

◀ 2020 ▶
BUDGET

VOTE
07

**NATIONAL SCHOOL
OF GOVERNMENT**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2020

**National Treasury
Republic of South Africa**



ISBN: 978-0-621-48100-6

RP: 18/2020

The 2020 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 at www.treasury.gov.za. Compared to the abridged Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities, transfers and subsidies and information on programme specific personnel expenditure.

Foreword

The Estimates of National Expenditure (ENE) publications remain an integral part of the annual budgeting process. In light of the prevailing economic climate, which requires careful consideration around the management of public funds, it has become necessary to focus our efforts on reprioritising existing government resources to areas where the most value can be derived for the benefit of all South Africans. To alleviate fiscal pressures, reductions have been effected on the baseline budgets of departments and public entities. The budgets unpacked in this document reflect the outcome of a robust negotiation process, which was led by a committee of senior officials in central government departments under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, the budgetary proposals emanating from these negotiations and consultations were considered and approved by Cabinet.

The abridged ENE provides a comprehensive account of the priorities, spending plans and service delivery commitments of the 41 national government votes, and for selected public entities. The e-publications for each vote, which are available on National Treasury's website, contain further details on goods and services, transfers and subsidies, other public entities, and lower-level spending information on service delivery. In addition, the Vulekamali online portal serves as a transparent, user-friendly source of information that includes supplementary detailed data as contained in the ENE publications. The portal is a valuable resource for anyone to learn about how government compiles its budget and spends public funds.

The Open Budget Survey, which is published biannually by the International Budget Partnership, assesses and ranks countries based on the availability of 8 key budget documents and the comprehensiveness of the data presented in these documents. In the latest survey, published in 2017, South Africa ranked joint first out of 102 countries with a score of 89 per cent. The next survey is expected to be published in 2020/21 and hopefully South Africa will retain that first position.

All information presented in the ENE publications and Vulekamali promotes a culture of public engagement, accountability in state institutions, and the appropriate spending of public funds to achieve the outcomes as envisaged in the National Development Plan.

A special thanks is extended to all contributors and government colleagues who assisted in making this possible, especially the political leadership shown by the executive and the spirited efforts of the National Treasury team.



Dondo Mogajane
Director-General: National Treasury

Introduction

Estimates of National Expenditure publications

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 2020 MTEF period is from 2020/21 to 2022/23.

The ENE publications contain detailed information regarding the allocations set out in the Appropriation Bill, for the current financial year. Government's proposed spending plans for the full MTEF period, are shown. Information on how government institutions have spent their budgets in previous years is also included. Explanations are provided on how institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes to which their spending is expected to lead. Tables present non-financial performance indicators and targets, departmental receipts, and detailed expenditure trends and estimates by programme, subprogramme and economic classification, and programme personnel data tables for each vote and all entities. Brief explanatory narratives set out the institution's purpose (and that of its programmes), mandate, programme-level objectives and descriptions of subprogrammes. An in-depth narrative analyses the institution's expected expenditure over the MTEF period.

Additional data tables containing information on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure spending and information at the level of site service delivery, where applicable, are available on the National Treasury website and the Vulekamali online portal.

A separate 2020 ENE Overview publication is also available on the National Treasury website and summarises the ENE information across all votes. The 2020 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.

National School of Government

National Treasury

Republic of South Africa



Contents

Budget summary.....	1
Vote purpose	1
Mandate	1
Selected performance indicators	1
Expenditure analysis.....	2
Expenditure trends and estimates	3
Transfers and subsidies expenditure trends and estimates.....	4
Personnel information.....	4
Departmental receipts.....	4
Programme 1: Administration	5
Programme 2: Public Sector Organisational and Staff Development	6
Entity.....	7

Vote 7

National School of Government

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	112.9	109.5	–	3.4	119.5	124.5
Public Sector Organisational and Staff Development	93.7	–	93.7	–	107.8	111.8
Total expenditure estimates	206.6	109.5	93.7	3.4	227.3	236.3

Executive authority: Minister for Public Service and Administration
 Accounting officer: Principal of the National School of Government
 Website: www.nsg.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide or coordinate the provision of learning, training and development interventions that lead to improved performance and service delivery in the public sector.

