929	3 351	2 128	264.3%
Derivatives financial instruments	-	-	-	5 102	5 383	15 127	5 716	16 065	327.0%
Total equity and liabilities	-	12 245 427	10 541 726	11 926 593	6 250 607	10 757 296	145 467	6 108 055	242.3%

Statements of estimates of financial performance and position

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

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Revenue								
Non-tax revenue	548 930	-44.0%	29.0%	563 709	578 932	594 612	2.7%	13.9%
Other non-tax revenue	548 930	-44.0%	29.0%	563 709	578 932	594 612	2.7%	13.9%
Transfers received	3 154 111	4.7%	71.0%	3 385 876	3 659 894	3 963 890	7.9%	86.1%
Total revenue	3 703 041	-14.3%	100.0%	3 949 585	4 238 826	4 558 502	7.2%	100.0%
Expenses								
Current expenses	142 686	14.2%	2.2%	279 285	229 866	235 196	18.1%	4.0%
Compensation of employees	61 014	27.8%	0.8%	103 439	108 459	113 552	23.0%	1.8%
Goods and services	73 966	5.0%	1.3%	167 678	112 749	112 466	15.0%	2.1%
Depreciation	7 706	41.4%	0.1%	8 168	8 658	9 178	6.0%	0.1%
Transfers and subsidies	10 175 667	51.0%	97.8%	6 170 209	5 220 295	3 690 460	-28.7%	96.0%
Total expenses	10 318 353	50.1%	100.0%	6 449 494	5 450 161	3 925 656	-27.5%	100.0%
Surplus/(Deficit)	(6 615 312)			(2 499 909)	(1 211 335)	632 846		
Statement of financial position								
Carrying value of assets	1 165 415	362.8%	7.3%	1 711 093	1 036 688	328 552	-34.4%	15.9%
of which:								
Acquisition of assets	(789 467)	95.9%	-4.5%	(1 149 900)	(1 704 232)	(1 027 397)	9.2%	-17.5%
Investments	3 544 194	-24.3%	73.6%	3 898 613	4 288 474	4 717 322	10.0%	62.0%
Receivables and prepayments	788 256	-23.8%	10.1%	833 187	879 844	928 236	5.6%	12.9%
Cash and cash equivalents	610 190	-35.5%	8.9%	610 190	610 190	610 190	-	9.2%
Total assets	6 108 055	-20.7%	100.0%	7 053 083	6 815 196	6 584 300	2.5%	100.0%
Accumulated surplus/(deficit)	2 639 819	-24.1%	48.3%	2 627 536	2 749 051	2 749 059	1.4%	40.6%
Capital and reserves	2 199 010	-24.9%	39.5%	3 083 974	2 649 446	2 340 631	2.1%	38.5%
Capital reserve fund	1 182 996	7.7%	11.5%	1 250 427	1 320 450	1 393 075	5.6%	19.4%
Trade and other payables	68 037	10.3%	0.6%	71 915	75 942	80 111	5.6%	1.1%
Provisions	2 128	-33.2%	0.0%	2 250	2 376	2 506	5.6%	0.0%
Derivatives financial instruments	16 065	-	0.1%	16 981	17 931	18 918	5.6%	0.3%
Total equity and liabilities	6 108 055	-20.7%	100.0%	7 053 083	6 815 196	6 584 300	2.5%	100.0%

Personnel information

Table 15.25 National Skills Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21							
		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	129	180	93	45.7	0.5	79	61.0	0.8	129	103.4	0.8	129	108.5	0.8	129	113.6	0.9	23.0%	100.0%
1-6	3	3	-	-	-	1	4.2	4.2	3	9.0	3.0	3	7.7	2.6	3	6.3	2.1	13.8%	2.1%
7-10	60	94	-	-	-	40	15.7	0.4	60	23.6	0.4	60	25.1	0.4	60	26.8	0.4	19.6%	47.5%
11-12	45	60	87	39.2	0.5	26	23.8	0.9	45	44.6	1.0	45	47.5	1.1	45	50.6	1.1	28.7%	34.4%
13-16	21	23	6	6.5	1.1	12	17.3	1.4	21	26.3	1.3	21	28.1	1.3	21	29.9	1.4	19.9%	16.0%

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). The scheme 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. The act will be reviewed in line with the announcement of fee free higher education and training.

Selected performance indicators**Table 15.26 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
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	R69.5m	R18.6m	R104m	R11m	R12.2m	R13.4m	R14.7m
Amount of financial aid raised for qualifying students from current funders per year ¹	Student-centred financial aid		R727m	R2.4bn	R0 ²	R13m	R16m	R20m	R40m
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid		R248m	R227m	R392m	R588m	25% growth on 2017/18 actual	25% growth on 2018/19 actual	25% Growth on 2019/20 actual
Number of students assisted in higher education institutions per year	Student-centred financial aid		186 150	178 961	225 950	230 469	293 925	400 920	428 367
Number of students assisted in TVET colleges per year	Student-centred financial aid		228 642	235 988	225 557	230 068	290 184	377 050	469 970
Percentage of students in the student-centred model per year paid tuition and residence fees within 30 days	Student-centred financial aid		- ³	98.5% (60 166/ 61 083)	99.4% (60 285/ 60 649)	70%	80%	90%	98%
Percentage of students in the student-centred model paid allowances within 7 days per year	Student-centred financial aid		- ³	94.1% (27 398/ 29 127)	40.8% (29 127/ 71 390) ⁴	80%	90%	95%	98%

1. Indicator rephrased to non-cumulative measurement and targets amended in line with the scheme's approved 2018 annual performance plan.

2. Several sector education and training authorities and some provincial departments did not renew their funding.

3. No historical data available.

4. Delays experienced due to ICT system configuration issues.

Expenditure analysis

The National Student Financial Aid Scheme aims to support the targets of government's 2014-2019 medium-term strategic framework, specifically outcome 5 (a skilled and capable workforce to support an inclusive growth path), through strategic objectives aligned with the scheme's mandate. The need for increased student funding and improved loan recoveries has taken centre stage in the context of factors such as escalating university fees, student protests, and poor recoveries by scheme. The focus of the scheme over the medium term will continue to be on ensuring access to higher education and training for students who cannot afford to pay for their own studies. The scheme will also continue implementing its funding and recovery strategies, and research plan.

The R37.2 billion that government appropriated to the scheme in the 2017 MTEF period has been supplemented by a further allocation of R43.3 billion over the medium term for the implementation of the recently announced policy of fee free higher education and training for poor and working class students. As a result, expenditure on student bursaries is expected to increase at an average annual rate of 55.7 per cent, from R10.1 billion in 2017/18 to R38.1 billion in 2020/21. This allocation will fund undergraduate university and TVET college students from households with a combined annual income of up to R350 000, starting in 2018 with students in their first year of study, and extending to second, third and fourth year students in subsequent years. For these students, all tuition fees, prescribed study materials, meals, accommodation and/or transport costs will be fully paid for. A projected 1 123 212 undergraduate students in universities and 1 137 204 students in TVET colleges will be supported by this allocation over the medium term. This represents a 23 per cent average annual increase in the number of university students provided with financial aid, and an average annual increase of 74.3 per cent in the number of TVET college students provided with financial aid.

The rollout of the student-centred model and the additional allocations to be administered for university and TVET college students is placing considerable pressure on the scheme's administration budget, particularly its capacity in ICT and human resources. To ease this pressure, an additional R105 million is allocated to the scheme over the medium term. The number of personnel is set to increase from 450 in 2017/18 to 500 in 2018/19, driving an increase in spending on compensation of employees from R156.7 million in 2017/18 to an estimated R210.4 million in 2020/21, at an average annual rate of 10.3 per cent. The new posts have been accommodated through the rationalisation and reprioritisation of existing posts and vacancies in order for the entity to remain within its expenditure ceiling. These new posts are mostly for additional staff required for administering more applications and disbursing funds directly to students instead of to institutions, as part of

the student-centred model, which is now in place at all 26 public universities and 50 TVET colleges. In line with this increase, total expenditure on outsourced services is projected to increase from R20.4 million in 2017/18 to R25.5 million in 2020/21, and computer services from R18.6 million to R20.2 million over the same period.

The scheme will continue to implement cost containment measures on non-core items that will not have a negative impact on service delivery. Spending on travel and subsistence is set to decrease from R12.2 million in 2017/18 to R11.7 million in 2020/21, and spending on consultants from R35.4 million in 2017/18 to R17.9 million in 2020/21.

Transfers from the department, which amount to R95.4 billion over the medium term, constitute 94.3 per cent of the scheme's total projected revenue. The scheme also derives revenue through administration fees charged for bursaries administered on behalf of various government departments and public entities, amounting to an estimated R74 million over the medium term; and interest earned on outstanding student loans and funds held in call accounts prior to disbursement, amounting to an estimated R5 billion over the same period. The scheme's total revenue is expected to increase at an average annual rate of 33.9 per cent, from R16.7 billion in 2017/18 to R40.2 billion in 2020/21.