Mandate

The National School of Government derives its mandate from the Public Service Amendment Act (2007). In terms of the act, the institution is mandated to provide training or effect the provision of training. The school responds to its mandate by developing relevant training and development programmes for delivery to South African public service officials at all levels. Through education and training, the school promotes the progressive realisation of the values and principles governing public administration, and enhances the quality of human resource capacity in public service institutions. The school uses its trading account, which was established in terms of the Public Finance Management Act (1999), as a delivery vehicle for its core output.

Selected performance indicators

Table 7.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past				Current	Projections		
			2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Implementation of a quality management policy for the department	Administration		– ¹	– ¹	– ¹	– ¹	Quality management policy developed	50% of the quality management system implemented	100% of the quality management system implemented	
Implementation of an operations management policy for the department	Administration	Priority 6: A capable, ethical and developmental state	– ¹	– ¹	– ¹	– ¹	Operations management policy and plan developed	Implementation of 10 mapped business processes approved in line with an operations management plan	Implementation of 10 mapped business processes approved in line with an operations management plan	

Table 7.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Implementation of a five-year ICT strategy to support the department's operations	Administration	Priority 6: A capable, ethical and developmental state	-1	-1	-1	-1	Annual ICT plan implemented	Annual ICT plan implemented	Annual ICT plan implemented
Number of newly registered learning facilities made available to support the department's operations per year	Administration		-1	-1	-1	-1	9	9	9
Implementation of an approved brand strategy for the department	Administration		-1	-1	-1	-1	10% of the brand strategy implemented	30% of the brand strategy implemented	60% of the brand strategy implemented
Number of stakeholder engagements with provincial and local government departments on the department's brand strategy per year	Administration		-1	-1	-1	-1	2	2	2

1. No historical data available.

Expenditure analysis

Chapter 13 of the National Development plan outlines a vision for building a capable and developmental state that hinges on promoting a culture of excellence in the public service. This vision is given expression by priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework, with which the work of the National School of Government is directly aligned. Accordingly, over the medium term, the department plans to focus on contributing towards the fulfilment of the educational, training and development needs of the public service; and revising the trading entity's funding model to ensure that the school generates more revenue.

Expenditure is expected to increase at an average annual rate of 7.9 per cent, from R187.9 million in 2019/20 to R236.3 million in 2022/23. Spending on compensation of employees accounts for 29.9 per cent (R198.3 million) of the department's total expenditure over the medium term. Most of the department's activities are carried out in the *Administration* programme, allocations to which increase at an average annual rate of 4.8 per cent, from R108.1 million in 2019/20 to R124.5 million in 2022/23. Part of spending in the programme includes the outsourcing of services such as IT facilities management.

Contributing towards fulfilling the educational needs of the public service

The department's ongoing and overarching objective is to support excellence in the public service through the provision of appropriate training and development measures. To realise this objective, over the medium term, the department plans to provide strategic leadership to ensure the proper functioning of the school and administration of its training trading account, administrative support such as oversight of personnel-related expenditure, and supply chain management services that relate to the management of official assets and the school's asset register; and conduct internal audits that provide independent and objective assurance and consulting services that are designed to add value and improve the department's operations.

Over the period ahead, the school intends to expand its education, training and development activities across the 3 spheres of government with the intention of promoting quality training and outputs. Accordingly, the school intends to implement 12 mandatory programmes in all spheres of government by March 2023; and induct and train 15 000 public servants annually on quality education, training and development interventions. The school also plans to develop a quality management policy in 2020/21 through which quality training will be monitored.

The department's mandate and objectives are largely executed through transfer payments to the National School of Government training trading account, and other revenue generated from training programmes the school provides to public service employees. Accordingly, transfers to the training trading account constitute 46.7 per cent (R313.3 million) of the department's total expenditure over the medium term. To ensure that the department's operations are sustained, 9 newly registered learning facilities will be made available in each year over the medium term. Related activities are carried out in the *Administration* programme, allocations to which account for 53.3 per cent (R356.9 million) of the department's total budget over the medium term.

Revising the trading entity's funding model

The current cost recovery model of the school's training trading account comprises partial funding from transfers from the department and income generated by training course fees, which are managed in the training trading account. This approach requires that the entity should recover all costs associated with the design and development of learning materials and the implementation of training courses from course fees. In this regard, by 2020/21, the department plans to implement revisions to the trading account's tariff structure to ensure that the school generates more revenue.

Expenditure trends and estimates

Table 7.2 Vote expenditure trends and estimates by programme and economic classification

Programmes												
1. Administration												
2. Public Sector Organisational and Staff Development												
Programme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million												
Programme 1	87.7	90.4	96.6	108.1	7.2%	64.2%	112.9	119.5	124.5	4.8%	54.2%	
Programme 2	–	63.3	70.2	79.8	0.0%	35.8%	93.7	107.8	111.8	11.9%	45.8%	
Total	87.7	153.7	166.8	187.9	28.9%	100.0%	206.6	227.3	236.3	7.9%	100.0%	
Change to 2019 Budget estimate				–			(2.3)	(2.6)	(2.2)			
Economic classification												
Current payments	84.6	87.7	94.6	104.8	7.4%	62.4%	109.5	115.9	120.7	4.8%	52.5%	
Compensation of employees	49.1	50.5	54.2	58.4	6.0%	35.6%	62.4	66.5	69.4	5.9%	29.9%	
Goods and services ¹	35.5	37.2	40.4	46.4	9.3%	26.8%	47.0	49.4	51.3	3.4%	22.6%	
<i>of which:</i>												
<i>Audit costs: External</i>	2.9	4.6	4.3	3.9	10.8%	2.6%	4.1	4.3	4.5	4.9%	2.0%	
<i>Computer services</i>	3.5	6.9	6.6	4.7	10.6%	3.6%	5.0	5.2	5.4	4.4%	2.4%	
<i>Agency and support/outsourced services</i>	5.1	0.2	0.3	9.8	24.3%	2.6%	6.6	7.1	7.4	-8.9%	3.6%	
<i>Operating leases</i>	9.5	11.7	16.3	10.9	4.5%	8.1%	12.1	12.8	13.3	6.9%	5.7%	
<i>Travel and subsistence</i>	2.1	1.2	1.4	3.8	21.2%	1.4%	4.0	4.1	4.2	4.1%	1.9%	
<i>Training and development</i>	0.7	0.4	1.4	2.6	51.7%	0.9%	2.7	2.8	2.9	3.7%	1.3%	
Transfers and subsidies¹	0.1	63.6	70.2	79.8	741.5%	35.9%	93.7	107.8	111.8	11.9%	45.8%	
Departmental agencies and accounts	–	63.3	70.2	79.8	0.0%	35.8%	93.7	107.8	111.8	11.9%	45.8%	
Households	0.1	0.3	0.1	–	-100.0%	0.1%	–	–	–	0.0%	0.0%	
Payments for capital assets	2.9	2.4	1.9	3.3	4.0%	1.7%	3.4	3.6	3.8	5.6%	1.6%	
Machinery and equipment	2.7	2.3	1.9	3.3	6.1%	1.7%	3.4	3.6	3.8	5.6%	1.6%	
Software and other intangible assets	0.2	0.1	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%	
Total	87.7	153.7	166.8	187.9	28.9%	100.0%	206.6	227.3	236.3	7.9%	100.0%	

1. Tables that detail expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 7.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	63 312	70 180	79 847	–	99.8%	93 703	107 757	111 808	11.9%	100.0%
National School of Government Training Trading Account	–	63 312	70 180	79 847	–	99.8%	93 703	107 757	111 808	11.9%	100.0%
Households											
Social benefits											
Current	134	267	56	–	-100.0%	0.2%	–	–	–	–	–
Employee Social Benefits	134	267	56	–	-100.0%	0.2%	–	–	–	–	–
Total	134	63 579	70 236	79 847	741.5%	100.0%	93 703	107 757	111 808	11.9%	100.0%

Personnel information

Table 7.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																	
1. Administration																	
2. Public Sector Organisational and Staff Development																	
Number of posts estimated for 31 March 2020	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment													Number		
		Actual			Revised estimate			Medium-term expenditure estimate							Average growth rate (%)	Average: Salary level/Total (%)	
		2018/19	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23										
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
National School of Government																	
Salary level	90	–	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	-0.4%	100.0%
1 – 6	16	–	–	16	4.2	0.3	16	4.5	0.3	16	4.8	0.3	16	5.2	0.3	–	17.9%
7 – 10	39	–	–	39	16.4	0.4	39	17.6	0.5	39	18.8	0.5	39	20.1	0.5	–	43.6%
11 – 12	17	–	–	17	15.6	0.9	17	16.6	1.0	17	18.6	1.1	17	18.7	1.1	–	19.0%
13 – 16	18	–	–	18	22.2	1.2	18	23.8	1.3	17	24.2	1.4	17	25.3	1.5	-1.9%	19.6%
Programme	90	–	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	-0.4%	100.0%
Programme 1	90	–	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	-0.4%	100.0%