Programmes/objectives/activities

Table 15.27 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	123 036	128 594	158 935	207 820	19.1%	1.4%	198 813	212 275	224 554	2.6%	0.9%
Student centred financial aid	10 727 295	8 420 612	10 882 924	13 403 198	7.7%	98.6%	23 314 684	33 806 837	38 371 531	42.0%	99.1%
Total	10 850 331	8 549 206	11 041 859	13 611 018	7.8%	100.0%	23 513 497	34 019 112	38 596 085	41.5%	100.0%

Statements of historical financial performance and position

Table 15.28 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
Revenue									
Non-tax revenue	27 634	871 427	890 682	720 270	783 217	1 174 490	863 353	1 203 345	154.8%
Sale of goods and services other than capital assets	27 634	16 155	16 750	22 344	19 753	20 408	23 543	23 543	94.0%
<i>of which:</i>									
Administrative fees	27 634	16 155	16 750	22 344	19 753	20 408	23 543	23 543	94.0%
Other non-tax revenue	–	855 272	873 932	697 926	763 464	1 154 082	839 810	1 179 802	156.9%
Transfers received	13 435 103	8 881 374	9 226 053	9 543 492	14 310 976	11 929 544	15 640 186	15 542 872	87.2%
Total revenue	13 462 737	9 752 801	10 116 735	10 263 762	15 094 193	13 104 034	16 503 538	16 746 216	90.4%
Expenses									
Current expenses	143 837	4 733 627	197 172	2 129 212	267 469	3 716 579	271 207	3 503 381	1 600.9%
Compensation of employees	84 620	82 288	101 554	95 939	138 743	123 332	151 958	156 669	96.1%
Goods and services	52 082	4 624 628	67 562	2 007 274	99 397	3 579 321	88 704	3 331 167	4 400.5%
Depreciation	7 135	26 711	28 056	26 000	29 329	13 926	30 545	15 545	86.4%
Transfers and subsidies	6 911 887	6 116 704	7 242 411	6 419 994	9 452 883	7 325 280	10 107 636	10 107 636	88.9%
Total expenses	7 055 724	10 850 331	7 439 583	8 549 206	9 720 352	11 041 859	10 378 843	13 611 017	127.3%
Surplus/(Deficit)	6 407 013	(1 097 530)	2 677 152	1 714 556	5 373 841	2 062 175	6 124 695	3 135 199	
Statement of financial position									
Carrying value of assets	10 385	38 299	40 597	22 020	22 777	16 286	23 563	23 563	102.9%
<i>of which:</i>									
Acquisition of assets	(7 134)	(2 828)	(12 675)	(9 721)	(13 963)	(8 191)	(8 855)	(8 855)	69.4%
Investments	670 860	–	–	–	–	–	–	–	–
Loans	7 938 000	6 110 222	6 476 835	7 176 160	10 284 168	9 362 023	12 317 471	12 533 428	95.0%
Receivables and prepayments	516 872	1 262 458	1 373 360	2 036 489	2 029 428	1 846 849	2 079 856	2 079 855	120.4%
Cash and cash equivalents	2 463 090	1 535 853	1 628 004	912 912	1 004 203	3 897 284	1 054 413	4 287 012	172.9%
Total assets	11 599 207	8 946 832	9 518 797	10 147 581	13 340 576	15 122 442	15 475 303	18 923 859	106.4%
Accumulated surplus/(deficit)	1 621 057	(1 097 530)	445 766	1 714 556	1 741 207	2 062 175	1 828 267	2 113 729	85.0%
Capital and reserves	9 782 138	8 472 759	7 375 229	7 375 229	10 485 213	9 089 785	12 479 826	12 644 315	93.7%
Deferred income	183 455	1 265 016	1 340 917	825 866	867 159	3 431 571	910 517	3 603 150	276.4%
Trade and other payables	12 558	241 546	291 194	172 047	180 649	506 992	189 682	532 342	215.5%
Provisions	–	65 041	65 691	59 883	66 348	31 919	67 012	30 323	94.0%
Total equity and liabilities	11 599 207	8 946 832	9 518 797	10 147 581	13 340 577	15 122 442	15 475 303	18 923 859	106.4%

Statements of estimates of financial performance and position**Table 15.29 National Student Financial Aid Scheme statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Non-tax revenue	1 203 345	11.4%	8.0%	1 557 687	1 711 853	1 754 649	13.4%	5.7%
Sale of goods and services other than capital assets	23 543	13.4%	0.2%	23 944	24 736	25 354	2.5%	0.1%
<i>of which:</i>								
Administrative fees	23 543	13.4%	0.2%	23 944	24 736	25 354	2.5%	0.1%
Other non-tax revenue	1 179 802	11.3%	7.9%	1 533 743	1 687 117	1 729 295	13.6%	5.6%
Transfers received	15 542 872	20.5%	92.0%	23 160 690	33 790 785	38 424 321	35.2%	94.3%
Total revenue	16 746 216	19.7%	100.0%	24 718 377	35 502 638	40 178 970	33.9%	100.0%
Expenses								
Current expenses	3 503 381	-9.5%	32.0%	621 928	515 923	478 253	-48.5%	7.8%
Compensation of employees	156 669	23.9%	1.0%	181 385	197 355	210 362	10.3%	0.8%
Goods and services	3 331 167	-10.4%	30.7%	424 112	301 217	249 586	-57.8%	7.0%
Depreciation	15 545	-16.5%	0.2%	16 431	17 351	18 306	5.6%	0.1%
Transfers and subsidies	10 107 636	18.2%	68.0%	22 891 570	33 503 189	38 117 832	55.7%	92.2%
Total expenses	13 611 017	7.8%	100.0%	23 513 498	34 019 112	38 596 085	41.5%	100.0%
Surplus/(Deficit)	3 135 199			1 204 879	1 483 525	1 582 885		
Statement of financial position								
Carrying value of assets	23 563	-14.9%	0.2%	24 380	25 228	25 859	3.1%	0.1%
<i>of which:</i>								
Acquisition of assets	(8 855)	46.3%	-0.1%	(8 596)	(6 377)	(5 228)	-16.1%	-0.0%
Loans	12 533 428	27.1%	66.8%	11 812 339	11 055 196	10 260 196	-6.5%	61.4%
Receivables and prepayments	2 079 855	18.1%	14.3%	2 131 537	2 184 505	2 239 118	2.5%	11.6%
Cash and cash equivalents	4 287 012	40.8%	18.6%	4 715 714	5 187 285	5 706 014	10.0%	26.8%
Total assets	18 923 859	28.4%	100.0%	18 683 970	18 452 215	18 231 186	-1.2%	100.0%
Accumulated surplus/(deficit)	2 113 729	-224.4%	7.4%	3 318 608	4 802 134	6 385 019	44.6%	22.5%
Capital and reserves	12 644 315	14.3%	73.6%	10 093 502	7 414 895	5 020 913	-26.5%	47.1%
Deferred income	3 603 150	41.8%	16.0%	4 684 094	5 620 913	6 183 005	19.7%	27.1%
Trade and other payables	532 342	30.1%	2.6%	558 959	586 907	616 252	5.0%	3.1%
Provisions	30 323	-22.5%	0.4%	28 807	27 367	25 998	-5.0%	0.2%
Total equity and liabilities	18 923 859	28.4%	100.0%	18 683 970	18 452 215	18 231 187	-1.2%	100.0%

Personnel information**Table 15.30 National Student Financial Aid Scheme personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
National Student Financial Aid Scheme	Number of funded posts	Number of posts on approved establishment	Actual						Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2016/17			2017/18			2018/19			2019/20					2020/21		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	550	450	401	123.3	0.3	450	156.7	0.3	500	181.4	0.4	500	197.4	0.4	500	210.4	0.4	10.3%	100.0%
1 – 6	153	153	143	11.1	0.1	153	24.7	0.2	163	19.1	0.1	163	23.0	0.1	163	26.8	0.2	2.7%	33.0%
7 – 10	330	230	201	61.3	0.3	230	71.7	0.3	257	84.3	0.3	257	89.1	0.3	257	94.4	0.4	9.6%	51.3%
11 – 12	12	12	12	7.9	0.7	12	8.0	0.7	13	9.1	0.7	13	9.7	0.7	13	10.2	0.8	8.4%	2.6%
13 – 16	50	50	42	37.6	0.9	50	46.1	0.9	62	60.1	1.0	62	66.1	1.1	62	69.1	1.1	14.4%	12.1%
17 – 22	5	5	3	5.5	1.8	5	6.2	1.2	5	8.7	1.7	5	9.5	1.9	5	9.9	2.0	16.9%	1.0%