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

2. Rand million.

Departmental receipts

Table 7.5 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 (%)
	2016/17	2017/18	2018/19					2019/20	2020/21	2021/22		
Departmental receipts												
Sales of goods and services produced by department	38	36	41	16	16	-25.0%	22.4%	30	31	32	26.0%	32.5%
Other sales	38	36	41	16	16	-25.0%	22.4%	30	31	32	26.0%	32.5%
of which:												
Parking fees	1	1	1	–	–	-100.0%	0.5%	1	1	1	–	0.9%
Commission	37	35	40	16	16	-24.4%	21.8%	29	30	31	24.7%	31.6%
Sales of scrap, waste, arms and other used current goods	–	–	–	35	35	–	6.0%	–	–	–	-100.0%	10.4%
of which:												
Sales of scrap, waste, arms and other used current goods (excl capital assets)	–	–	–	35	35	–	6.0%	–	–	–	-100.0%	10.4%
Interest, dividends and rent on land	48	53	74	45	45	-2.1%	37.5%	39	39	39	-4.7%	48.4%
Interest	48	53	74	45	45	-2.1%	37.5%	39	39	39	-4.7%	48.4%
Sales of capital assets	56	16	16	–	–	-100.0%	15.0%	–	–	–	–	–
Transactions in financial assets and liabilities	41	20	22	29	29	-10.9%	19.1%	–	–	–	-100.0%	8.7%
Total	183	125	153	125	125	-11.9%	100.0%	69	70	71	-17.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 7.6 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Management	15.4	14.9	15.4	17.0	3.4%	16.4%	17.0	18.0	18.8	3.4%	15.2%
Corporate Services	60.0	61.3	62.3	90.4	14.6%	71.6%	95.2	100.8	104.9	5.1%	84.2%
Property Management	12.2	14.2	19.0	0.7	-62.2%	12.0%	0.7	0.7	0.8	4.9%	0.6%
Total	87.7	90.4	96.6	108.1	7.2%	100.0%	112.9	119.5	124.5	4.8%	100.0%
Change to 2019 Budget estimate				-			(2.3)	(2.6)	(2.2)		
Economic classification											
Current payments	84.6	87.7	94.6	104.8	7.4%	97.2%	109.5	115.9	120.7	4.8%	97.0%
Compensation of employees	49.1	50.5	54.2	58.4	6.0%	55.5%	62.4	66.5	69.4	5.9%	55.2%
Goods and services ¹	35.5	37.2	40.4	46.4	9.3%	41.7%	47.0	49.4	51.3	3.4%	41.8%
of which:											
Audit costs: External	2.9	4.6	4.3	3.9	10.8%	4.1%	4.1	4.3	4.5	4.9%	3.6%
Computer services	3.5	6.9	6.6	4.7	10.6%	5.7%	5.0	5.2	5.4	4.4%	4.4%
Agency and support/outsourced services	5.1	0.2	0.3	9.8	24.3%	4.0%	6.6	7.1	7.4	-8.9%	6.6%
Operating leases	9.5	11.7	16.3	10.9	4.5%	12.6%	12.1	12.8	13.3	6.9%	10.6%
Travel and subsistence	2.1	1.2	1.4	3.8	21.2%	2.2%	4.0	4.1	4.2	4.1%	3.4%
Training and development	0.7	0.4	1.4	2.6	51.7%	1.3%	2.7	2.8	2.9	3.7%	2.4%
Transfers and subsidies¹	0.1	0.3	0.1	-	-100.0%	0.1%	-	-	-	-	-
Households	0.1	0.3	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	2.9	2.4	1.9	3.3	4.0%	2.7%	3.4	3.6	3.8	5.6%	3.0%
Machinery and equipment	2.7	2.3	1.9	3.3	6.1%	2.7%	3.4	3.6	3.8	5.6%	3.0%
Software and other intangible assets	0.2	0.1	-	-	-100.0%	0.1%	-	-	-	-	-
Total	87.7	90.4	96.6	108.1	7.2%	100.0%	112.9	119.5	124.5	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	100.0%	58.8%	57.9%	57.5%	-	-	54.6%	52.6%	52.7%	-	-

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

Personnel information

Table 7.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2020		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 (%)			
			2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23						
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
	90	-	-	54.2	-	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	-0.4%	100.0%
1-6	16	-	-	4.3	-	16	4.2	0.3	16	4.5	0.3	16	4.8	0.3	16	5.2	0.3	-	17.9%
7-10	39	-	-	15.3	-	39	16.4	0.4	39	17.6	0.5	39	18.8	0.5	39	20.1	0.5	-	43.6%
11-12	17	-	-	13.4	-	17	15.6	0.9	17	16.6	1.0	17	18.6	1.1	17	18.7	1.1	-	19.0%
13-16	18	-	-	21.2	-	18	22.2	1.2	18	23.8	1.3	17	24.2	1.4	17	25.3	1.5	-1.9%	19.6%

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

2. Rand million.

Programme 2: Public Sector Organisational and Staff Development

Programme purpose

Facilitate transfer payments to the training trading account, which provides education, development and training to public sector employees.

Objectives

- Ensure competent and ethical public servants who are empowered to do their jobs by:
 - assessing 80 000 public servants through online diagnostic tool assessments to determine skills gaps and needs over the medium term
 - ensuring that 5 000 public servants undergo ethics education, training and development interventions annually
 - reviewing the curriculum and making available 40 active online learning education, training and development interventions available by March 2023.
 - establishing sustainable partnerships and collaboration with local and international stakeholders to support education, training and development interventions by implementing the local and international partnership strategy over the medium term.
- Implement quality education, training and development interventions by:
 - implementing 12 mandatory programmes in all spheres of government by March 2023
 - inducting and training 15 000 public servants annually on quality education, training and development interventions.

Expenditure trends and estimates

Table 7.8 Public Sector Organisational and Staff Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
National School of Government	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Training Trading Account											
Total	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Change to 2019 Budget estimate				–			–	–	–		
Economic classification											
Transfers and subsidies¹	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Departmental agencies and accounts	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Total	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Proportion of total programme expenditure to vote expenditure		41.2%	42.1%	42.5%	–	–	45.4%	47.4%	47.3%	–	–
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
National School of Government	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Training Trading Account											

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

Entity

National School of Government training trading account

Selected performance indicators

Table 7.9 National School of Government training trading account performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of public servants who undergo ethics education, training and development interventions per year	Public sector organisational and staff development	Priority 6: A capable, ethical and developmental state	- ¹	2 384	4 892	5 000	5 000	5 000	5 000
Number of active online learning education, training and development interventions available	Public sector organisational and staff development		- ¹	24	25	26	30	35	40
Number of practitioners who complete the lead facilitator development programme and are certified per year	Public sector organisational and staff development		- ¹	- ¹	- ¹	- ¹	200	250	300
Number of public servants undergoing public service inductions per year	Public sector organisational and staff development		- ¹	26 759	24 999	20 000	15 000	15 000	15 000
Number of public servants undergoing other education, training and development interventions in the 3 spheres of government per year	Public sector organisational and staff development		- ¹	24 878	30 660	29 783	30 000	36 000	36 000

1. No historical data available.

Entity overview

The National School of Government training trading account functions within the National School of Government as a mechanism for the partial recovery of the costs of training programmes. The branches of the trading account directly facilitate and monitor the provision of leadership development and management training at all levels of government in collaboration with provincial academies and local government training entities. Over the medium term, the trading account will continue to focus on fulfilling the training needs of the public service by providing inductions and training on administration, management and leadership.

Expenditure is expected to increase at an average annual rate of 5.7 per cent, from R226.4 million in 2019/20 to R267.1 million in 2022/23. Spending on compensation of employees accounts for 55.9 per cent (R388.1 million) of the entity's total expenditure over the medium term. Revenue is expected to increase at an average annual rate of 5.6 per cent, from R226.4 million in 2019/20 to R266.7 million in 2022/23. The entity's revenue is partly derived from transfers from the department, which amount to R313.3 million over the MTEF period. Remaining revenue is generated from course fees for training programmes and interest received, which amount to R450.4 million over the medium term.