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 15.31 Sector education and training authorities performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of unemployed persons entering skills programmes per year	Discretionary grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	31 978	38 622	31 715	34 252	36 992	39 211	41 563
Number of workers entering skills programmes per year	Mandatory grant		105 305	84 971	78 215	84 472	91 229	96 702	102 504
Number of unemployed persons completing skills programmes per year	Discretionary grant		23 923	35 675	16 074	17 359	18 747	18 401	19 505
Number of workers completing skills programmes per year	Mandatory grant		82 536	91 469	62 388	67 379	72 769	71 422	75 707
Number of unemployed persons entering learnerships per year	Discretionary grant		48 831	67 029	47 554	51 358	55 466	54 439	57 705
Number of workers entering learnerships per year	Mandatory grant		29 099	27 340	33 085	35 731	38 589	37 875	40 147
Number of unemployed persons completing learnerships per year	Discretionary grant		22 206	28 356	24 878	26 868	29 017	28 480	30 231
Number of workers completing learnerships per year	Mandatory grant		18 685	14 957	17 927	19 361	20 909	20 523	21 754
Number of unemployed persons receiving bursaries per year	Discretionary grant		14 683	19 044	11 630	12 560	13 564	13 314	14 113
Number of workers receiving bursaries per year	Mandatory grant		7 624	7 056	8 157	8 809	9 513	9 338	9 898
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grant		7 590	7 643	20 089	21 696	23 431	22 998	24 377
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grant		14 400	13 213	11 633	12 563	13 568	13 317	14 116

Expenditure analysis

Over the medium term, the 21 sector education and training authorities will continue to focus on strengthening skills training programmes in the labour market. The authorities place particular emphasis on artisan development, apprenticeships, learnerships, internships, bursaries and partnerships with TVET colleges, universities and employers. Through their work, the authorities contribute to 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 bursaries awarded by the authorities to unemployed individuals to undertake higher education and training studies is projected to increase from 12 560 in 2017/18 to 14 113 in 2020/21. The number of bursaries awarded to workers is set to increase from 8 809 to 9 898 over the same period.

Sector education and training authorities support university and TVET college students whose qualifications have a practical component by facilitating their placement in workplaces. The number of university students placed in workplaces is expected to increase from 21 969 in 2017/18 to 24 377 in 2020/21, while the number of TVET college students placed is expected to increase from 12 563 to 14 116 over the same period. An estimated 408 201 unemployed people and workers are expected to enter various skills programmes run by the authorities over the medium term. The skills programmes are funded through payments made to employers for training and developing the skills of their workers or of unemployed people, in line with the skills development levy. Employers who contribute to the levy and provide skills development opportunities can claim back some of their contributions from the authorities. The transfer payment of employer claims accounts for an estimated 82.8 per cent (R13.7 billion) of the authorities' total expenditure in 2018/19, increasing to R14.5 billion in 2020/21.

All the authorities, except the Public Service Sector Education and Training Authority, generate revenue from the skills development levy collected by South African Revenue Service and transferred to them as a direct charge against the National Revenue fund. The Public Service Sector Education and Training Authority is set to receive a transfer of R337.2 million over the medium term from the department.

Revenue from the skills development levy for the 20 other authorities is expected to increase at an average

annual rate of 7.9 per cent, from R12.6 billion in 2017/18 to R15.9 billion in 2020/21, constituting 96 per cent of their total revenue. Other revenue is mostly generated from interest income, and is estimated at R3.4 billion over the medium term.

Statements of historical financial performance and position

Table 15.32 Sector education and training authorities consolidation statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2014/15 - 2017/18
R thousand	2014/15		2015/16		2016/17		2017/18		
Revenue									
Non-tax revenue	598 803	1 152 161	879 615	1 234 707	888 925	1 690 528	843 335	1 380 744	170.0%
Sale of goods and services other than capital assets	–	7	–	–	–	–	–	–	–
<i>of which:</i>									
Administrative fees	–	7	–	–	–	–	–	–	–
Other non-tax revenue	598 803	1 152 154	879 615	1 234 707	888 925	1 690 528	843 335	1 380 744	170.0%
Transfers received	10 207 714	11 158 546	10 672 788	11 782 262	12 022 109	13 684 405	12 944 949	13 068 890	108.4%
Total revenue	10 689 736	12 310 708	11 552 402	13 016 970	12 911 034	15 374 933	13 788 284	14 449 634	112.7%
Expenses									
Current expenses	1 573 917	1 522 564	1 897 584	1 779 817	1 999 224	2 063 453	2 062 220	2 374 808	102.8%
Compensation of employees	758 867	763 079	862 319	899 557	940 407	1 067 641	1 038 833	1 251 563	110.6%
Goods and services	775 910	726 880	1 006 447	846 922	1 026 090	956 257	981 908	1 066 555	94.9%
Depreciation	38 937	30 208	28 780	32 818	32 711	39 530	41 470	56 690	112.2%
Interest, dividends and rent on land	204	2 397	37	520	16	25	8	–	1 109.4%
Transfers and subsidies	4 799 380	9 003 191	10 559 476	9 666 499	12 192 268	11 643 501	11 873 774	14 164 337	112.8%
Total expenses	6 373 298	10 525 755	12 457 060	11 446 316	14 191 491	13 706 954	13 935 994	16 539 145	111.2%
Surplus/(Deficit)	4 316 438	1 784 952	(904 657)	1 570 653	(1 280 457)	1 667 980	(147 710)	(2 089 511)	
Statement of financial position									
Carrying value of assets	348 498	223 047	434 623	308 414	571 226	350 949	548 945	554 430	75.5%
<i>of which:</i>									
Acquisition of assets	(36 482)	(67 985)	(57 019)	(150 129)	(35 885)	(73 210)	(51 109)	(245 079)	297.2%
Investments	1 206 000	1 643 261	1 746 503	1 717 666	1 950 000	105 617	1 665 000	–	52.8%
Inventory	2 722	5 242	4 055	6 863	3 821	4 834	3 820	4 028	145.4%
Accrued investment interest	42 126	66 367	33 388	5 201	35 793	84 952	41 913	42 537	129.9%
Receivables and prepayments	123 510	315 219	171 442	326 740	164 450	972 819	178 216	209 968	286.2%
Cash and cash equivalents	5 664 625	12 095 596	8 331 233	13 945 668	8 658 173	17 166 073	8 831 807	12 305 543	176.3%
Total assets	7 387 482	14 348 731	10 721 243	16 310 552	11 383 463	18 685 243	11 269 701	13 116 506	153.2%
Capital reserve fund	–	71 879	66 282	171 391	148 414	197 238	148 414	125 848	156.0%
Borrowings	985	–	1 044	–	1 109	–	1 173	1 173	27.2%
Finance lease	1 907	4 264	5 325	1 999	6 667	3 859	4 090	616	59.7%
Deferred income	14 687	23 166	5 091	20 196	5 335	12 371	5 778	14 043	225.9%
Trade and other payables	1 282 725	1 263 618	1 032 696	1 091 707	903 462	1 419 528	861 702	1 367 008	126.0%
Provisions	571 957	1 015 049	740 345	699 182	720 916	1 588 118	677 605	720 408	148.4%
Managed funds (e.g. poverty alleviation fund)	356	–	–	–	–	–	–	–	–
Derivatives financial instruments	151 257	601 701	293 643	480 516	328 899	416 648	332 080	390 846	170.9%
Total equity and liabilities	2 023 874	2 979 677	2 144 426	2 464 992	2 114 802	3 637 762	2 030 843	2 619 942	140.8%

Statements of estimates of financial performance and position

Table 15.33 Sector education and training authorities consolidation statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Non-tax revenue	1 380 744	6.2%	9.8%	1 330 317	1 381 907	1 503 933	2.9%	9.3%
Other non-tax revenue	1 380 744	6.2%	9.8%	1 330 317	1 381 907	1 503 933	2.9%	9.3%
Transfers received	13 068 890	5.4%	90.2%	13 090 815	13 899 826	14 651 364	3.9%	90.7%
Total revenue	14 449 634	5.5%	100.0%	14 421 133	15 281 734	16 155 297	3.8%	100.0%
Revenue								
Expenses								
Current expenses	2 374 808	16.0%	14.9%	2 603 309	2 724 162	2 865 382	6.5%	15.8%
Compensation of employees	1 251 563	17.9%	7.6%	1 412 563	1 492 309	1 568 505	7.8%	8.6%
Goods and services	1 066 555	13.6%	6.9%	1 122 575	1 164 078	1 228 144	4.8%	6.9%
Depreciation	56 690	23.3%	0.3%	68 170	67 775	68 733	6.6%	0.4%
Transfers and subsidies	14 164 337	16.3%	85.1%	13 705 711	13 779 399	14 529 528	0.9%	84.2%
Total expenses	16 539 145	16.3%	100.0%	16 309 019	16 503 561	17 394 910	1.7%	100.0%
Surplus/(Deficit)	(2 089 511)			(1 887 886)	(1 221 827)	(1 239 613)		

Table 15.33 Sector education and training authorities consolidation statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Carrying value of assets	554 430	35.5%	2.4%	444 939	453 762	443 017	-7.2%	3.4%
of which:								
Acquisition of assets	(245 079)	53.3%	-0.9%	(79 820)	(79 273)	(71 853)	-33.6%	-0.9%
Inventory	4 028	-8.4%	0.0%	4 348	4 456	4 090	0.5%	0.0%
Accrued investment interest	42 537	-13.8%	0.3%	92 933	110 933	137 933	48.0%	0.7%
Receivables and prepayments	209 968	-12.7%	2.8%	250 252	262 752	264 010	7.9%	1.7%
Cash and cash equivalents	12 305 543	0.6%	88.9%	13 535 816	13 734 987	13 777 722	3.8%	94.2%
Total assets	13 116 506	-2.9%	100.0%	14 328 288	14 566 889	14 626 772	3.7%	100.0%
Capital reserve fund	125 848	20.5%	4.9%	177 780	176 809	175 882	11.8%	6.0%
Borrowings	1 173	-	0.0%	1 241	1 310	1 276	2.8%	0.0%
Finance lease	616	-47.5%	0.1%	649	683	666	2.6%	0.0%
Deferred income	14 043	-15.4%	0.6%	14 948	15 726	16 544	5.6%	0.6%
Trade and other payables	1 367 008	2.7%	44.5%	1 579 493	1 622 857	1 589 648	5.2%	56.5%
Provisions	720 408	-10.8%	33.4%	724 306	545 041	552 664	-8.5%	23.3%
Derivatives financial instruments	390 846	-13.4%	16.5%	337 147	358 587	388 621	-0.2%	13.6%
Total equity and liabilities	2 619 942	-4.2%	100.0%	2 835 564	2 721 013	2 725 301	-40.8%	100.0%

Personnel information**Table 15.34 Sector education and training authorities personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018			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 (%)				
			2016/17	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21											
Sector education and training authorities			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	1 908	2 080	1 815	826.9	0.5	1 868	943.8	0.5	1 903	1 063.8	0.6	1 908	1 119.1	0.6	1 912	1 172.7	0.6	7.5%	100.0%
1-6	275	309	274	31.4	0.1	270	37.1	0.1	282	45.5	0.2	280	47.3	0.2	283	50.2	0.2	10.6%	14.7%
7-10	1 110	1 216	1 066	377.3	0.4	1 076	425.3	0.4	1 088	469.8	0.4	1 094	501.0	0.5	1 091	522.9	0.5	7.1%	57.3%
11-12	295	320	269	190.0	0.7	290	218.1	0.8	297	245.8	0.8	295	254.4	0.9	298	267.3	0.9	7.0%	15.5%
13-16	221	229	199	211.0	1.1	225	245.2	1.1	229	281.2	1.2	232	294.2	1.3	233	308.8	1.3	8.0%	12.1%
17-22	7	7	7	17.2	2.5	7	18.1	2.6	7	21.5	3.1	7	22.2	3.2	7	23.4	3.3	9.0%	0.4%

1. Rand million.

Council on Higher Education**Mandate**

The Council on Higher Education was established in terms of the Higher Education Act (1997) and the National Qualifications Framework Act (2008), and has executive responsibility for quality assurance and the promotion of higher education.

Selected performance indicators**Table 15.35 Council on Higher Education performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage accreditation of new programmes submitted to the council per year	Institutional quality assurance	Outcome 5: A skilled and capable workforce to support an inclusive growth path	76% (246/324)	88% (373/424)	86% (663/771)	75%	75%	75%	75%
Number of qualification standards developed per year within the standards development cycle of 18 to 24 months	Qualifications management and programme reviews		- ¹	5	4	4	4	4	4
Number of publications recording research findings published per year	Research, monitoring and advice		2	2	2	1	1	1	1
Number of monitoring publications, VitalStats, published per year	Research, monitoring and advice		1	1	1	1	1	1	1
Number of proactive advice reports submitted to the Minister of Higher Education and Training per year	Research, monitoring and advice		2	2	0 ²	2	2	2	2

1. No historical data available.

2. No proactive reports were submitted in 2016/17. The council mainly provided reactive advice.

Expenditure analysis

The Council on Higher Education assures the quality of all higher education institutions while advising the Minister of Higher Education and Training on matters relating to the post-school education and training sector. In line with the NDP's vision of a South African higher education system that meets the knowledge and high-level human resource needs for 2030 and beyond, and outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework, the council works to ensure that all institutions provide high quality education and training.

Over the medium term, the council will continue researching higher education sector issues such as the state of the academic profession, governance and management challenges, and the role played by private higher education institutions in Africa. The council will also monitor the state of higher education in South Africa by reporting on indicators such as student enrolment and completion rates, completion rates by qualification type and field of study, and the staff composition and financial performance of public universities. The council plans to provide 2 proactive advice reports to the minister each year over the medium term, and develop 4 qualification standards to ensure the relevance, comparability and currency of qualifications offered by public and private higher education institutions. As this work requires skilled staff, spending on compensation of employees represents 63.8 per cent (R116.9 million) of total projected spending over the medium term.

The council is set to receive 90.3 per cent of its revenue over the MTEF period from the department, increasing at an average annual rate of 3.7 per cent, from R50.7 million in 2017/18 to R56.5 million in 2020/21. The remaining revenue is derived mostly from costs recovered from the accreditation services that the council provides to public and private universities, amounting to an estimated R13.5 million over the same period.

Programmes/objectives/activities

Table 15.36 Council on Higher Education expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R thousand											
Administration	25 868	29 338	31 157	29 305	4.2%	52.6%	23 369	24 672	22 802	-8.0%	43.0%
Institutional quality assurance	10 013	10 429	13 300	13 136	9.5%	21.2%	11 521	11 274	18 405	11.9%	23.0%
Research, monitoring and advice	6 159	7 127	5 779	3 805	-14.8%	10.5%	6 317	6 670	6 560	19.9%	10.0%
Assessment quality assurance mechanism	4 606	4 334	3 767	6 129	10.0%	8.6%	5 328	6 519	7 677	7.8%	10.9%
Qualifications management and programme reviews	1 905	3 224	5 064	4 213	30.3%	6.4%	9 041	9 553	7 947	23.6%	13.1%
Standard development	1 239	-	-	-	-100.0%	0.6%	-	-	-	-	-
Total	49 790	54 452	59 067	56 588	4.4%	100.0%	55 576	58 688	63 391	3.9%	100.0%

Statements of historical financial performance and position

Table 15.37 Council on Higher Education statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18	
Revenue										
Non-tax revenue	2 150	4 812	4 850	5 505	5 182	8 195	4 850	5 918	143.4%	
Sale of goods and services other than capital assets	1 900	3 549	4 000	4 208	4 000	7 218	4 000	5 068	144.2%	
<i>of which:</i>										
<i>Sales by market establishment</i>	1 900	3 549	4 000	4 208	4 000	7 218	4 000	5 068	144.2%	
Other non-tax revenue	250	1 263	850	1 297	1 182	977	850	850	140.1%	
Transfers received	44 866	43 928	42 996	44 037	52 004	41 759	47 946	50 670	96.1%	
Total revenue	47 016	48 740	47 846	49 542	57 186	49 954	52 796	56 588	100.0%	

Table 15.37 Council on Higher Education statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18	2014/15 - 2017/18	
Expenses									
Current expenses	48 116	49 790	47 846	54 452	57 186	59 067	52 796	56 588	106.8%
Compensation of employees	25 748	24 998	27 394	28 361	31 352	30 025	33 305	33 306	99.1%
Goods and services	20 492	22 529	18 302	23 767	25 834	26 801	19 491	23 282	114.6%
Depreciation	1 828	2 263	2 150	2 324	–	2 241	–	–	171.6%
Interest, dividends and rent on land	48	–	–	–	–	–	–	–	–
Total expenses	48 116	49 790	47 846	54 452	57 186	59 067	52 796	56 588	106.8%
Surplus/(Deficit)	(1 100)	(1 050)	–	(4 910)	–	(9 113)	–	–	
Statement of financial position									
Carrying value of assets	25 250	36 320	40 193	35 068	42 403	35 595	45 833	45 833	99.4%
<i>of which:</i>									
Acquisition of assets	(1 503)	(1 808)	(1 950)	(1 322)	(1 800)	(508)	(1 650)	(1 132)	69.1%
Receivables and prepayments	300	434	553	620	575	1 079	597	597	134.8%
Cash and cash equivalents	15 826	19 102	13 293	14 805	10 375	6 519	7 121	7 121	102.0%
Total assets	41 376	55 856	54 039	50 493	53 353	43 193	53 551	53 551	100.4%
Accumulated surplus/(deficit)	37 582	39 997	44 480	35 101	44 480	25 989	44 480	42 103	83.7%
Capital and reserves	–	4 915	4 915	4 915	4 915	7 290	4 915	7 292	165.6%
Capital reserve fund	–	3 992	878	774	–	–	–	–	542.8%
Trade and other payables	3 200	6 190	3 000	8 703	3 150	7 928	3 307	3 307	206.4%
Provisions	594	762	766	1 000	808	1 986	849	849	152.4%
Total equity and liabilities	41 376	55 856	54 039	50 493	53 353	43 193	53 551	53 551	100.4%

Statements of estimates of financial performance and position**Table 15.38 Council on Higher Education statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21		
Revenue									
Non-tax revenue	5 918	7.1%	12.0%	4 849	5 120	6 877	5.1%	9.7%	
Sale of goods and services other than capital assets	5 068	12.6%	9.8%	4 000	4 224	5 250	1.2%	7.9%	
<i>of which:</i>									
Sales by market establishment	5 068	12.6%	9.8%	4 000	4 224	5 250	1.2%	7.9%	
Other non-tax revenue	850	-12.4%	2.2%	849	896	1 627	24.2%	1.8%	
Transfers received	50 670	4.9%	88.0%	50 727	53 568	56 514	3.7%	90.3%	
Total revenue	56 588	5.1%	100.0%	55 576	58 688	63 391	3.9%	100.0%	
Expenses									
Current expenses	56 588	4.4%	100.0%	55 576	58 688	63 391	3.9%	100.0%	
Compensation of employees	33 306	10.0%	53.0%	33 554	35 434	47 906	12.9%	63.8%	
Goods and services	23 282	1.1%	43.9%	22 022	23 254	15 485	-12.7%	36.2%	
Total expenses	56 588	4.4%	100.0%	55 576	58 688	63 391	3.9%	100.0%	
Surplus/(Deficit)	–			–	–	–			
Statement of financial position									
Carrying value of assets	45 833	8.1%	75.6%	45 721	45 721	47 421	1.1%	85.0%	
<i>of which:</i>									
Acquisition of assets	(1 132)	-14.5%	-2.3%	(1 700)	(1 795)	(1 886)	18.5%	-3.0%	
Receivables and prepayments	597	11.2%	1.4%	626	626	1 126	23.6%	1.4%	
Cash and cash equivalents	7 121	-28.0%	23.0%	7 477	7 477	7 477	1.6%	13.6%	
Total assets	53 551	-1.4%	100.0%	53 824	53 824	56 024	1.5%	100.0%	
Accumulated surplus/(deficit)	42 103	1.7%	70.0%	42 103	42 103	43 803	1.3%	78.3%	
Capital and reserves	7 292	14.1%	12.3%	7 292	7 292	7 292	–	13.4%	
Trade and other payables	3 307	-18.9%	13.2%	3 538	3 538	4 038	6.9%	6.6%	
Provisions	849	3.7%	2.4%	891	891	891	1.6%	1.6%	
Total equity and liabilities	53 551	-1.4%	100.0%	53 824	53 824	56 024	1.5%	100.0%	

Personnel information**Table 15.39 Council on Higher Education personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Council on Higher Education																			
Salary level	49	52	43	30.0	0.7	49	33.3	0.7	52	33.6	0.6	52	35.4	0.7	52	47.9	0.9	12.9%	100.0%
7 – 10	30	33	28	11.7	0.4	30	13.7	0.5	33	13.6	0.4	33	14.4	0.4	33	22.8	0.7	18.4%	62.9%
11 – 12	12	12	8	8.3	1.0	12	10.0	0.8	12	9.8	0.8	12	10.4	0.9	12	16.1	1.3	17.3%	23.4%
13 – 16	7	7	7	10.1	1.4	7	9.6	1.4	7	10.1	1.4	7	10.7	1.5	7	9.0	1.3	-2.1%	13.7%

1. Rand million.

Quality Council for Trades and Occupations**Mandate**

As per the Skills Development Act (1998) and the National Qualifications Framework Act (2008), the Quality Council for Trades and Occupations is mandated to oversee the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework, and advise the Minister of Higher Education and Training on all matters of policy concerning occupational standards and qualifications.

Selected performance indicators**Table 15.40 Quality Council for Trades and Occupations performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of prioritised occupational qualifications recommended to the South African Qualifications Authority for registration on the occupational qualifications framework per year	Occupational qualifications	Outcome 5: A skilled and capable workforce to support an inclusive growth path	22	47	80	30	50	50	80
Percentage of skills development providers offering occupational qualifications per year that are accredited within 90 working days	Occupational qualifications		-1	-1	-1	90%	90%	90%	80%
Percentage of assessment centre accreditations processed per year within 30 working days	Quality assurance		-1	100% (74)	100% (137)	90%	90%	90%	90%
Percentage of assessments for occupational qualifications that are quality assured against the standards of the council per year	Quality assurance		-1	-1	-1	100%	100%	100%	100%
Percentage of certificates issued per year within 21 working days	Quality assurance		-1	84% (15 414/ 18 392)	100% (19 625)	90%	90%	90%	90%
Percentage of certificate authenticity verifications per year received and verified within 5 working days	Quality assurance		-1	-1	100% (8 710)	90%	90%	90%	90%

1. No historical data available.

Expenditure analysis

The Quality Council for Trades and Occupations will focus on its core functions of certifying occupational qualifications; providing quality assurance; and evaluating, assessing and verifying the qualifications provided by registered providers of skills and training programmes. 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, which highlights the need for an integrated approach to skills development.

Over the medium term, the council expects to evaluate and approve more than 150 occupational qualifications per year; develop and assure the quality of leading trades, occupations and professions; and accredit skills development providers. The council will also monitor its quality assurance partners against compliance standards. For these activities, spending in the occupational qualifications management

programme is set to increase at an average annual rate of 25.8 per cent, from R19.5 million in 2017/18 to R38.7 million in 2019/20.

The council's operational expenditure is being centralised to allow its core programmes to dedicate their entire budgets to activities supporting the core functions of the council. This process is expected to drive an increase in spending in the administration programme at an average annual rate of 28.8 per cent, from R33.9 million in 2017/18 to R72.4 million in 2020/21.

Budget reductions of R3.4 million over the medium term will be accommodated through cost containment measures effected on non-core goods and services items such as consultants, travel and subsistence, communications, training and development, and computer services.

The council is set to generate 78.6 per cent (R318.5 million) of its revenue over the MTEF period through programme quality assurance assessments undertaken by sector education and training authorities. Transfers from the department constitute 21.4 per cent of total projected revenue, increasing at an average annual rate of 4.3 per cent, from R26.9 million in 2017/18 to R30.5 million in 2020/21. The council's total revenue is expected to increase at an average annual rate of 18.2 per cent, from R95.3 million to R157.5 million, over the same period, driven largely by income from sector education and training authorities, which are mandated to transfer 0.5 per cent of their income from the skills development levy to the council.

Programmes/objectives/activities

Table 15.41 Quality Council for Trades and Occupations expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
Administration	27 222	40 350	29 783	33 872	7.6%	43.4%	53 349	62 065	72 380	28.8%	43.7%
Occupational qualifications management	8 633	11 351	14 608	19 461	31.1%	17.2%	27 649	32 827	38 741	25.8%	23.4%
Occupational quality assurance	25 095	22 459	32 136	41 987	18.7%	39.4%	33 082	38 992	46 351	3.4%	32.9%
Total	60 950	74 160	76 527	95 320	16.1%	100.0%	114 080	133 884	157 472	18.2%	100.0%

Statements of historical financial performance and position

Table 15.42 Quality Council for Trades and Occupations statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
Revenue									
Non-tax revenue	-	1 394	10 414	2 553	7 960	3 941	-	-	42.9%
Sale of goods and services other than capital assets	-	-	-	178	-	2 078	-	-	-
<i>of which:</i>									
Administrative fees	-	-	-	178	-	2 078	-	-	-
Other non-tax revenue	-	1 394	10 414	2 375	7 960	1 863	-	-	30.7%
Transfers received	51 667	52 167	61 848	62 204	83 808	83 736	122 343	95 320	91.8%
Total revenue	51 667	53 561	72 262	64 757	91 768	87 677	122 343	95 320	89.1%
Expenses									
Current expenses	48 395	60 950	69 863	74 160	88 145	76 527	117 597	95 320	94.7%
Compensation of employees	32 695	30 840	37 219	38 440	44 640	43 019	68 848	52 691	90.0%
Goods and services	15 700	30 110	32 644	35 720	43 505	33 508	48 749	42 629	101.0%
Total expenses	48 395	60 950	69 863	74 160	88 145	76 527	117 597	95 320	94.7%
Surplus/(Deficit)	3 272	(7 389)	2 399	(9 403)	3 623	11 150	4 746	-	
Statement of financial position									
Carrying value of assets	-	8 241	7 161	6 371	6 685	7 829	5 781	5 781	143.8%
<i>of which:</i>									
Acquisition of assets	(5 050)	(1 313)	(3 050)	(724)	(3 960)	(3 577)	(4 090)	(4 090)	60.1%
Receivables and prepayments	-	443	550	271	355	717	465	465	138.4%
Cash and cash equivalents	-	10 463	15 000	7 960	8 756	13 330	9 838	13 838	135.7%
Total assets	-	19 147	22 711	14 602	15 796	21 876	16 085	20 085	138.7%
Accumulated surplus/(deficit)	-	14 518	18 006	5 116	5 654	16 266	5 977	10 014	154.9%
Trade and other payables	-	1 699	1 500	5 294	5 612	1 645	6 187	6 187	111.5%
Provisions	-	2 037	2 241	2 844	3 003	2 960	3 364	3 364	130.2%
Derivatives financial instruments	-	893	964	1 348	1 500	1 005	521	521	126.2%
Total equity and liabilities	-	19 147	22 711	14 602	15 769	21 876	16 048	20 085	138.8%

Statements of estimates of financial performance and position**Table 15.43 Quality Council for Trades and Occupations statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2014/15 - 2017/18			2018/19	2019/20	2020/21		
R thousand	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
Revenue								
Transfers received	95 320	22.3%	97.2%	114 080	133 884	157 472	18.2%	100.0%
Total revenue	95 320	21.2%	100.0%	114 080	133 884	157 472	18.2%	100.0%
Expenses								
Current expenses	95 320	16.1%	100.0%	114 080	133 884	157 472	18.2%	100.0%
Compensation of employees	52 691	19.5%	53.5%	63 148	74 472	87 929	18.6%	55.5%
Goods and services	42 629	12.3%	46.5%	50 932	59 412	69 543	17.7%	44.5%
Total expenses	95 320	16.1%	100.0%	114 080	133 884	157 472	18.2%	100.0%
Surplus/(Deficit)	-			-	-	-		
Statement of financial position								
Carrying value of assets	5 781	-11.1%	37.8%	5 500	5 800	7 300	8.1%	29.5%
<i>of which:</i>								
Acquisition of assets	(4 090)	46.0%	-12.1%	(4 610)	(4 000)	-	-100.0%	-16.2%
Receivables and prepayments	465	1.6%	2.4%	609	1 270	2 000	62.6%	5.1%
Cash and cash equivalents	13 838	9.8%	59.7%	12 909	12 930	14 000	0.4%	65.4%
Total assets	20 085	1.6%	100.0%	19 018	20 000	23 300	5.1%	100.0%
Accumulated surplus/(deficit)	10 014	-11.6%	58.8%	7 909	8 301	16 250	17.5%	50.7%
Trade and other payables	6 187	53.8%	20.9%	6 821	7 162	2 000	-31.4%	27.8%
Provisions	3 364	18.2%	15.1%	3 767	3 987	4 300	8.5%	18.7%
Derivatives financial instruments	521	-16.5%	5.3%	521	550	750	12.9%	2.8%
Total equity and liabilities	20 085	1.6%	100.0%	19 018	20 000	23 300	5.1%	100.0%

Personnel information**Table 15.44 Quality Council for Trades and Occupations personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Quality Council for Trades and Occupations		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21		
Salary level	95	95	82	43.0	0.5	95	52.7	0.6	109	63.1	0.6	123	74.5	0.6	133	87.9	0.7	18.6%	100.0%
1 - 6	26	26	23	4.5	0.2	26	5.5	0.2	26	5.9	0.2	32	7.6	0.2	32	8.1	0.3	13.8%	25.3%
7 - 10	42	42	32	16.5	0.5	42	23.8	0.6	56	32.3	0.6	62	37.9	0.6	72	48.9	0.7	27.2%	50.0%
11 - 12	14	14	14	9.0	0.6	14	9.6	0.7	14	10.3	0.7	14	11.0	0.8	14	11.8	0.8	7.0%	12.4%
13 - 16	13	13	13	13.0	1.0	13	13.8	1.1	13	14.7	1.1	15	18.0	1.2	15	19.1	1.3	11.6%	12.3%

1. Rand million.

South African Qualifications Authority**Mandate**

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

Selected performance indicators**Table 15.45 South African Qualifications Authority performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage of new qualifications and part qualifications received per year that are recorded and registered on the national qualifications framework	Registration and recognition	Outcome 5: A skilled and capable workforce to support an inclusive growth path	100% (222)	100% (216)	100% (361)	100%	100%	100%	100%
Percentage of professional bodies' applications received and recognised per year on the national qualifications framework	Registration and recognition		100% (8)	100% (13)	100% (8)	100%	100%	100%	100%
Percentage of applications received and completed for verifications of qualifications per year	National learners' records database		100% (36 337)	100% (72 543)	100% (81 833)	100%	100%	100%	100%
Percentage of applications received and processed for foreign evaluation and advisory services per year	Foreign qualifications evaluation and advisory services		100% (35 729)	100% (24 942)	100% (25 395)	100%	100%	100%	100%

Expenditure analysis

The South African Qualifications Authority offers leadership in the implementation of the national qualifications framework. The authority's focus over the medium term will continue to be on monitoring and evaluating the qualifications 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.

Over the medium term, the authority intends making the national qualifications framework more visible to and understood by the general public. It will do this by disseminating information on social media platforms and through structured communications to all government institutions through the Government Communication and Information System. This work will be conducted in the administration programme, which has a budget of R217.8 million over the MTEF period.

To maintain the comprehensiveness of the framework, the authority will continue to classify, register and publish qualifications and part qualifications. The authority aims to continue prioritising the recognition of professional bodies and their designations, and the verification of local and foreign qualifications. The bulk of this work is undertaken in the registration and recognition programme, in which expenditure is projected to increase from R9.2 million in 2017/18 to R11.2 million in 2020/21; and in the foreign qualifications evaluation and advisory services programme, in which spending is set to increase from R29.6 million in 2017/18 to R33.1 million in 2020/21.

As the authority's work mainly comprises developing and implementing a national qualifications framework, recognising professional bodies and their designations, and verifying both local and foreign qualifications, compensation of employees accounts for the bulk of the authority's budget. Expenditure in this regard is projected to increase from R84.5 million in 2017/18 to R100.3 million in 2020/21, at an average annual rate of 5.9 per cent.

Budget reductions of R6.3 million over the medium term will be accommodated through cost containment measures effected on non-core goods and services items such as travel and subsistence, consultants, training and development, computer services, and research and development.

The authority is set to receive 51.6 per cent (R211.5 million) of its revenue over the medium term through transfers from the department, increasing at an average annual rate of 4.6 per cent. Other revenue is generated through fees for the evaluation and verification of qualifications, amounting to a projected R183 million over the period, and from collaborations with international institutions, estimated at R8.2 million. The authority's total revenue is expected to increase at an average annual rate of 6.6 per cent, from R118.7 million in 2017/18 to R143.6 million in 2020/21.

Programmes/objectives/activities**Table 15.46 South African Qualifications Authority expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administration	57 335	49 271	53 601	58 042	0.4%	48.5%	72 105	72 529	73 165	8.0%	50.0%
Registration and recognition	6 989	7 625	8 504	9 237	9.7%	7.2%	10 031	10 593	11 175	6.6%	7.5%
National learners' records database	9 881	11 974	13 836	16 919	19.6%	11.7%	18 148	19 166	20 220	6.1%	13.5%
Foreign qualifications evaluation and advisory services	19 894	23 825	26 032	29 609	14.2%	22.2%	29 712	31 376	33 102	3.8%	22.5%
Career advice services	23 844	—	—	—	-100.0%	4.8%	—	—	—	—	—
Research	3 910	3 034	4 152	5 466	11.8%	3.7%	6 102	6 445	6 799	7.5%	4.5%
International liaison	1 197	2 272	1 914	2 587	29.3%	1.8%	2 575	2 719	2 869	3.5%	2.0%
Total	123 050	98 001	108 039	121 860	-0.3%	100.0%	138 673	142 828	147 330	6.5%	100.0%

Statements of historical financial performance and position**Table 15.47 South African Qualifications Authority statements of historical financial performance and position**

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/Budget (%) 2014/15 - 2017/18
	Budget 2014/15	2015/16	Budget 2015/16	2016/17	Budget 2016/17	2017/18	Budget 2017/18	Revised estimate	
Revenue									
Non-tax revenue	27 550	34 813	47 550	37 100	55 890	39 801	53 800	53 800	89.6%
Sale of goods and services other than capital assets	19 500	26 420	35 500	30 337	42 000	32 447	42 500	42 500	94.4%
<i>of which:</i>									
<i>Administrative fees</i>	19 500	26 420	35 500	30 337	42 000	32 447	42 500	42 500	94.4%
Other non-tax revenue	8 050	8 393	12 050	6 763	13 890	7 354	11 300	11 300	74.7%
Transfers received	56 683	80 518	54 757	54 757	56 895	56 895	64 940	64 940	110.2%
Total revenue	84 233	115 331	102 307	91 857	112 785	96 696	118 740	118 740	101.1%
Expenses									
Current expenses	83 961	123 050	107 336	98 001	115 723	108 039	121 860	121 860	105.1%
Compensation of employees	50 225	64 734	69 835	65 376	77 317	73 740	84 465	84 465	102.3%
Goods and services	28 928	55 370	32 472	29 693	35 468	31 435	34 275	34 275	115.0%
Depreciation	4 808	2 946	5 029	2 932	2 938	2 864	3 120	3 120	74.6%
Total expenses	83 961	123 050	107 336	98 001	115 723	108 039	121 860	121 860	105.1%
Surplus/(Deficit)	272	(7 719)	(5 029)	(6 144)	(2 938)	(11 343)	(3 120)	(3 120)	
Statement of financial position									
Carrying value of assets	22 588	23 241	24 155	23 996	25 828	24 024	26 643	26 643	98.7%
<i>of which:</i>									
<i>Acquisition of assets</i>	(3 315)	(4 124)	(1 850)	(3 702)	(2 676)	(3 416)	(2 405)	(2 405)	133.2%
Inventory	205	468	214	596	250	528	236	236	202.0%
Receivables and prepayments	3 747	4 703	3 919	6 547	4 250	6 212	4 300	4 300	134.2%
Cash and cash equivalents	8 446	33 224	22 000	25 141	25 000	21 767	25 000	25 000	130.7%
Total assets	34 986	61 636	50 288	56 280	55 328	52 531	56 179	56 179	115.2%
Accumulated surplus/(deficit)	23 304	37 789	38 048	31 643	30 100	20 300	31 966	31 966	98.6%
Deferred income	2 868	10 209	3 000	15 086	15 500	22 358	14 000	14 000	174.3%
Trade and other payables	8 814	12 329	9 219	8 628	9 708	8 654	10 193	10 193	104.9%
Taxation	—	22	21	24	20	15	20	20	132.8%
Provisions	—	1 287	—	899	—	1 204	—	—	—
Total equity and liabilities	34 986	61 636	50 288	56 280	55 328	52 531	56 179	56 179	115.2%

Statements of estimates of financial performance and position**Table 15.48 South African Qualifications Authority statements of estimates of financial performance and position**

Statement of financial performance									
R thousand	Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%) 2017/18	Medium-term estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21	
				2018/19	2019/20	2020/21			
Revenue									
Non-tax revenue	53 800	15.6%	39.3%	68 650	68 866	69 300	8.8%	48.4%	
Sale of goods and services other than capital assets	42 500	17.2%	31.3%	63 000	63 000	63 110	14.1%	42.9%	
<i>of which:</i>									
<i>Administrative fees</i>	42 500	17.2%	31.3%	63 000	63 000	63 110	14.1%	42.9%	
Other non-tax revenue	11 300	10.4%	7.9%	5 650	5 866	6 190	-18.2%	5.6%	
Transfers received	64 940	-6.9%	60.7%	66 719	70 473	74 349	4.6%	51.6%	
Total revenue	118 740	1.0%	100.0%	135 369	139 339	143 649	6.6%	100.0%	

Table 15.48 South African Qualifications Authority statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Expenses								
Current expenses	121 860	-0.3%	100.0%	138 673	142 828	147 330	6.5%	100.0%
Compensation of employees	84 465	9.3%	64.2%	90 054	95 097	100 327	5.9%	67.2%
Goods and services	34 275	-14.8%	33.1%	45 315	44 242	43 322	8.1%	30.3%
Depreciation	3 120	1.9%	2.6%	3 304	3 489	3 681	5.7%	2.5%
Total expenses	121 860	-0.3%	100.0%	138 673	142 828	147 330	6.5%	100.0%
Surplus/(Deficit)	(3 120)			(3 304)	(3 489)	(3 681)		
Statement of financial position								
Carrying value of assets	26 643	4.7%	43.4%	28 161	29 738	31 374	5.6%	47.4%
of which:								
Acquisition of assets	(2 405)	-16.5%	-6.0%	(6 174)	(3 879)	(3 670)	15.1%	-6.6%
Inventory	236	-20.4%	0.8%	250	264	279	5.7%	0.4%
Receivables and prepayments	4 300	-2.9%	9.7%	4 545	4 800	5 064	5.6%	7.7%
Cash and cash equivalents	25 000	-9.0%	46.1%	26 425	27 905	29 440	5.6%	44.5%
Total assets	56 179	-3.0%	100.0%	59 381	62 707	66 157	5.6%	100.0%
Accumulated surplus/(deficit)	31 966	-5.4%	53.3%	33 788	35 681	37 645	5.6%	56.9%
Deferred income	14 000	11.1%	27.7%	14 798	15 627	16 486	5.6%	24.9%
Trade and other payables	10 193	-6.1%	17.5%	10 774	11 377	12 003	5.6%	18.1%
Taxation	20	-3.1%	0.0%	21	22	23	4.8%	0.0%
Total equity and liabilities	56 179	-3.0%	100.0%	59 381	62 707	66 157	5.6%	100.0%

Personnel information**Table 15.49 South African Qualifications Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21		
South African Qualifications Authority	186	186	174	73.7	0.4	178	84.5	0.5	186	90.1	0.5	186	95.1	0.5	186	100.3	0.5	5.9%	100.0%
Salary level																			
1 - 6	-	-	41	8.0	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 - 10	154	154	111	42.7	0.4	148	55.6	0.4	154	59.3	0.4	154	62.6	0.4	154	66.0	0.4	5.9%	82.9%
11 - 12	19	19	14	12.9	0.9	17	13.9	0.8	19	14.8	0.8	19	15.6	0.8	19	16.5	0.9	5.9%	10.0%
13 - 16	13	13	8	10.1	1.3	13	15.0	1.2	13	16.0	1.2	13	16.9	1.3	13	17.8	1.4	5.8%	7.1%

1. Rand million.

Additional tables

Table 15-A Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
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	35 184 642	2 200 000	1 981 200	2 343 749	2 541 903	2 688 063	2 838 594	2 980 524
New universities in Mpumalanga and Northern Cape	Construction of hostels, lecture halls and laboratories	Various	12 917 140	500 000	1 320 000	–	–	–	–	–
University of Mpumalanga	Construction of hostels, lecture halls and laboratories	Various	–	–	673 920	624 552	638 508	665 948	700 570	–
Sol Plaatje University	Construction of hostels, lecture halls and laboratories	Various	–	–	379 080	353 930	362 034	378 417	401 235	–
Total			48 101 782	2 700 000	3 301 200	3 396 749	3 520 385	3 688 605	3 882 959	4 082 329

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2017/18	Medium-term expenditure estimate			
							2014/15	2015/16	2016/17		2018/19	2019/20	2020/21	
Foreign In cash														
European Union	Primary education sector policy support programme: Teacher education for foundation phase	University Education	2010/11 - 2019/20	141 000	Goods and services	Ensure an increase in the number of public higher education institutions involved in initial teacher education in the foundation phase and the number of students enrolled in initial teacher education programmes specialising in the foundation phase	3 582	20 464	17 936	–	–	–	–	–
European Union	General budget support for career guidance services	Planning, Policy and Strategy	2013/14 - 2014/15	60 000	Departmental agencies and accounts	Provide career guidance services	19 181	41 040	57 665	–	–	–	–	–
United States Agency for International Development	Triateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Planning, Policy and Strategy	2012/13 - 2016/17	1 746	Goods and services	Ensure the registration of PhD candidates from selected countries at the University of Pretoria's faculty of law; and ensure that they have access to teaching, research and publishing opportunities, and thesis supervision	–	–	3 110	–	–	–	–	–
United States Agency for International Development	Triateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Planning, Policy and Strategy	2010/11 - 2012/13	2 030	Goods and services	Provide certificates for officials from the South Sudan education ministry	–	–	–	–	–	–	–	–

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2017/18	Medium-term expenditure estimate	
							2014/15	2015/16	2016/17		2018/19	2019/20
R thousand												
Netherlands Organisation for International Cooperation	Strengthening the national vocational certificate in line with labour market needs	Technical and Vocational Education and Training	2012/13 - 2015/16	21 906	Goods and services	Provide revised subject curricula, improved student support services, lecturer development communities of practice, student support services communities of practice, and student work placement	1 215	434	-	12 677	-	-
European Union	Teaching and learning development sector reform contract	University Education	2015/16 - 2019/20	262 000	Goods and services	Provide teacher development services, including gender equity and transversal issues	-	-	18 101	67 500	84 000	92 399
European Union	General budget support for career development and national qualifications framework advice project	Planning, Policy and Strategy	2013/14 - 2016/17	99 000	Departmental agencies and accounts	Provide career guidance services	8 884	38 230	36 439	-	-	-
European Union	General budget support for open learning system for post-school education and training	Planning, Policy and Strategy	2013/14 - 2016/17	51 860	Departmental agencies and accounts	Provide career guidance services	-	-	896	-	-	-
African Development Bank	Middle income countries grant for education and sustainable development in Africa	University Education	2016/17 - 2018/19	4 239	Goods and services	Contribute to the realisation of an environment for sustainable employment and inclusive economic growth	-	-	1 807	1 413	1 019	-
European Union	National artisan moderation body automated artisan trade test system	Skills Development	2018/19 - 2020/21	48 530	Goods and services	Monitor the performance of accredited artisan trade test centres, moderate artisan trade tests, develop, maintain and apply a national data bank of instruments for assessment and moderation of artisan trade test	-	-	-	-	27 120	16 730
Foreign In kind												
Germany	Skills for green jobs	Planning, Policy and Strategy	2015/16 - 2016/17	96 798	Goods and services	Improve individual, institutional and social conditions for the supply of skilled personnel and adequate technologies for the development of a green economy	-	-	48 399	48 399	-	-
Denmark	Support to education and skills development programme	Technical and Vocational Education and Training	2010/11 - 2014/15	32 000	Goods and services	Provide support to education and skills development programmes in South Africa	21 556	27 800	-	-	-	-

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
R thousand Deutsche Gesellschaft für Internationale Zusammenarbeit	Employment and skills development services	Skills Development	2006/07 - 2017/18	80 300	Goods and services	Build capacity in skills development policy and advisory services across all levels (skills education and training authority, National Skills Authority, National Skills Fund and further education and training colleges)	26	–	23 000	14 024	–	–	
Netherlands	Netherlands Universities Foundation for International Cooperation	Technical and Vocational Education and Training	2010/11 - 2016/17	27 432	Goods and services	Build capacity in higher education through a standardised business management system in 3 pilot further education and training colleges	955	592	10 250	–	–	–	
European Union	Technical and vocational education and training for the green economy	Skills Development	2013/14 - 2016/17	4 169	Goods and services	Provide a proposal for skills planning funding	–	–	3 769	–	–	–	
Germany	Technical and vocational education and training for the green economy	Technical and Vocational Education and Training	2015/16 - 2017/18	70 143	Goods and services	Provide assistance to 4 public TVET colleges in the trial implementation of 2 newly developed occupational curricula (electricians and plumbers)	–	–	17 535	17 535	17 535	–	
Japan	Employability improvement project	Planning, Policy and Strategy	2012/13 - 2015/16	62 154	Goods and services	Training students in productivity, and innovation skills through the two-week employment improvement project	18 685	–	32 753	–	–	–	
Total				1 065 307			74 084	128 560	271 660	161 548	129 674	126 664	4 680

Table 15.C Summary of financial assistance to higher education institutions, 2018/19

Higher Education Institutions	Block grant	National Student Financial Aid Scheme	Infra-structure and efficiency funds	Interest and redemption of government loans	Development Funds						Total	
					Foundation provision (teaching)	University capacity development	Veterinary	Clinical training of health professionals	MBChB students	Ad hoc		
(R '000)												
Cape Peninsula University of Technology	1 225 159	-	-	102	43 122	24 412	-	7 155	-	-	-	1 299 950
University of Cape Town	1 439 369	-	-	-	5 275	12 324	-	45 827	600	-	-	1 503 395
Central University of Technology	507 573	-	-	-	4 794	12 846	-	3 485	-	-	-	528 698
Durban University of Technology	1 000 363	-	-	1 051	10 957	25 236	-	14 309	-	-	-	1 051 916
University of Fort Hare	567 202	-	-	-	8 987	13 748	-	5 964	-	-	-	595 901
University of the Free State	1 171 066	-	-	-	43 851	32 066	-	32 412	-	-	-	1 279 395
University of Johannesburg	1 846 859	-	-	731	40 128	49 661	-	8 617	-	-	-	1 945 996
University of KwaZulu-Natal	2 007 678	-	-	-	24 253	38 961	-	67 873	5 000	-	-	2 143 765
University of Limpopo	811 142	-	-	-	21 548	16 617	-	10 430	-	-	-	859 737
Mangosuthu University of Technology	353 229	-	-	-	5 987	11 767	-	1 235	-	-	-	372 218
Nelson Mandela Metropolitan University	1 021 081	-	-	24	9 928	26 009	-	11 121	-	-	-	1 068 163
North West University	1 882 692	-	-	-	16 534	30 230	6 795	15 063	-	-	-	1 951 314
University of Pretoria	2 262 426	-	-	-	17 319	27 161	152 465	46 556	6 400	-	-	2 512 327
Rhodes University	450 396	-	-	-	1 661	7 479	-	1 683	-	-	-	461 219
Sefako Makgatho University	560 142	-	-	-	4 330	15 710	-	36 820	-	-	-	617 002
University of South Africa	3 554 502	-	-	-	-	95 254	2 486	-	-	-	-	3 652 242
Stellenbosch University	1 579 778	-	-	60	8 297	11 551	-	43 749	2 500	-	-	1 645 935
Tshwane University of Technology	1 834 952	-	-	1 074	48 594	54 193	3 977	7 716	-	-	-	1 950 506
Vaal University of Technology	680 506	-	-	442	1 906	17 218	-	4 857	-	-	-	704 929
University of Venda	560 382	-	-	-	6 068	14 917	-	5 072	-	-	-	586 439
Walter Sisulu University	770 816	-	-	-	10 546	38 324	-	15 713	2 200	-	-	837 599
University of the Western Cape	907 296	-	-	-	17 724	20 568	-	30 634	-	-	-	976 222
University of Witwatersrand	1 624 854	-	-	-	462	21 536	-	78 366	-	-	-	1 725 218
University of Zululand	503 729	-	-	-	2 797	17 236	-	7 921	-	-	-	531 683
Operational costs for two new universities in Mpumalanga and Northern Cape ¹	-	-	-	-	-	-	-	-	-	555 593	-	555 593
Capital expenditure on two new universities in Mpumalanga and Northern Cape	-	-	-	-	-	-	-	-	-	1 000 542	-	1 000 542
Other	-	20 334 391	2 688 063	-	13 000	309 976	-	71 756	-	3 157 160	-	26 574 346
Total	29 123 192	20 334 391	2 688 063	3 484	368 068	945 000	165 723	574 334	16 700	4 713 295	58 932 250	

1. R23 000 000 is for the corrective measures imposed in the teaching input sub-block grant for under-enrolment larger than 2%, and reallocated to Sol Plaatje University for operations.

Table 15.D Direct transfer and subsidy portion for technical and vocational education and training colleges, 2018/19

Technical and Vocational Education and Training Colleges	Direct subsidy allocation
R thousand	
Buffalo City College	55 738 495
East Cape Midlands College	62 358 532
Ikhala College	35 348 188
Ingwe College	54 790 555
King Hintsa College	46 992 854
King Sabata Dalindyebo College	60 461 215
Lovedale College	38 018 477
Port Elizabeth College	62 759 608
Total Eastern Cape	416 467 924
Flavius Mareka College	26 269 739
Gold Fields College	31 200 216
Maluti College	49 888 853
Motheo College	85 640 076
Total Free State	192 998 884
Central Johannesburg College	56 542 601
Ekurhuleni East College	63 733 067
Ekurhuleni West College	95 029 731
Sedibeng College	71 797 698
South West College	98 847 220
Tshwane North College	74 848 690
Tshwane South College	69 191 426
Western College	58 860 204
Total Gauteng	588 850 637
Coastal College	94 304 268
Elangeni College	64 028 907
Esayidi College	51 495 449
Majuba College	129 872 123
Mnambithi College	39 502 472
Mthashana College	28 975 724
Thekwini College	36 167 765
Umfolzi College	90 361 527
Umgungundlovu College	30 777 123
Total KwaZulu-Natal	565 485 358
Capricorn College	95 201 089
Lephalale College	17 200 971
Letaba College	37 753 356
Mopani College	66 479 642
Sekhukhune College	37 968 059
Vhembe College	113 477 520
Waterberg College	39 265 079
Total Limpopo	407 345 716
Ehlanzeni College	64 149 034
Gert Sibande College	66 855 894
Nkangala College	72 062 621
Total Mpumalanga	203 067 549
Northern Cape Rural College	28 893 310
Northern Cape Urban College	29 768 082
Total Northern Cape	58 661 392
Orbit College	105 668 283
Taletso College	50 561 933
Vuselela College	47 229 525
Total North West	203 459 741
Boland College	50 774 012
Cape Town College	65 312 563
False Bay College	52 324 698
Northlink College	86 784 631
South Cape College	41 116 496
West Coast College	54 888 399
Total Western Cape	351 200 799
Subtotal	2 987 538 000
Unallocated infrastructure and efficiency grant	1 300 000 000
Total	4 287 538 000

Table 15.E Direct transfer and subsidy portion to community education and training colleges 2018/19

MTEF 2018/19 AS PER ECONOMIC CLASSIFICATION	Hosting institution	Direct subsidy allocation
Eastern Cape	Nelson Mandela Metropolitan University	7 831 000
Free State	Mangaung University community partnership programme (MUCPP)	5 071 000
Gauteng	Diepkloof Adult Learning Centre	32 147 000
Kwazulu-Natal	Durban University of Technology Indumiso Campus	9 098 000
Limpopo	PAX College	14 510 000
Mpumalanga	Nkangala TVET College	14 594 000
Northern Cape	Northern Cape Rural TVET College	2 085 000
North West	Mmakau ABET project	15 167 000
Western Cape	ELGIN Learning Foundation	9 421 000
Total		109 924 000



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