Programmes/Objectives/Activities

Table 7.10 National school of government training trading account expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
Administration	212.4	188.9	190.2	226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%
Total	212.4	188.9	190.2	226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 7.11 National school of government training account statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	153.4	136.7	125.6	114.8	120.0	120.0	146.6	146.6	95.0%
Sale of goods and services other than capital assets	151.0	129.3	123.0	109.9	117.3	117.3	143.4	143.4	93.5%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>151.0</i>	<i>129.3</i>	<i>123.0</i>	<i>109.9</i>	<i>117.3</i>	<i>117.3</i>	<i>143.4</i>	<i>143.4</i>	<i>93.5%</i>
Other non-tax revenue	2.4	7.5	2.6	4.9	2.7	2.7	3.2	3.2	167.9%
Transfers received	–	–	59.1	63.3	66.4	70.2	79.8	79.8	103.9%
Total revenue	153.4	136.7	184.7	178.1	186.4	190.2	226.4	226.4	97.4%
Expenses									
Current expenses	244.7	194.9	184.7	188.9	186.4	190.2	226.4	226.4	95.0%
Compensation of employees	86.7	86.8	85.4	82.8	96.9	96.9	105.4	105.4	99.3%
Goods and services	158.0	108.0	99.2	106.1	89.5	93.3	121.0	121.0	91.6%
Transfers and subsidies	–	17.5	–	–	–	–	–	–	–
Total expenses	244.7	212.4	184.7	188.9	186.4	190.2	226.4	226.4	97.1%
Surplus/(Deficit)	(91.3)	(75.7)	–	(10.8)	–	–	–	–	
Cash flow statement									
Cash flow from operating activities	–	(70.2)	–	4.2	–	–	10.0	10.0	-560.1%
Receipts									
Non-tax receipts	153.4	187.8	125.6	125.6	127.7	127.7	129.1	129.1	106.4%
Sales of goods and services other than capital assets	151.0	181.8	123.0	123.0	125.0	125.0	126.3	126.3	105.9%
<i>Sales by market establishment</i>	<i>151.0</i>	<i>181.8</i>	<i>123.0</i>	<i>123.0</i>	<i>125.0</i>	<i>125.0</i>	<i>126.3</i>	<i>126.3</i>	<i>105.9%</i>
Other tax receipts	2.4	6.0	2.6	2.6	2.7	2.7	2.8	2.8	134.1%
Transfers received	–	–	59.1	63.3	66.4	70.2	79.8	79.8	103.9%
Total receipts	153.4	187.8	184.7	188.9	194.1	197.9	208.9	208.9	105.7%
Payment									
Current payments	153.4	240.5	184.7	184.7	194.1	197.9	198.9	198.9	112.4%
Compensation of employees	86.7	85.0	85.4	85.4	100.4	100.4	106.6	106.6	99.5%
Goods and services	66.7	155.5	99.2	99.2	93.7	97.5	92.3	92.3	126.3%
Transfers and subsidies	–	17.5	–	–	–	–	–	–	–
Total payments	153.4	258.0	184.7	184.7	194.1	197.9	198.9	198.9	114.8%
Net cash flow from investing activities	–	(2.5)	–	–	–	–	–	–	–
Acquisition of software and other intangible assets	–	(2.5)	–	–	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	–	(72.7)	–	4.2	–	–	10.0	10.0	
Statement of financial position									
Carrying value of assets	11.5	22.6	11.5	11.5	11.5	11.5	11.5	11.5	124.0%
Receivables and prepayments	36.2	3.7	36.2	36.2	36.2	36.2	36.2	36.2	77.6%
Cash and cash equivalents	90.3	66.0	90.3	90.3	90.3	90.3	90.3	90.3	93.3%
Total assets	138.0	92.3	138.0	138.0	138.0	138.0	138.0	138.0	91.7%
Accumulated surplus/(deficit)	114.2	15.9	114.2	114.2	114.2	114.2	114.2	114.2	78.5%
Trade and other payables	20.0	67.3	20.0	20.0	20.0	20.0	20.0	20.0	159.2%
Provisions	3.8	9.1	3.8	3.8	3.8	3.8	3.8	3.8	134.5%
Total equity and liabilities	138.0	92.3	138.0	138.0	138.0	138.0	138.0	138.0	91.7%

Statements of estimates of financial performance, cash flow and financial position

Table 7.12 National school of government training trading account statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Revised estimate		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
R million		2019/20							
Revenue									
Non-tax revenue		146.6	2.3%	73.1%	147.7	147.8	154.9	1.9%	60.5%
Sale of goods and services other than capital assets		143.4	3.5%	70.3%	144.4	144.4	151.3	1.8%	59.1%
Sales by market establishment		143.4	3.5%	70.3%	144.4	144.4	151.3	1.8%	59.1%
Other non-tax revenue		3.2	-24.6%	2.8%	3.3	3.4	3.6	3.6%	1.4%
Transfers received		79.8	-	26.9%	93.7	107.8	111.8	11.9%	39.5%
Total revenue		226.4	18.3%	100.0%	241.4	255.6	266.7	5.6%	100.0%
Current expenses									
Compensation of employees		105.4	6.7%	45.6%	122.0	129.9	136.2	8.9%	49.8%
Goods and services		121.0	3.9%	52.4%	118.7	125.0	131.0	2.7%	50.2%
Total expenses		226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%
Surplus/(Deficit)		-			0.7	0.7	(0.4)		
Cash flow statement									
Cash flow from operating activities		10.0	-152.2%	216.0%	20.0	30.0	30.3	7.9%	169.9%
Receipts									
Non-tax receipts		129.1	-11.7%	73.2%	126.2	133.2	139.6	2.6%	57.5%
Sales of goods and services other than capital assets		126.3	-11.4%	71.4%	123.4	130.2	136.4	2.6%	56.2%
Sales by market establishment		126.3	-11.4%	71.4%	123.4	130.2	136.4	2.6%	56.2%
Other tax receipts		2.8	-22.1%	1.8%	2.8	3.0	3.1	3.4%	1.3%
Transfers received		79.8	-	26.8%	93.7	107.8	111.8	11.9%	42.5%
Total receipts		208.9	3.6%	100.0%	219.9	240.9	251.4	6.4%	100.0%
Current payments									
Compensation of employees		106.6	7.9%	46.3%	113.2	119.5	125.2	5.5%	55.9%
Goods and services		92.3	-16.0%	54.4%	86.7	91.5	95.9	1.3%	44.1%
Total payment		198.9	-8.3%	100.0%	199.9	210.9	221.1	3.6%	100.0%
Net increase/(decrease) in cash and cash equivalents		10.0	-151.6%	-	20.0	30.0	30.3	44.7%	100.0%
Statement of financial position									
Carrying value of assets		11.5	-20.1%	12.4%	11.5	12.1	12.7	3.4%	8.3%
Receivables and prepayments		36.2	113.6%	20.7%	36.2	38.2	40.0	3.4%	26.2%
Cash and cash equivalents		90.3	11.0%	67.0%	90.3	95.3	99.8	3.4%	65.4%
Total assets		138.0	14.3%	100.0%	138.0	145.6	152.6	3.4%	100.0%
Accumulated surplus/(deficit)		114.2	93.0%	66.4%	114.2	120.5	126.3	3.4%	82.7%
Trade and other payables		20.0	-33.3%	29.1%	20.0	21.1	22.1	3.4%	14.5%
Provisions		3.8	-25.1%	4.6%	3.8	4.1	4.2	3.4%	2.8%
Total equity and liabilities		138.0	14.3%	100.0%	138.0	145.6	152.6	3.4%	100.0%

Personnel information

Table 7.13 National School of Government training trading account personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		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 (%)			
		2018/19		Unit cost	2019/20		Unit cost	2020/21		2021/22		2022/23				Unit cost		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National School of Government training trading account		138	96.9	0.7	138	105.4	0.8	138	122.0	0.9	138	129.9	0.9	138	136.2	1.0	8.9%	100.0%
Salary level		138			138			138			138			138				
1-6	15	15	2.9	0.2	15	3.1	0.2	15	3.6	0.2	15	3.8	0.3	15	4.0	0.3	8.9%	10.9%
7-10	88	88	40.3	0.5	88	44.6	0.5	88	51.7	0.6	88	55.0	0.6	88	57.7	0.7	8.9%	63.8%
11-12	21	21	35.2	1.7	21	39.1	1.9	21	45.3	2.2	21	48.3	2.3	21	50.6	2.4	8.9%	15.2%
13-16	14	14	18.6	1.3	14	18.5	1.3	14	21.4	1.5	14	22.8	1.6	14	23.9	1.7	8.9%	10.1%

1. Rand million.

◀ 2020 ▶
BUDGET

ESTIMATES OF NATIONAL
EXPENDITURE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA