

◀ 2020 ▶  
**BUDGET**

**VOTE  
17**

**HIGHER EDUCATION  
AND TRAINING**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**





# **Estimates of National Expenditure**

**2020**

**National Treasury  
Republic of South Africa**



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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](http://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.





**Higher Education and Training**

**National Treasury**

**Republic of South Africa**



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# Vote 17

## Higher Education and Training

### Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	491.2	487.6	–	3.7	525.7	552.2
Planning, Policy and Strategy	214.5	116.1	97.7	0.7	227.5	239.2
University Education	80 083.4	101.3	79 981.4	0.6	84 332.6	88 167.9
Technical and Vocational Education and Training	13 813.6	7 751.5	6 053.4	8.7	14 644.0	15 278.7
Skills Development	318.5	170.6	146.0	2.0	336.6	354.8
Community Education and Training	2 522.9	2 362.4	159.9	0.6	2 686.7	2 780.5
<b>Subtotal</b>	<b>97 444.0</b>	<b>10 989.4</b>	<b>86 438.3</b>	<b>16.3</b>	<b>102 753.0</b>	<b>107 373.4</b>
<b>Direct charge against the National Revenue Fund</b>						
Sector education and training authorities	15 530.3	–	15 530.3	–	16 468.0	17 575.9
National Skills Fund	3 882.6	–	3 882.6	–	4 117.0	4 394.0
<b>Total expenditure estimates</b>	<b>116 856.9</b>	<b>10 989.4</b>	<b>105 851.2</b>	<b>16.3</b>	<b>123 338.0</b>	<b>129 343.2</b>
Executive authority	Minister of Higher Education, Science and Technology					
Accounting officer	Director-General of Higher Education and Training					
Website	<a href="http://www.dhet.gov.za">http://www.dhet.gov.za</a>					

*The Estimates of National Expenditure e-publications for individual votes are available at [www.treasury.gov.za](http://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](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).*

### 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 Continuing Education and Training 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 Higher Education Act (1997), which provides for a unified national system of higher education
- 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 by the sub-frameworks of the national qualifications framework
- 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 Skills Development Act (2008), which enables the creation of the National Skills Authority, sector education and training authorities, the establishment of the Quality Council for Trades and Occupations, and the regulation of apprenticeships, learnerships and other matters relating to skills development
- the Skills Development Levies Act (1999), which provides for the imposition of skills development levies.

## Selected performance indicators

**Table 17.1 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
Number of students enrolled in higher education institutions per year	University Education	Priority 2: Education, skills and health	985 212	975 837	1 036 984	1 070 000	1 080 000	1 090 000	1 098 000
Number of first-year students in foundation programmes per year	University Education		17 977	20 685	21 289	35 000	25 000	22 200	24 100
Number of graduates in initial teacher education from universities per year	University Education		20 698	22 123	25 113	25 900	26 600	28 400	29 200
Number of doctoral graduates from universities per year	University Education		2 530	2 797	3 057	3 200	3 400	3 268	3 357
Number of postgraduate graduates per year	University Education		51 050	53 663	56 384	57 000	58 600	60 000	63 000
Number of enrolments in TVET colleges per year	Technical and Vocational Education and Training		741 542	703 705	687 955	710 535	710 535	710 535	710 535
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		2	16	16	6	6	6	6
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated per year	Technical and Vocational Education and Training		100% (240)	100% (240)	100% (251)	100%	100%	100%	100%
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training		225 557	225 257	200 339	290 467	290 467	290 467	290 467
Percentage of TVET colleges evaluated and compliant with governance standards per year	Technical and Vocational Education and Training		56% (28/50)	56% (28/50)	66% (33/50)	65%	75%	80%	80%
Number of new artisans registered for training per year	Skills Development		30 814	32 330	29 982	30 000	30 500	31 000	31 500
Number of artisan learners qualifying per year	Skills Development		21 188	21 151	19 627	24 000	24 500	25 000	25 500
Number of work-based learning opportunities created per year	Skills Development		148 517	162 659	182 852	165 000	170 000	175 000	180 000
Number of enrolments in community education and training colleges per year	Community Education and Training		273 431	273 431	193 185	340 000	375 035	413 681	456 307
Certification rate in general education and training per year	Community Education and Training		35.9% (28 024/ 78 061)	35.9% (22 256/ 61 994)	41.7% (22 972/ 55 089)	45%	45%	47%	52%
Number of lecturers trained per year	Community Education and Training		- <sup>1</sup>	744	3 350	1 841	2 440	3 370	3 370
Number of qualifications offered in community education and training colleges per year	Community Education and Training	- <sup>1</sup>	2	2	2	2	2	2	

1. No historical data available.

## Expenditure analysis

The National Development Plan envisages that, by 2030, South Africans should have greater access to post-

school education and training opportunities through a system that is responsive to their needs. This is supported by priority 2 (education, skills and health) of government's 2019-2024 medium-term strategic framework. Over the medium term, the Department of Higher Education and Training will aim to give expression to these guiding policies by focusing on transforming universities and increasing student financial aid; expanding access to TVET colleges and improving their performance; developing artisans; and strengthening the governance of the community education and training sector.

The department has a total budget of R369.5 billion over the medium term, of which 90.6 per cent is earmarked for transfers and subsidies mainly to departmental agencies and accounts, and higher education institutions. Cabinet has approved budget reductions amounting to R4.5 billion over the MTEF period to be effected mainly on transfers and subsidies in the *University Education* programme and the *Technical and Vocational Education and Training* programme; a technical inflation adjustment amounting to R62.2 million in 2020/21 and R66.2 million in 2021/22 on compensation of employees across programmes; and R60.1 million on compensation of employees and goods and services as a result of the consolidation of the offices of the ministers and deputy ministers of the Department of Higher Education and Training and the Department of Science and Innovation through the 2019 national macro organisation of government.

### ***Transforming universities and increasing student financial aid***

Over the medium term, the department will focus on transforming the higher education sector into a high-quality, demographically representative system that provides students and staff with opportunities for access and success. To support transformation in the sector, the department will implement the university capacity development programme at a projected cost of R1.1 billion in 2020/21, the historically disadvantaged institutions development programme at a projected cost of R536.3 million in 2020/21, and the infrastructure and efficiency programme at a projected cost of R2.8 billion in 2020/21. These programmes are intended to increase student access; enhance staff development, particularly in teaching, research and leadership; and enhance management and curriculum development in priority areas in the university system by increasing allocations to universities with a high proportion of students and staff from historically disadvantaged population groups.

Ensuring that universities have adequate infrastructure for learning and student accommodation is pivotal for the sector over the medium term. However, spending in this regard has been slow due to delays in procurement, and poor performance by contractors and implementing agents. The department will prioritise the resolution of these issues over the medium term through the implementation of the macro infrastructure framework to improve the delivery of infrastructure within the sector. Despite Cabinet approving reductions of an estimated R621.3 million over the MTEF period on allocations for university infrastructure in the *University Education* programme, R8.8 billion is allocated in the *University Subsidies* subprogramme for spending on university infrastructure. This allocation is expected to contribute to the department's aim of developing 200 000 new university beds by 2026.

The *University Education* programme constitutes 68.3 per cent (R252.6 billion) of the department's budget over the medium term. Transfers of government subsidies to 26 universities through grants constitute the bulk of spending in this programme, and are projected to increase at an average annual rate of 5.3 per cent, from R42.4 billion in 2019/20 to R49.4 billion in 2022/23. These transfers are intended for operational costs such as compensation of employees and the maintenance of assets related to university teaching, and learning and research activities. Transfer payments to the National Student Financial Aid Scheme for bursaries to support undergraduate students from poor and working-class backgrounds in universities and TVET colleges are expected to amount to R109.6 billion over the medium term. These are set to increase at an average annual rate of 7.7 per cent, from R30.5 billion in 2019/20 to R38.2 billion in 2022/23, despite R899.2 million of Cabinet's approved reductions to the programme being on the scheme's allocation for TVET colleges.

### ***Expanding access to TVET colleges and improving their performance***

Expanding access to skills programmes that address the labour market's need for intermediate skills that include practical components is one of the department's key mandates. Over the medium term, the department will

work towards improving the quality of the post-school education and training system by establishing more entrepreneurship hubs to enable TVET college students to realise their potential and become actively engaged in the economy, either through employment in the labour market or self-employment. To facilitate this, teaching and learning support plans will be implemented in TVET colleges. Transfer payments to 50 colleges, in the *Technical and Vocational Education and Training System Planning and Institutional Support* subprogramme in the *Technical and Vocational Education and Training* programme, are projected to increase at an average annual rate of 6.5 per cent, from R11.6 billion in 2019/20 to R14 billion in 2022/23. This increase is despite Cabinet's approved reduction on allocations to the *Technical and Vocational Education and Training* programme of R2.6 billion over the MTEF period. The transfers include R1.2 billion for the operationalisation of 3 new TVET college campuses and R2.9 billion for the TVET infrastructure efficiency grant.

Spending on compensation of employees accounts for an estimated 52.8 per cent (R23.1 billion) of the *Technical and Vocational Education and Training* programme's budget of R43.7 billion over the medium term, increasing at an average annual rate of 5 per cent. The TVET component accounts for an estimated 57.4 per cent (more than 19 000) of the total number of personnel in the department.

### ***Developing artisans***

Over the medium term, the department aims to improve the public skills development system by managing the performance of service-level agreements with sector education and training authorities (SETAs) more effectively, and by providing funding to trade and quality assurance institutions for occupational qualifications. These institutions play a pivotal role in increasing the number of qualified artisans by rolling out skills programmes, learnerships, internships and apprenticeships, and by establishing partnerships with TVET colleges, universities and the labour market to provide opportunities for workplace experience. Through the SETAs, over the medium term, 93 000 new artisans are expected to be registered for training and 75 000 artisan learners are expected to qualify. For this purpose, R347.8 million over the medium term is allocated in the *National Artisan Development* subprogramme in the *Skills Development* programme.

Income generated through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to SETAs and the National Skills Fund as a direct charge against the National Revenue Fund, contributes significantly to key performance areas of the public skills development system, including artisan development. This transfer is in the *Skills Development* programme, and is projected to increase at an average annual rate of 5.8 per cent, from R18.6 billion in 2019/20 to R22 billion in 2022/23.

### ***Strengthening the governance of the community education and training sector***

The department recognises that improving the community education and training sector is key for development as it has the potential to provide students with access to a comprehensive range of programmes that lead to part and full qualifications and employment opportunities, including entrepreneurial opportunities. To ensure that the sector rises to its potential, the department, will continue to prioritise the development and training of lecturers in community education and training colleges and learning centres by enabling them to upgrade their qualifications, with a particular focus on mathematics and science. The department has also strengthened its recruitment policies so that only qualified lecturers are employed in the sector.

Expenditure in the *Community Education and Training* programme is expected to increase at an average annual rate of 9.1 per cent, from R2.1 billion in 2019/20 to R2.8 billion in 2022/23, with 93.4 per cent of this spending earmarked for compensation of employees. About 39.2 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 and estimates

**Table 17.2 Vote expenditure trends and estimates by programme and economic classification**

<b>Programmes</b>											
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											
<b>Programme</b>											
R million	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	2016/17 - 2019/20	2020/21		
Programme 1	333.2	354.1	372.3	412.2	7.4%	0.4%	491.2	525.7	552.2	10.2%	0.4%
Programme 2	131.7	151.3	169.7	180.7	11.1%	0.2%	214.5	227.5	239.2	9.8%	0.2%
Programme 3	39 446.4	41 850.6	59 139.3	73 365.0	23.0%	64.6%	80 083.4	84 332.6	88 167.9	6.3%	68.3%
Programme 4	7 231.5	7 724.9	10 946.4	12 630.9	20.4%	11.6%	13 813.6	14 644.0	15 278.7	6.5%	11.8%
Programme 5	180.6	242.5	259.7	280.9	15.9%	0.3%	318.5	336.6	354.8	8.1%	0.3%
Programme 6	1 774.7	1 933.4	1 978.9	2 143.8	6.5%	2.4%	2 522.9	2 686.7	2 780.5	9.1%	2.1%
<b>Subtotal</b>	<b>49 098.0</b>	<b>52 256.8</b>	<b>72 866.3</b>	<b>89 013.6</b>	<b>21.9%</b>	<b>79.6%</b>	<b>97 444.0</b>	<b>102 753.0</b>	<b>107 373.4</b>	<b>6.5%</b>	<b>83.1%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>15 233.0</b>	<b>16 293.6</b>	<b>17 479.9</b>	<b>18 576.3</b>	<b>13.8%</b>	<b>20.4%</b>	<b>19 412.9</b>	<b>20 585.0</b>	<b>21 969.8</b>	<b>5.8%</b>	<b>16.9%</b>
Sector education and training authorities	12 199.9	13 094.6	13 983.9	14 861.0	6.8%	16.4%	15 530.3	16 468.0	17 575.9	5.8%	13.5%
National Skills Fund	3 033.1	3 199.0	3 496.0	3 715.3	7.0%	4.1%	3 882.6	4 117.0	4 394.0	5.8%	3.4%
<b>Total</b>	<b>64 331.0</b>	<b>68 550.4</b>	<b>90 346.2</b>	<b>107 589.9</b>	<b>18.7%</b>	<b>100.0%</b>	<b>116 856.9</b>	<b>123 338.0</b>	<b>129 343.2</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(623.1)			(2 296.9)	(3 324.1)	(1 606.9)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>7 843.8</b>	<b>8 613.9</b>	<b>9 124.4</b>	<b>10 113.5</b>	<b>8.8%</b>	<b>10.8%</b>	<b>10 989.4</b>	<b>11 700.3</b>	<b>12 204.5</b>	<b>6.5%</b>	<b>9.4%</b>
Compensation of employees	7 495.3	8 246.7	8 725.0	9 466.9	8.1%	10.3%	10 281.1	10 949.2	11 425.1	6.5%	8.8%
Goods and services <sup>1</sup>	348.5	367.2	399.4	646.6	22.9%	0.5%	708.4	751.1	779.4	6.4%	0.6%
<i>of which:</i>											
Computer services	85.1	54.4	78.2	122.0	12.7%	0.1%	199.5	207.5	215.2	20.8%	0.2%
Consumables: Stationery, printing and office supplies	30.0	45.6	33.3	83.5	40.6%	0.1%	95.4	105.3	110.2	9.7%	0.1%
Operating leases	52.8	55.1	67.2	60.0	4.4%	0.1%	69.0	72.6	76.1	8.3%	0.1%
Travel and subsistence	74.2	73.6	109.6	145.3	25.1%	0.1%	126.7	137.5	140.5	-1.1%	0.1%
Training and development	2.5	2.7	4.9	43.0	157.1%	0.0%	45.4	47.5	49.9	5.1%	0.0%
Venues and facilities	9.7	33.9	10.9	43.9	65.4%	0.0%	49.0	52.9	54.3	7.3%	0.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>56 477.2</b>	<b>59 929.7</b>	<b>81 209.6</b>	<b>97 462.3</b>	<b>19.9%</b>	<b>89.2%</b>	<b>105 851.2</b>	<b>111 624.2</b>	<b>117 125.5</b>	<b>6.3%</b>	<b>90.6%</b>
Departmental agencies and accounts	26 818.6	26 695.4	39 845.1	49 679.2	22.8%	43.2%	54 799.7	57 834.2	60 809.1	7.0%	46.8%
Higher education institutions	27 964.6	31 580.3	36 896.9	42 359.0	14.8%	42.0%	44 796.1	47 189.2	49 437.5	5.3%	38.5%
Foreign governments and international organisations	2.6	3.3	2.8	3.9	13.8%	0.0%	4.1	4.3	4.5	4.9%	0.0%
Non-profit institutions	1 673.0	1 634.6	4 454.2	5 408.7	47.9%	4.0%	6 251.3	6 596.5	6 874.5	8.3%	5.3%
Households	18.5	16.2	10.6	11.4	-14.8%	0.0%	-	-	-	-100.0%	0.0%
<b>Payments for capital assets</b>	<b>9.9</b>	<b>6.6</b>	<b>10.8</b>	<b>14.2</b>	<b>12.7%</b>	<b>0.0%</b>	<b>16.3</b>	<b>13.5</b>	<b>13.2</b>	<b>-2.2%</b>	<b>0.0%</b>
Buildings and other fixed structures	-	-	2.2	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Machinery and equipment	9.8	6.6	7.6	13.0	9.9%	0.0%	15.9	12.9	12.7	-1.0%	0.0%
Software and other intangible assets	0.1	0.0	1.0	1.1	167.7%	0.0%	0.4	0.6	0.6	-20.2%	0.0%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.1</b>	<b>1.4</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Total</b>	<b>64 331.0</b>	<b>68 550.4</b>	<b>90 346.2</b>	<b>107 589.9</b>	<b>18.7%</b>	<b>100.0%</b>	<b>116 856.9</b>	<b>123 338.0</b>	<b>129 343.2</b>	<b>6.3%</b>	<b>100.0%</b>

1. Tables that detail expenditure trends, annual budget, adjusted appropriation and audited outcome are available at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).

## Transfers and subsidies expenditure trends and estimates

Table 17.3 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		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>26 818 561</b>	<b>26 695 384</b>	<b>39 845 127</b>	<b>49 679 191</b>	<b>22.8%</b>	<b>48.5%</b>	<b>54 799 705</b>	<b>57 834 245</b>	<b>60 809 082</b>	<b>7.0%</b>	<b>51.6%</b>
South African Qualifications Authority	56 895	64 940	66 719	69 893	7.1%	0.1%	73 737	77 793	81 164	5.1%	0.1%
National Student Financial Aid Scheme	11 215 556	9 957 117	21 826 911	30 541 878	39.6%	24.9%	34 791 768	36 621 690	38 184 500	7.7%	32.4%
Council on Higher Education	40 928	47 946	50 727	53 210	9.1%	0.1%	56 194	59 285	61 855	5.1%	0.1%
National Student Financial Aid Scheme: Administration	177 118	185 974	269 120	280 588	16.6%	0.3%	299 168	315 425	329 094	5.5%	0.3%
Education, Training and Development Practices Sector	16 186	15 158	17 949	18 957	5.4%	–	19 991	21 091	22 003	5.1%	–
Education and Training Authority	–	–	–	–	–	–	–	–	–	–	–
Quality Council for Trades and Occupations	23 138	26 920	27 380	26 056	4.0%	–	27 435	28 943	30 198	5.0%	–
Public Service Sector Education and Training Authority	55 731	103 768	106 425	112 304	26.3%	0.1%	118 516	125 034	130 453	5.1%	0.1%
Sector Education and Training Authorities	12 199 864	13 094 581	13 983 917	14 861 044	6.8%	18.3%	15 530 318	16 467 988	17 575 851	5.8%	14.9%
National Skills Fund	3 033 145	3 198 980	3 495 979	3 715 261	7.0%	4.6%	3 882 578	4 116 996	4 393 964	5.8%	3.7%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>17 959</b>	<b>16 037</b>	<b>9 782</b>	<b>9 006</b>	<b>-20.6%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	17 959	16 037	9 782	9 006	-20.6%	–	–	–	–	-100.0%	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>529</b>	<b>144</b>	<b>850</b>	<b>2 424</b>	<b>66.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	529	144	850	2 424	66.1%	–	–	–	–	-100.0%	–
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2 648</b>	<b>3 306</b>	<b>2 770</b>	<b>3 898</b>	<b>13.8%</b>	<b>–</b>	<b>4 112</b>	<b>4 338</b>	<b>4 499</b>	<b>4.9%</b>	<b>–</b>
India-Brazil-South Africa Trilateral Commission	–	553	–	618	–	–	652	688	714	4.9%	–
Commonwealth of Learning	2 648	2 753	2 770	3 280	7.4%	–	3 460	3 650	3 785	4.9%	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1 672 972</b>	<b>1 634 550</b>	<b>3 154 217</b>	<b>4 288 434</b>	<b>36.9%</b>	<b>3.6%</b>	<b>5 292 043</b>	<b>5 677 707</b>	<b>5 898 339</b>	<b>11.2%</b>	<b>4.9%</b>
National Institute for the Humanities and Social Sciences	–	26 323	38 837	36 196	–	–	38 187	40 287	41 785	4.9%	–
Technical and vocational education and training colleges	1 566 747	1 495 749	2 987 538	3 884 665	35.3%	3.4%	4 768 111	5 030 357	5 217 730	10.3%	4.4%
Operationalisation of new campuses	–	–	–	200 000	–	0.1%	309 120	420 723	445 556	30.6%	0.3%
Community education and training colleges	98 053	103 897	109 923	148 792	14.9%	0.2%	156 812	165 437	171 587	4.9%	0.1%
Universities South Africa	8 172	8 581	17 919	18 781	32.0%	–	19 813	20 903	21 681	4.9%	–
<b>Capital</b>											
Infrastructure efficiency grant	–	–	1 300 000	1 084 000	–	0.8%	959 218	918 797	976 132	-4.5%	0.9%
King Hintsa TVET college	–	–	–	36 300	–	–	–	–	–	-100.0%	–
<b>Higher education institutions</b>											
<b>Current</b>	<b>24 563 055</b>	<b>28 092 221</b>	<b>33 100 267</b>	<b>38 323 044</b>	<b>16.0%</b>	<b>42.0%</b>	<b>40 938 380</b>	<b>43 204 799</b>	<b>45 283 399</b>	<b>5.7%</b>	<b>38.8%</b>
University subsidies	23 820 220	27 256 459	31 970 340	36 992 197	15.8%	40.7%	39 460 838	41 649 413	43 647 411	5.7%	37.4%
Clinical training grant	452 406	475 026	574 334	650 722	12.9%	0.7%	683 909	718 104	758 540	5.2%	0.7%
University of Mpumalanga	186 585	212 611	324 398	375 841	26.3%	0.4%	440 515	464 724	487 037	9.0%	0.4%
Sol Plaatje University	103 844	148 125	231 195	304 284	43.1%	0.3%	353 118	372 558	390 411	8.7%	0.3%
<b>Capital</b>	<b>3 401 505</b>	<b>3 488 081</b>	<b>3 796 611</b>	<b>4 035 978</b>	<b>5.9%</b>	<b>5.0%</b>	<b>3 857 726</b>	<b>3 984 360</b>	<b>4 154 075</b>	<b>1.0%</b>	<b>3.7%</b>
University government and interest/redemption	4 756	4 746	4 576	4 519	-1.7%	–	3 533	3 450	3 615	-7.2%	–
Universities Infrastructure and efficiency grant	2 343 749	2 504 853	2 688 063	2 488 594	2.0%	3.4%	2 840 532	2 921 030	3 045 476	7.0%	2.6%
University of Mpumalanga	673 920	624 552	638 508	665 948	-0.4%	0.9%	608 197	635 928	662 990	-0.1%	0.6%
Sol Plaatje University	379 080	353 930	362 034	378 417	-0.1%	0.5%	405 464	423 952	441 994	5.3%	0.4%
Sefako Makgatho Health Sciences University	–	–	31 250	31 200	–	–	–	–	–	-100.0%	–
Nelson Mandela University	–	–	33 500	33 500	–	–	–	–	–	-100.0%	–
Vaal University of Technology	–	–	38 680	40 300	–	–	–	–	–	-100.0%	–
University of Limpopo	–	–	–	274 190	–	0.1%	–	–	–	-100.0%	0.1%
North-West University	–	–	–	119 310	–	–	–	–	–	-100.0%	–
<b>Total</b>	<b>56 477 229</b>	<b>59 929 723</b>	<b>81 209 624</b>	<b>97 462 275</b>	<b>19.9%</b>	<b>100.0%</b>	<b>105 851 184</b>	<b>111 624 246</b>	<b>117 125 526</b>	<b>6.3%</b>	<b>100.0%</b>



## Personnel information

**Table 17.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes		Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment												Number							
Number of posts estimated for 31 March 2020														Average growth rate (%)	Average Salary level/ Total (%)						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate													
		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					
<b>Higher Education and Training</b>		<b>35 316</b>	<b>205</b>		<b>31 730</b>	<b>8 725.0</b>	<b>0.3</b>	<b>32 766</b>	<b>9 372.6</b>	<b>0.3</b>	<b>35 019</b>	<b>10 281.1</b>	<b>0.3</b>	<b>34 782</b>	<b>10 949.2</b>	<b>0.3</b>	<b>33 660</b>	<b>11 425.1</b>	<b>0.3</b>	<b>0.9%</b>	<b>100.0%</b>
Salary level																					
1 – 6	11 080	205	8 855	2 144.5	0.2	11 051	2 571.5	0.2	10 811	2 712.3	0.3	10 546	2 858.3	0.3	9 976	2 923.2	0.3			-3.4%	31.1%
7 – 10	9 975	–	9 315	4 116.1	0.4	9 893	4 335.1	0.4	9 975	4 685.5	0.5	9 975	5 017.8	0.5	9 897	5 316.2	0.5			0.0%	29.2%
11 – 12	663	–	549	494.5	0.9	596	525.4	0.9	663	623.8	0.9	663	663.3	1.0	663	704.6	1.1			3.6%	1.9%
13 – 16	201	–	148	174.6	1.2	184	222.5	1.2	202	260.9	1.3	201	276.0	1.4	201	293.2	1.5			3.0%	0.6%
Other	13 397	–	12 863	1 795.4	0.1	11 042	1 718.1	0.2	13 368	1 998.6	0.1	13 397	2 133.9	0.2	12 923	2 187.9	0.2			5.4%	37.2%
<b>Programme</b>	<b>35 316</b>	<b>205</b>	<b>31 730</b>	<b>8 725.0</b>	<b>0.3</b>	<b>32 766</b>	<b>9 372.6</b>	<b>0.3</b>	<b>35 019</b>	<b>10 281.1</b>	<b>0.3</b>	<b>34 782</b>	<b>10 949.2</b>	<b>0.3</b>	<b>33 660</b>	<b>11 425.1</b>	<b>0.3</b>	<b>0.9%</b>	<b>100.0%</b>		
Programme 1	665	64	635	208.9	0.3	560	222.4	0.4	690	298.9	0.4	690	319.4	0.5	665	338.8	0.5			5.9%	1.9%
Programme 2	160	20	133	71.3	0.5	129	74.6	0.6	164	101.9	0.6	164	108.7	0.7	160	115.5	0.7			7.4%	0.5%
Programme 3	112	–	88	52.0	0.6	94	61.5	0.7	123	92.0	0.7	114	97.3	0.9	112	103.4	0.9			6.0%	0.3%
Programme 4	19 192	90	16 288	6 421.2	0.4	19 200	6 986.7	0.4	18 879	7 276.0	0.4	18 623	7 745.7	0.4	18 010	8 091.3	0.4			-2.1%	54.8%
Programme 5	330	18	290	110.8	0.4	295	122.1	0.4	335	154.7	0.5	334	163.8	0.5	330	174.5	0.5			3.8%	0.9%
Programme 6	14 857	13	14 296	1 860.9	0.1	12 488	1 905.3	0.2	14 828	2 357.6	0.2	14 857	2 514.3	0.2	14 383	2 601.6	0.2			4.8%	41.5%

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

2. Rand million.

## Departmental receipts

**Table 17.5 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		
<b>Departmental receipts</b>	<b>25 549</b>	<b>29 663</b>	<b>27 674</b>	<b>30 943</b>	<b>30 682</b>	<b>6.3%</b>	<b>100.0%</b>	<b>31 317</b>	<b>35 957</b>	<b>37 683</b>	<b>7.1%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>10 218</b>	<b>11 707</b>	<b>10 391</b>	<b>12 117</b>	<b>12 117</b>	<b>5.8%</b>	<b>39.1%</b>	<b>12 138</b>	<b>12 806</b>	<b>13 421</b>	<b>3.5%</b>	<b>37.2%</b>
Sales by market establishments	4 459	5 182	5 916	4 882	4 882	3.1%	18.0%	5 270	5 560	5 827	6.1%	15.9%
of which:												
Academic services: Temporary accommodation	212	202	170	200	200	-1.9%	0.7%	338	357	374	23.2%	0.9%
Sale of assets less than R5 000	–	–	–	–	–	–	–	16	17	18	–	–
Commission	4 247	4 980	5 746	4 682	4 682	3.3%	17.3%	4 916	5 186	5 435	5.1%	14.9%
Administrative fees	4 989	5 728	3 701	5 986	5 986	6.3%	18.0%	5 838	6 159	6 455	2.5%	18.0%
of which:												
Exams	2 438	2 383	1 701	2 688	2 688	3.3%	8.1%	2 522	2 661	2 789	1.2%	7.9%
Trade test fee	2 119	2 262	1 629	3 016	3 016	12.5%	7.9%	3 025	3 191	3 344	3.5%	9.3%
Universities	48	434	334	58	58	6.5%	0.8%	56	59	62	2.2%	0.2%
Further education and training	12	649	37	224	224	165.3%	0.8%	235	248	260	5.1%	0.7%
Sports and club facilities/ Sale of tender documents	372	–	–	–	–	-100.0%	0.3%	–	–	–	–	–
Other sales	770	797	774	1 249	1 249	17.5%	3.2%	1 030	1 087	1 139	-3.0%	3.3%
of which:												
Boarding fees	67	128	57	640	640	112.2%	0.8%	167	176	184	-34.0%	0.9%
Parking	100	103	130	144	144	12.9%	0.4%	100	106	111	-8.3%	0.3%
Sale of meals and refreshments	183	195	201	101	101	-18.0%	0.6%	212	224	235	32.5%	0.6%
Rental	420	371	386	364	364	-4.7%	1.4%	551	581	609	18.7%	1.6%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>44</b>	<b>3</b>	<b>62</b>	<b>39</b>	<b>39</b>	<b>-3.9%</b>	<b>0.1%</b>	<b>41</b>	<b>43</b>	<b>45</b>	<b>4.9%</b>	<b>0.1%</b>
of which:												
Wastepaper	44	3	–	39	39	-3.9%	0.1%	41	43	45	4.9%	0.1%
Scrap	–	–	62	–	–	–	0.1%	–	–	–	–	–
Transfers received	–	–	–	46	–	–	–	–	–	–	–	–
<b>Interest, dividends and rent on land</b>	<b>3 433</b>	<b>3 706</b>	<b>2 020</b>	<b>2 843</b>	<b>2 843</b>	<b>-6.1%</b>	<b>10.6%</b>	<b>2 587</b>	<b>5 729</b>	<b>6 004</b>	<b>28.3%</b>	<b>12.7%</b>
Interest	3 433	3 706	2 020	2 843	2 843	-6.1%	10.6%	2 587	5 729	6 004	28.3%	12.7%
Sales of capital assets	–	500	–	215	–	–	0.4%	–	–	–	–	–
Transactions in financial assets and liabilities	11 854	13 747	15 201	15 683	15 683	9.8%	49.7%	16 551	17 379	18 213	5.1%	50.0%
<b>Total</b>	<b>25 549</b>	<b>29 663</b>	<b>27 674</b>	<b>30 943</b>	<b>30 682</b>	<b>6.3%</b>	<b>100.0%</b>	<b>31 317</b>	<b>35 957</b>	<b>37 683</b>	<b>7.1%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

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

### Expenditure trends and estimates

**Table 17.6 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											
Department Management	34.6	23.7	24.1	27.7	-7.2%	7.5%	33.3	35.4	37.4	10.5%	6.8%
Corporate Management Services	164.8	174.5	188.7	208.8	8.2%	50.1%	246.7	263.2	277.5	9.9%	50.3%
Office of the Chief Financial Officer	66.4	75.4	81.0	92.5	11.7%	21.4%	124.3	135.4	141.0	15.1%	24.9%
Internal Audit	9.0	9.1	7.5	11.4	8.1%	2.5%	11.7	12.4	13.1	4.7%	2.5%
Office Accommodation	58.3	71.4	70.9	71.7	7.1%	18.5%	75.3	79.4	83.2	5.1%	15.6%
<b>Total</b>	<b>333.2</b>	<b>354.1</b>	<b>372.3</b>	<b>412.2</b>	<b>7.4%</b>	<b>100.0%</b>	<b>491.2</b>	<b>525.7</b>	<b>552.2</b>	<b>10.2%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(48.3)			(0.4)	5.8	12.8		
<b>Economic classification</b>											
<b>Current payments</b>	<b>327.4</b>	<b>352.0</b>	<b>368.8</b>	<b>406.8</b>	<b>7.5%</b>	<b>98.9%</b>	<b>487.6</b>	<b>522.3</b>	<b>549.1</b>	<b>10.5%</b>	<b>99.2%</b>
Compensation of employees	175.5	191.6	208.9	224.4	8.5%	54.4%	298.9	319.4	338.8	14.7%	59.6%
Goods and services <sup>1</sup>	151.9	160.4	160.0	182.4	6.3%	44.5%	188.6	202.8	210.3	4.9%	39.6%
of which:											
Audit costs: External	11.2	12.4	10.0	12.9	4.9%	3.2%	11.1	11.7	12.3	-1.6%	2.4%
Computer services	25.4	31.3	31.1	33.9	10.1%	8.3%	43.8	49.4	49.3	13.3%	8.9%
Consultants: Business and advisory services	0.7	7.2	7.2	22.5	219.9%	2.6%	11.8	12.8	13.4	-15.8%	3.1%
Operating leases	49.4	51.7	57.3	52.1	1.8%	14.3%	61.3	64.5	67.6	9.0%	12.4%
Property payments	11.1	22.1	15.5	22.7	26.9%	4.9%	16.7	17.9	18.3	-6.9%	3.8%
Travel and subsistence	10.5	11.0	11.4	11.7	3.7%	3.0%	12.1	13.6	14.2	6.6%	2.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.8</b>	<b>0.4</b>	<b>0.4</b>	<b>0.9</b>	<b>5.4%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Households	0.8	0.4	0.4	0.9	5.4%	0.2%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>5.0</b>	<b>1.5</b>	<b>3.0</b>	<b>4.5</b>	<b>-3.6%</b>	<b>1.0%</b>	<b>3.7</b>	<b>3.4</b>	<b>3.1</b>	<b>-11.3%</b>	<b>0.7%</b>
Machinery and equipment	4.9	1.5	2.1	3.4	-11.8%	0.8%	3.3	2.9	2.6	-8.6%	0.6%
Software and other intangible assets	0.1	-	0.9	1.1	165.8%	0.1%	0.4	0.5	0.5	-20.8%	0.1%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>333.2</b>	<b>354.1</b>	<b>372.3</b>	<b>412.2</b>	<b>7.4%</b>	<b>100.0%</b>	<b>491.2</b>	<b>525.7</b>	<b>552.2</b>	<b>10.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.9</b>	<b>24.7%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.4	0.4	0.4	0.9	24.7%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>-46.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.3	0.0	0.0	0.1	-46.8%	-	-	-	-	-100.0%	-

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

## Personnel information

**Table 17.7 Administration personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020			Number and cost <sup>2</sup> of personnel posts filled/planned for on funded establishment															Number		
Administration	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	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
	665	64	635	208.9	0.3	560	222.4	0.4	690	298.9	0.4	690	319.4	0.5	665	338.8	0.5	5.9%	100.0%	
1 – 6	322	64	351	61.6	0.2	296	64.6	0.2	347	77.2	0.2	347	82.9	0.2	322	86.5	0.3	2.8%	50.4%	
7 – 10	255	–	215	79.9	0.4	207	94.3	0.5	255	123.9	0.5	255	132.5	0.5	255	141.7	0.6	7.2%	37.3%	
11 – 12	56	–	38	33.1	0.9	31	29.8	1.0	56	54.6	1.0	56	58.0	1.0	56	61.6	1.1	21.8%	7.6%	
13 – 16	32	–	29	34.3	1.2	26	33.7	1.3	32	43.3	1.4	32	46.0	1.4	32	48.9	1.5	7.2%	4.7%	
Other	–	–	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	

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

- Expand access to post-school education and training opportunities to include those outside the schooling system by developing and gazetting policies related to the national qualifications framework by March 2023.
- Provide strategic direction in the development, implementation and monitoring of departmental policies by monitoring and evaluating the policy outputs of the department and coordinating research in the fields of higher education and training over the medium term.
- Improve success and efficiency by producing and publishing 5 reports aimed at supporting decision-making, enrolment planning, funding and policy-making over the medium term.
- Promote international relations by entering into at least 2 new international scholarship agreements each year with foreign countries by March 2023.
- Improve the responsiveness of the post-school education and training system by producing 8 research reports aimed at supporting decision-making in respect of enrolment planning, funding and policy-making on critical skills, occupations in high demand, priority skills, and skills supply and demand over the medium term.

### 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 Council of South Africa* provides strategic, technical and administrative support to the Human Resource Development Council of South Africa by developing the council's strategy and plan, and ensuring they are implemented effectively.
- *Policy, Planning, Monitoring and Evaluation* 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.
- *International Relations* develops and promotes international relations; supports UNESCO (the United Nations Educational, Scientific and Cultural Organisation) in the higher education subsystem; 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, SETAs and the National Skills Fund.
- *Social Inclusion and Quality* 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 17.8 Planning, Policy and Strategy 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											
Programme Management: Planning, Policy and Strategy	2.2	2.7	1.4	2.2	-0.1%	1.3%	3.7	4.1	4.3	25.7%	1.7%
Human Resource Development Council of South Africa	9.2	8.8	9.0	9.4	0.9%	5.7%	11.2	11.8	12.7	10.5%	5.2%
Policy, Planning, Monitoring and Evaluation	13.1	16.7	20.9	25.0	24.0%	12.0%	25.8	27.3	28.9	5.0%	12.4%
International Relations	12.0	13.3	14.4	12.0	0.2%	8.2%	19.2	20.4	21.4	21.1%	8.5%
Legal and Legislative Services	11.9	15.2	15.5	17.1	12.6%	9.4%	21.6	23.2	24.4	12.6%	10.0%
Social Inclusion and Quality	83.3	94.7	108.4	115.0	11.3%	63.4%	132.9	140.7	147.6	8.7%	62.2%
<b>Total</b>	<b>131.7</b>	<b>151.3</b>	<b>169.7</b>	<b>180.7</b>	<b>11.1%</b>	<b>100.0%</b>	<b>214.5</b>	<b>227.5</b>	<b>239.2</b>	<b>9.8%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(13.0)			6.8	8.5	11.6		
<b>Economic classification</b>											
<b>Current payments</b>	<b>63.4</b>	<b>74.1</b>	<b>81.7</b>	<b>87.3</b>	<b>11.2%</b>	<b>48.4%</b>	<b>116.1</b>	<b>123.8</b>	<b>131.2</b>	<b>14.5%</b>	<b>53.2%</b>
Compensation of employees	53.6	62.2	71.3	75.0	11.9%	41.4%	101.9	108.7	115.5	15.5%	46.5%
Goods and services <sup>1</sup>	9.9	11.8	10.4	12.3	7.6%	7.0%	14.1	15.1	15.8	8.7%	6.6%
<i>of which:</i>											
Communication	0.8	0.6	0.5	0.7	-4.3%	0.4%	0.9	1.0	1.0	10.6%	0.4%
Computer services	0.0	0.3	0.4	0.4	142.7%	0.2%	0.5	0.6	0.7	16.3%	0.3%
Legal services	3.7	5.7	3.9	4.7	8.3%	2.8%	5.1	5.4	5.5	5.8%	2.4%
Consumables: Stationery, printing and office supplies	0.9	0.7	0.6	1.0	6.5%	0.5%	1.1	1.2	1.3	8.0%	0.5%
Travel and subsistence	3.2	3.3	4.2	3.8	5.7%	2.3%	5.1	5.5	5.7	14.9%	2.3%
Operating payments	0.4	0.4	0.1	0.4	0.6%	0.2%	0.5	0.6	0.6	15.7%	0.2%
<b>Transfers and subsidies<sup>1</sup></b>	<b>67.8</b>	<b>76.9</b>	<b>87.4</b>	<b>92.7</b>	<b>11.0%</b>	<b>51.3%</b>	<b>97.7</b>	<b>103.0</b>	<b>107.3</b>	<b>5.0%</b>	<b>46.5%</b>
Departmental agencies and accounts	56.9	64.9	66.7	69.9	7.1%	40.8%	73.7	77.8	81.2	5.1%	35.1%
Foreign governments and international organisations	2.6	3.3	2.8	3.9	13.8%	2.0%	4.1	4.3	4.5	4.9%	2.0%
Non-profit institutions	8.2	8.6	17.9	18.8	32.0%	8.4%	19.8	20.9	21.7	4.9%	9.4%
Households	0.1	0.1	0.0	0.1	11.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.3</b>	<b>0.5</b>	<b>0.7</b>	<b>19.0%</b>	<b>0.3%</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>-2.2%</b>	<b>0.3%</b>
Machinery and equipment	0.4	0.3	0.5	0.7	19.0%	0.3%	0.7	0.7	0.7	-2.2%	0.3%
<b>Total</b>	<b>131.7</b>	<b>151.3</b>	<b>169.7</b>	<b>180.7</b>	<b>11.1%</b>	<b>100.0%</b>	<b>214.5</b>	<b>227.5</b>	<b>239.2</b>	<b>9.8%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.2%</b>	-	-	<b>0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	-	-
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>19.3%</b>	-	-	-	-	<b>-100.0%</b>	-
Employee social benefits	0.1	0.1	0.0	0.1	19.3%	-	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	-	<b>-100.0%</b>	-	-	-	-	-	-
Employee social benefits	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>8.2</b>	<b>8.6</b>	<b>17.9</b>	<b>18.8</b>	<b>32.0%</b>	<b>8.4%</b>	<b>19.8</b>	<b>20.9</b>	<b>21.7</b>	<b>4.9%</b>	<b>9.4%</b>
Universities South Africa	8.2	8.6	17.9	18.8	32.0%	8.4%	19.8	20.9	21.7	4.9%	9.4%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>56.9</b>	<b>64.9</b>	<b>66.7</b>	<b>69.9</b>	<b>7.1%</b>	<b>40.8%</b>	<b>73.7</b>	<b>77.8</b>	<b>81.2</b>	<b>5.1%</b>	<b>35.1%</b>
South African Qualifications Authority	56.9	64.9	66.7	69.9	7.1%	40.8%	73.7	77.8	81.2	5.1%	35.1%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2.6</b>	<b>3.3</b>	<b>2.8</b>	<b>3.9</b>	<b>13.8%</b>	<b>2.0%</b>	<b>4.1</b>	<b>4.3</b>	<b>4.5</b>	<b>4.9%</b>	<b>2.0%</b>
India-Brazil-South Africa Trilateral Commission	-	0.6	-	0.6	-	0.2%	0.7	0.7	0.7	4.9%	0.3%
Commonwealth of Learning	2.6	2.8	2.8	3.3	7.4%	1.8%	3.5	3.7	3.8	4.9%	1.6%

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

## Personnel information

**Table 17.9 Planning, Policy and Strategy personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> 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							
Planning, Policy and Strategy		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	160	20	133	71.3	0.5	129	74.6	0.6	164	101.9	0.6	164	108.7	0.7	160	115.5	0.7	7.4%	100.0%
1 – 6	36	20	34	4.7	0.1	30	3.6	0.1	40	6.2	0.2	40	6.7	0.2	36	6.9	0.2	6.3%	23.7%
7 – 10	68	–	57	23.9	0.4	57	27.1	0.5	68	35.5	0.5	68	38.0	0.6	68	40.6	0.6	6.1%	42.3%
11 – 12	36	–	23	21.0	0.9	23	21.0	0.9	36	34.2	1.0	36	36.4	1.0	36	38.7	1.1	16.1%	21.2%
13 – 16	20	–	19	21.7	1.1	19	22.9	1.2	20	25.9	1.3	20	27.6	1.4	20	29.3	1.5	1.7%	12.8%

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 an effective and efficient university education system by developing and coordinating policies, plans, guidelines and regulatory frameworks, and ensuring their implementation by March 2023.
- Ensure the success of students from poor and working-class backgrounds by providing financial support, through the National Student Financial Aid Scheme, for them to access universities and national institutes for higher education over the medium term.
- Improve student success and efficiency within the public university system, and provide management information and statistical reports by implementing the university capacity development programme over the medium term.
- Recruit new permanent university academics and improve staff demographic profiles by implementing the new generation of academics programme over the medium term.
- Improve the responsiveness of the post-school education and training system and ensure the implementation of entrepreneurship development in higher education and international scholarship programmes by revising public university academic planning guidelines to ensure a diverse mix of programmes and qualifications by March 2023.

### 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, Learning and Research 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.

## Expenditure trends and estimates

**Table 17.10 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 (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Programme Management:	4.3	4.9	4.2	4.6	2.1%	–	4.9	5.1	5.4	5.2%	–
University Education											
University Planning and Institutional Funding	14.3	13.9	13.2	35.8	35.7%	–	27.9	29.7	31.5	-4.2%	–
Institutional Governance and Management Support	11 446.6	10 204.2	22 199.7	30 933.2	39.3%	35.0%	35 210.2	37 062.1	38 644.1	7.7%	43.5%
Higher Education Policy Development and Research	6.5	7.4	6.8	9.8	14.5%	–	13.7	14.2	15.1	15.5%	–
Teaching, Learning and Research Development	10.0	13.7	18.7	22.7	31.3%	–	30.6	32.3	34.3	14.8%	–
University Subsidies	27 964.6	31 606.6	36 896.9	42 359.0	14.8%	64.9%	44 796.1	47 189.2	49 437.5	5.3%	56.4%
<b>Total</b>	<b>39 446.4</b>	<b>41 850.6</b>	<b>59 139.3</b>	<b>73 365.0</b>	<b>23.0%</b>	<b>100.0%</b>	<b>80 083.4</b>	<b>84 332.6</b>	<b>88 167.9</b>	<b>6.3%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				50.6			(475.8)	(657.9)	(727.6)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>47.9</b>	<b>52.7</b>	<b>56.2</b>	<b>93.4</b>	<b>25.0%</b>	<b>0.1%</b>	<b>101.3</b>	<b>106.1</b>	<b>112.5</b>	<b>6.4%</b>	<b>0.1%</b>
Compensation of employees	42.0	47.6	52.0	68.4	17.7%	0.1%	92.0	97.3	103.4	14.8%	0.1%
Goods and services <sup>1</sup>	5.9	5.1	4.3	25.0	62.2%	–	9.3	8.8	9.1	-28.6%	–
of which:											
Communication	0.5	0.4	0.3	0.3	-11.7%	–	0.6	0.6	0.6	21.3%	–
Computer services	0.1	0.1	0.3	0.8	79.8%	–	0.9	0.9	1.0	5.0%	–
Consultants: Business and advisory services	–	0.0	–	17.5	–	–	1.6	1.1	1.1	-60.1%	–
Consumables: Stationery, printing and office supplies	0.3	0.3	0.2	0.4	9.6%	–	0.6	0.6	0.7	20.1%	–
Travel and subsistence	3.9	3.1	2.7	4.0	1.2%	–	4.2	4.3	4.4	3.1%	–
Venues and facilities	0.3	0.3	0.1	0.4	6.3%	–	0.5	0.3	0.3	-6.1%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>39 398.2</b>	<b>41 797.7</b>	<b>59 082.7</b>	<b>73 270.9</b>	<b>23.0%</b>	<b>99.9%</b>	<b>79 981.4</b>	<b>84 225.8</b>	<b>88 054.7</b>	<b>6.3%</b>	<b>99.9%</b>
Departmental agencies and accounts	11 433.6	10 191.0	22 146.8	30 875.7	39.3%	34.9%	35 147.1	36 996.4	38 575.4	7.7%	43.4%
Higher education institutions	27 964.6	31 580.3	36 896.9	42 359.0	14.8%	64.9%	44 796.1	47 189.2	49 437.5	5.3%	56.4%
Non-profit institutions	–	26.3	38.8	36.2	–	–	38.2	40.3	41.8	4.9%	–
Households	0.1	0.0	0.3	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.2</b>	<b>0.4</b>	<b>0.8</b>	<b>41.6%</b>	<b>–</b>	<b>0.6</b>	<b>0.6</b>	<b>0.7</b>	<b>-3.3%</b>	<b>–</b>
Machinery and equipment	0.3	0.2	0.4	0.8	41.6%	–	0.6	0.6	0.7	-3.3%	–
<b>Total</b>	<b>39 446.4</b>	<b>41 850.6</b>	<b>59 139.3</b>	<b>73 365.0</b>	<b>23.0%</b>	<b>100.0%</b>	<b>80 083.4</b>	<b>84 332.6</b>	<b>88 167.9</b>	<b>6.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>80.3%</b>	<b>80.1%</b>	<b>81.2%</b>	<b>82.4%</b>	<b>–</b>	<b>–</b>	<b>82.2%</b>	<b>82.1%</b>	<b>82.1%</b>	<b>–</b>	<b>–</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.1</b>	<b>0.0</b>	<b>0.2</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	0.1	0.0	0.2	–	-100.0%	–	–	–	–	–	–
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Employee social benefits	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>–</b>	<b>26.3</b>	<b>38.8</b>	<b>36.2</b>	<b>–</b>	<b>–</b>	<b>38.2</b>	<b>40.3</b>	<b>41.8</b>	<b>4.9%</b>	<b>–</b>
National Institute for the Humanities and Social Sciences	–	26.3	38.8	36.2	–	–	38.2	40.3	41.8	4.9%	–
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>11 433.6</b>	<b>10 191.0</b>	<b>22 146.8</b>	<b>30 875.7</b>	<b>39.3%</b>	<b>34.9%</b>	<b>35 147.1</b>	<b>36 996.4</b>	<b>38 575.4</b>	<b>7.7%</b>	<b>43.4%</b>
National Student Financial Aid Scheme	11 215.6	9 957.1	21 826.9	30 541.9	39.6%	34.4%	34 791.8	36 621.7	38 184.5	7.7%	43.0%
Council on Higher Education	40.9	47.9	50.7	53.2	9.1%	0.1%	56.2	59.3	61.9	5.1%	0.1%
National Student Financial Aid Scheme: Administration	177.1	186.0	269.1	280.6	16.6%	0.4%	299.2	315.4	329.1	5.5%	0.4%

**Table 17.10 University Education expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
R million											
<b>Higher education institutions</b>											
<b>Current</b>	<b>24 563.1</b>	<b>28 092.2</b>	<b>33 100.3</b>	<b>38 323.0</b>	<b>16.0%</b>	<b>58.0%</b>	<b>40 938.4</b>	<b>43 204.8</b>	<b>45 283.4</b>	<b>5.7%</b>	<b>51.5%</b>
University subsidies	23 820.2	27 256.5	31 970.3	36 992.2	15.8%	56.1%	39 460.8	41 649.4	43 647.4	5.7%	49.6%
Clinical training grant	452.4	475.0	574.3	650.7	12.9%	1.0%	683.9	718.1	758.5	5.2%	0.9%
University of Mpumalanga	186.6	212.6	324.4	375.8	26.3%	0.5%	440.5	464.7	487.0	9.0%	0.5%
Sol Plaatjie University	103.8	148.1	231.2	304.3	43.1%	0.4%	353.1	372.6	390.4	8.7%	0.4%
<b>Capital</b>	<b>3 401.5</b>	<b>3 488.1</b>	<b>3 796.6</b>	<b>4 036.0</b>	<b>5.9%</b>	<b>6.9%</b>	<b>3 857.7</b>	<b>3 984.4</b>	<b>4 154.1</b>	<b>1.0%</b>	<b>4.9%</b>
University government and interest/redemption	4.8	4.7	4.6	4.5	-1.7%	-	3.5	3.5	3.6	-7.2%	-
Universities Infrastructure and efficiency grant	2 343.7	2 504.9	2 688.1	2 488.6	2.0%	4.7%	2 840.5	2 921.0	3 045.5	7.0%	3.5%
University of Mpumalanga	673.9	624.6	638.5	665.9	-0.4%	1.2%	608.2	635.9	663.0	-0.1%	0.8%
Sol Plaatjie University	379.1	353.9	362.0	378.4	-0.1%	0.7%	405.5	424.0	442.0	5.3%	0.5%
Sefako Makgatho Health Sciences University	-	-	31.3	31.2	-	-	-	-	-	-100.0%	-
Nelson Mandela University	-	-	33.5	33.5	-	-	-	-	-	-100.0%	-
Vaal University of Technology	-	-	38.7	40.3	-	-	-	-	-	-100.0%	-
University of Limpopo	-	-	-	274.2	-	0.1%	-	-	-	-100.0%	0.1%
North-West University	-	-	-	119.3	-	0.1%	-	-	-	-100.0%	-

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

## Personnel information

**Table 17.11 University Education personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020	Number and cost <sup>2</sup> 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			Unit cost	2019/20	Unit cost	2020/21	Unit cost	2021/22	Unit cost	2022/23	Unit cost	2019/20 - 2022/23							
<b>University Education</b>			<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>	<b>Number</b>	<b>Cost</b>	<b>Unit cost</b>					
<b>Salary level</b>	<b>112</b>	<b>-</b>	<b>88</b>	<b>52.0</b>	<b>0.6</b>	<b>94</b>	<b>61.5</b>	<b>0.7</b>	<b>123</b>	<b>92.0</b>	<b>0.7</b>	<b>114</b>	<b>97.3</b>	<b>0.9</b>	<b>112</b>	<b>103.4</b>	<b>0.9</b>	<b>6.0%</b>	<b>100.0%</b>
1 – 6	8	-	11	1.4	0.1	16	2.0	0.1	19	3.2	0.2	10	2.7	0.3	8	2.7	0.3	-20.6%	12.0%
7 – 10	54	-	42	15.8	0.4	46	22.7	0.5	54	30.3	0.6	54	32.4	0.6	54	34.6	0.6	5.5%	47.0%
11 – 12	32	-	19	19.5	1.0	15	14.8	1.0	32	33.5	1.0	32	35.7	1.1	32	37.9	1.2	28.7%	25.1%
13 – 16	18	-	16	15.2	0.9	17	22.0	1.3	18	25.0	1.4	18	26.6	1.5	18	28.2	1.6	1.9%	16.0%

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. Provide financial and other support to technical and vocational education and training colleges and regional offices.

### Objectives

- Expand access to post-school education and training opportunities by planning, developing and implementing policies, plans, frameworks, guidelines, programme assessment practices and systems for TVET colleges by March 2023.
- Improve the success and efficiency of enrolled students in the post-school education and training system over the medium term by:
  - improving the maintenance of infrastructure in TVET colleges through the infrastructure efficiency grant, with particular focus on improving the teaching and learning environment

- operationalising the new examination system, aimed at significantly transforming the conduct of national examinations across the value chain, from the setting of question papers to the certification of successful candidates
  - reducing the certification backlog
  - steering colleges towards greater responsiveness in the provision of skills for the labour market
  - enrolling students in pre-vocational learning programmes
  - improving the competency of lecturers to deliver vocational education
  - reviewing college programmes and qualifications to make them more responsive and aligned with government priorities
  - improving the management and governance capacity of TVET colleges, and intensifying the oversight function of college councils.
- Improve service delivery for students with disabilities by establishing centres of specialisation in 4 colleges over the medium term.
  - Improve the quality of the post-school education and training system provisioning by establishing 14 entrepreneurship hubs for TVET college students to be actively engaged in the economy, either through employment in the labour market or self-employment, by March 2023.
  - Improve opportunities for work placement by developing entrepreneurial and digital skills at 25 TVET colleges by March 2023.

### **Subprogrammes**

- *Programme Management: Technical and Vocational Education and Training* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Technical and Vocational Education and Training System Planning and Institutional Support* provides support to management and councils, monitors and evaluates the 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 curriculums.
- *National Examinations and Assessment* administers and manages the conduct of national assessments in TVET and community education and training colleges.
- *Technical and Vocational Education and Training 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 policies; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Regional Offices* manages, supports, coordinates and monitors the implementation of the department's programmes in regional offices.



## Expenditure trends and estimates

Table 17.12 Technical and Vocational Education and Training 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											
Programme Management: Technical and Vocational Education and Training	4.6	5.0	3.9	3.9	-5.5%	-	6.6	7.2	7.6	25.4%	-
Technical and Vocational Education and Training System Planning and Institutional Support	6 516.4	7 032.2	10 170.4	11 582.8	21.1%	91.6%	12 857.0	13 439.8	13 973.2	6.5%	92.0%
Programmes and Qualifications	10.9	11.3	16.0	16.9	15.9%	0.1%	26.9	29.3	31.0	22.4%	0.2%
National Examinations and Assessment	437.5	413.8	475.3	694.3	16.6%	5.2%	633.6	683.0	710.7	0.8%	4.8%
Technical and Vocational Education and Training Financial Planning	4.9	7.4	11.6	12.6	36.7%	0.1%	19.1	20.6	21.9	20.2%	0.1%
Regional Offices	257.2	255.2	269.2	320.5	7.6%	2.9%	270.4	464.0	534.3	18.6%	2.8%
<b>Total</b>	<b>7 231.5</b>	<b>7 724.9</b>	<b>10 946.4</b>	<b>12 630.9</b>	<b>20.4%</b>	<b>100.0%</b>	<b>13 813.6</b>	<b>14 644.0</b>	<b>15 278.7</b>	<b>6.5%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(257.9)			(837.7)	(995.5)	(941.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>5 631.5</b>	<b>6 198.9</b>	<b>6 629.4</b>	<b>7 394.6</b>	<b>9.5%</b>	<b>67.1%</b>	<b>7 751.5</b>	<b>8 249.6</b>	<b>8 614.1</b>	<b>5.2%</b>	<b>56.8%</b>
Compensation of employees	5 463.6	6 023.1	6 421.2	6 986.7	8.5%	64.6%	7 276.0	7 745.7	8 091.3	5.0%	53.4%
Goods and services <sup>1</sup>	168.0	175.8	208.1	407.8	34.4%	2.5%	475.5	503.9	522.8	8.6%	3.4%
<i>of which:</i>											
Computer services	59.6	22.6	46.5	86.8	13.4%	0.6%	154.3	156.5	164.2	23.7%	1.0%
Consumables: Stationery, printing and office supplies	22.7	38.6	26.8	76.1	49.6%	0.4%	86.3	95.4	99.8	9.5%	0.6%
Travel and subsistence	53.6	53.2	87.4	121.7	31.4%	0.8%	100.0	108.3	110.3	-3.2%	0.8%
Training and development	-	0.0	0.1	38.7	-	0.1%	40.9	42.8	45.0	5.2%	0.3%
Operating payments	11.8	9.7	10.4	16.1	10.9%	0.1%	15.3	16.4	17.1	2.1%	0.1%
Venues and facilities	8.6	32.1	9.4	42.6	70.5%	0.2%	47.7	51.7	52.9	7.5%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 596.8</b>	<b>1 522.1</b>	<b>4 310.6</b>	<b>5 230.5</b>	<b>48.5%</b>	<b>32.9%</b>	<b>6 053.4</b>	<b>6 387.7</b>	<b>6 658.0</b>	<b>8.4%</b>	<b>43.2%</b>
Departmental agencies and accounts	13.7	14.4	15.2	16.0	5.5%	0.2%	16.9	17.9	18.6	5.1%	0.1%
Non-profit institutions	1 566.7	1 495.7	4 287.5	5 205.0	49.2%	32.6%	6 036.4	6 369.9	6 639.4	8.5%	43.0%
Households	16.4	12.0	7.8	9.5	-16.7%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>3.0</b>	<b>3.9</b>	<b>5.6</b>	<b>5.9</b>	<b>24.9%</b>	<b>-</b>	<b>8.7</b>	<b>6.6</b>	<b>6.6</b>	<b>3.7%</b>	<b>-</b>
Buildings and other fixed structures	-	-	2.2	-	-	-	-	-	-	-	-
Machinery and equipment	3.0	3.9	3.3	5.9	24.8%	-	8.6	6.5	6.6	3.7%	-
Software and other intangible assets	-	0.0	0.1	0.0	-	-	0.0	0.1	0.0	1.4%	-
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.0</b>	<b>1.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 231.5</b>	<b>7 724.9</b>	<b>10 946.4</b>	<b>12 630.9</b>	<b>20.4%</b>	<b>100.0%</b>	<b>13 813.6</b>	<b>14 644.0</b>	<b>15 278.7</b>	<b>6.5%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>14.7%</b>	<b>14.8%</b>	<b>15.0%</b>	<b>14.2%</b>	<b>-</b>	<b>-</b>	<b>14.2%</b>	<b>14.3%</b>	<b>14.2%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>16.3</b>	<b>11.9</b>	<b>7.3</b>	<b>7.1</b>	<b>-24.1%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	16.3	11.9	7.3	7.1	-24.1%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.1</b>	<b>0.1</b>	<b>0.6</b>	<b>2.3</b>	<b>169.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	0.1	0.1	0.6	2.3	169.3%	-	-	-	-	-100.0%	-
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1 566.7</b>	<b>1 495.7</b>	<b>2 987.5</b>	<b>4 084.7</b>	<b>37.6%</b>	<b>26.3%</b>	<b>5 077.2</b>	<b>5 451.1</b>	<b>5 663.3</b>	<b>11.5%</b>	<b>36.0%</b>
Technical and vocational education and training colleges	1 566.7	1 495.7	2 987.5	3 884.7	35.3%	25.8%	4 768.1	5 030.4	5 217.7	10.3%	33.5%
Operationalisation of new campuses	-	-	-	200.0	-	0.5%	309.1	420.7	445.6	30.6%	2.4%
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>1 300.0</b>	<b>1 120.3</b>	<b>-</b>	<b>6.3%</b>	<b>959.2</b>	<b>918.8</b>	<b>976.1</b>	<b>-4.5%</b>	<b>7.1%</b>
Infrastructure efficiency grant	-	-	1 300.0	1 084.0	-	6.2%	959.2	918.8	976.1	-3.4%	7.0%
King Hintsa TVET college	-	-	-	36.3	-	0.1%	-	-	-	-100.0%	0.1%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>13.7</b>	<b>14.4</b>	<b>15.2</b>	<b>16.0</b>	<b>5.5%</b>	<b>0.2%</b>	<b>16.9</b>	<b>17.9</b>	<b>18.6</b>	<b>5.1%</b>	<b>0.1%</b>
Education, Training and Development Practices Sector	13.7	14.4	15.2	16.0	5.5%	0.2%	16.9	17.9	18.6	5.1%	0.1%
Education and Training Authority											

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

## Personnel information

**Table 17.13 Technical and Vocational Education and Training personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> 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
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	19 192	90	16 288	6 421.2	0.4	19 200	6 986.7	0.4	18 879	7 276.0	0.4	18 623	7 745.7	0.4	18 010	8 091.3	0.4	-2.1%	100.0%
1 – 6	9 497	90	7 260	1 825.0	0.3	9 506	2 196.6	0.2	9 184	2 295.0	0.2	8 928	2 411.0	0.3	8 393	2 446.6	0.3	-4.1%	48.2%
7 – 10	9 146	–	8 568	3 871.9	0.5	9 146	3 986.0	0.4	9 146	4 268.0	0.5	9 146	4 570.9	0.5	9 068	4 838.2	0.5	-0.3%	48.9%
11 – 12	451	–	395	386.0	1.0	451	387.0	0.9	451	411.5	0.9	451	437.5	1.0	451	464.8	1.0	–	2.4%
13 – 16	98	–	65	83.0	1.3	97	112.5	1.2	98	121.3	1.2	98	129.0	1.3	98	137.0	1.4	0.3%	0.5%
Other	–	–	–	255.3	–	–	304.6	–	–	180.2	–	–	197.4	–	–	204.7	–	–	–

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

- Revise the service-level agreement framework to drive the implementation of the national skills development plan by March 2023 to:
  - identify and increase the production of skilled workers for occupations in demand
  - create a link between education and work
  - improve the level of skills in the South African workforce
  - increase access to occupationally directed programmes
  - support the growth of the public college system
  - support skills development for entrepreneurship and cooperative development
  - encourage and support worker-initiated training
  - support career development services.
- Ensure that South Africa has adequate, appropriate and high-quality skills to contribute to economic growth, employment creation and social development by updating the sector skills plan framework annually.
- Produce 93 000 artisans by March 2023 by conducting advocacy campaigns to inspire young people to venture into artisanal fields.
- Prioritise workplace-based learning opportunities by revising service-level agreements between the department and all 21 SETAs each year over the medium term.
- Ensure the delivery of responsive programmes by producing reports on sectoral occupations in high demand each year over the medium term.

### Subprogrammes

- *Programme Management: Skills Development* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Sector Education and Training Authority Coordination* supports, monitors and reports on the implementation of the national skills development strategy at the sectoral level by establishing and managing the performance of service-level agreements with SETAs and conducting trade tests at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments.

- *National Skills Authority Secretariat* 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.
- *National Artisan Development* manages and monitors the development of artisans.

## Expenditure trends and estimates

**Table 17.14 Skills Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average Expenditure/ Total (%)
R million											
Programme Management: Skills Development	2.7	4.0	4.6	5.6	26.9%	1.8%	7.1	7.2	7.9	12.2%	2.1%
Sector Education and Training Authority Coordination	80.7	132.8	137.5	144.5	21.4%	51.4%	155.2	164.1	171.8	5.9%	49.2%
National Skills Authority Secretariat	6.8	7.9	8.4	11.2	17.9%	3.6%	19.3	21.0	22.2	25.8%	5.7%
Quality Development and Promotion	23.1	26.9	27.4	26.1	4.0%	10.7%	27.4	28.9	30.2	5.0%	8.7%
National Artisan Development	67.2	70.9	81.8	93.6	11.6%	32.5%	109.5	115.5	122.7	9.5%	34.2%
<b>Total</b>	<b>180.6</b>	<b>242.5</b>	<b>259.7</b>	<b>280.9</b>	<b>15.9%</b>	<b>100.0%</b>	<b>318.5</b>	<b>336.6</b>	<b>354.8</b>	<b>8.1%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(1.5)			18.9	17.8	23.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>100.6</b>	<b>110.6</b>	<b>124.6</b>	<b>140.8</b>	<b>11.8%</b>	<b>49.4%</b>	<b>170.6</b>	<b>180.8</b>	<b>192.2</b>	<b>10.9%</b>	<b>53.0%</b>
Compensation of employees	89.6	99.2	110.8	124.5	11.6%	44.0%	154.7	163.8	174.5	11.9%	47.8%
Goods and services <sup>1</sup>	11.1	11.4	13.7	16.2	13.7%	5.4%	15.9	17.0	17.6	2.8%	5.2%
<i>of which:</i>											
Minor assets	0.1	0.1	0.4	0.9	94.4%	0.2%	1.1	1.1	1.2	6.8%	0.3%
Communication	1.5	1.4	1.8	1.3	-6.5%	0.6%	1.6	1.7	1.8	12.2%	0.5%
Inventory: Materials and supplies	2.1	2.6	3.7	3.7	20.7%	1.3%	3.9	4.3	4.5	7.0%	1.3%
Consumable supplies	1.6	0.9	0.9	1.0	-14.7%	0.5%	1.6	1.7	1.8	22.4%	0.5%
Consumables: Stationery, printing and office supplies	0.6	0.8	0.7	1.0	19.3%	0.3%	1.0	1.0	1.1	1.3%	0.3%
Travel and subsistence	1.9	2.0	2.2	2.9	14.3%	0.9%	3.4	3.6	3.6	8.3%	1.1%
<b>Transfers and subsidies<sup>1</sup></b>	<b>79.1</b>	<b>131.4</b>	<b>134.2</b>	<b>138.4</b>	<b>20.5%</b>	<b>50.1%</b>	<b>146.0</b>	<b>154.0</b>	<b>160.7</b>	<b>5.1%</b>	<b>46.4%</b>
Departmental agencies and accounts	78.9	130.7	133.8	138.4	20.6%	50.0%	146.0	154.0	160.7	5.1%	46.4%
Households	0.2	0.7	0.4	0.0	-66.3%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>0.9</b>	<b>0.5</b>	<b>0.9</b>	<b>1.7</b>	<b>22.8%</b>	<b>0.4%</b>	<b>2.0</b>	<b>1.9</b>	<b>2.0</b>	<b>5.0%</b>	<b>0.6%</b>
Machinery and equipment	0.9	0.5	0.9	1.7	22.8%	0.4%	2.0	1.9	2.0	5.0%	0.6%
<b>Total</b>	<b>180.6</b>	<b>242.5</b>	<b>259.7</b>	<b>280.9</b>	<b>15.9%</b>	<b>100.0%</b>	<b>318.5</b>	<b>336.6</b>	<b>354.8</b>	<b>8.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.3%</b>	-	-	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	-	-
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.2</b>	<b>0.7</b>	<b>0.3</b>	<b>0.0</b>	<b>-64.6%</b>	<b>0.1%</b>	-	-	-	<b>-100.0%</b>	-
Employee social benefits	0.2	0.7	0.3	0.0	-64.6%	0.1%	-	-	-	-100.0%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>0.0</b>	-	<b>0.2</b>	-	<b>-100.0%</b>	-	-	-	-	-	-
Employee social benefits	0.0	-	0.2	-	-100.0%	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>78.9</b>	<b>130.7</b>	<b>133.8</b>	<b>138.4</b>	<b>20.6%</b>	<b>50.0%</b>	<b>146.0</b>	<b>154.0</b>	<b>160.7</b>	<b>5.1%</b>	<b>46.4%</b>
Quality Council for Trades and Occupations	23.1	26.9	27.4	26.1	4.0%	10.7%	27.4	28.9	30.2	5.0%	8.7%
Public Service Sector Education and Training Authority	55.7	103.8	106.4	112.3	26.3%	39.2%	118.5	125.0	130.5	5.1%	37.7%

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

## Personnel information

**Table 17.15 Skills Development personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2020			Number and cost <sup>2</sup> 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						
Skills Development			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	330	18	290	110.8	0.4	295	122.1	0.4	335	154.7	0.5	334	163.8	0.5	330	174.5	0.5	3.8%	100.0%
1 – 6	180	18	169	38.2	0.2	170	41.2	0.2	184	46.7	0.3	184	50.1	0.3	180	53.3	0.3	1.9%	55.5%
7 – 10	107	–	95	45.8	0.5	95	49.6	0.5	107	59.6	0.6	107	63.8	0.6	107	68.1	0.6	4.0%	32.1%
11 – 12	33	–	20	17.7	0.9	21	19.7	0.9	33	33.5	1.0	33	35.6	1.1	33	37.8	1.1	16.3%	9.3%
13 – 16	10	–	6	9.1	1.5	9	11.6	1.3	11	14.9	1.4	10	14.3	1.4	10	15.2	1.5	3.6%	3.1%

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. Provide financial and other support to community education and training colleges.

### Objectives

- Contribute towards achieving the outcomes, impact and equity targets outlined in the department's 2020-2025 strategic plan by March 2023 by:
  - developing and implementing the sustainable funding model and advocacy strategies, and diversifying programme offerings in community education and training colleges geared towards expanded access and responsive colleges
  - supporting and guiding community education and training colleges to meet their enrolment targets by attracting more young people
  - accrediting community learning centres to provide opportunities for further study to individuals who do not meet the requirements for entry into TVET colleges and other institutions of further learning
  - introducing skills and entrepreneurship programmes that seek to address issues of unemployment, poverty and inequality within communities
  - building lecturer capacity to ensure the provision of quality programmes and increased success in community education and training colleges
  - implementing monitoring and evaluation instruments to enable the department to effectively perform its oversight role of community education and training colleges to ensure their efficiency.
- Enable the holistic implementation of norms and standards for funding community education and training colleges, including the funding and support required for students with special education needs, by developing a funding model for community education and training colleges by March 2023.
- Improve the quality of community education and training provisioning by building the capacity of student leadership, centre managers, management and councils by March 2023.
- Build a community education and training system that is responsive to the needs of communities by piloting the community education and training concept in 54 community learning centres by March 2023.

### Subprogrammes

- *Programme Management: Community Education and Training* manages delegated administrative and financial responsibilities, and coordinates the monitoring and evaluation function.

- *Community Education and Training System 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 the funding of 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.
- *Community Education and Training Colleges Financial Planning and Management* sets up financial management systems; develops the financial management capacity of community education and training colleges; manages and determines the fair distribution of funding to community education and training colleges in accordance with funding norms and standards for these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Education, Training and Development Assessment* manages and coordinates curriculum development processes; ensures the development of quality learning and teaching materials; monitors and supports the implementation of curriculum statements and assessment regulations; monitors and supports the development of lecturers; provides leadership for community education and training colleges to diversify their programmes, qualifications and curriculums; and provides leadership for colleges to form partnerships and linkages for programme diversification.

## Expenditure trends and estimates

**Table 17.16 Community Education and Training 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											
Programme Management:	1.5	1.5	1.2	1.8	6.6%	0.1%	5.4	3.9	4.0	30.8%	0.1%
Community Education and Training	1 670.9	1 824.7	1 856.4	1 974.3	5.7%	93.6%	2 330.9	2 485.8	2 571.5	9.2%	92.4%
System Planning, Institutional Development and Support	100.6	105.8	115.8	156.3	15.8%	6.1%	167.2	176.6	183.3	5.5%	6.7%
Community Education and Training Colleges Financial Planning and Management	1.8	1.4	5.5	11.4	86.5%	0.3%	19.4	20.4	21.7	23.7%	0.7%
Education, Training and Development Assessment											
<b>Total</b>	<b>1 774.7</b>	<b>1 933.4</b>	<b>1 978.9</b>	<b>2 143.8</b>	<b>6.5%</b>	<b>100.0%</b>	<b>2 522.9</b>	<b>2 686.7</b>	<b>2 780.5</b>	<b>9.1%</b>	<b>100.0%</b>
Change to 2019				(214.5)			(7.1)	(4.7)	(10.6)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 672.9</b>	<b>1 825.5</b>	<b>1 863.7</b>	<b>1 990.6</b>	<b>6.0%</b>	<b>93.9%</b>	<b>2 362.4</b>	<b>2 517.7</b>	<b>2 605.4</b>	<b>9.4%</b>	<b>93.5%</b>
Compensation of employees	1 671.0	1 823.0	1 860.9	1 987.8	6.0%	93.8%	2 357.6	2 514.3	2 601.6	9.4%	93.4%
Goods and services <sup>1</sup>	1.9	2.5	2.8	2.8	14.6%	0.1%	4.8	3.5	3.7	9.6%	0.1%
of which:											
Catering: Departmental activities	0.0	0.0	0.1	0.2	63.8%	–	0.2	0.2	0.2	9.8%	–
Communication	0.1	0.1	0.1	0.2	44.2%	–	0.2	0.2	0.3	18.1%	–
Consultants: Business and advisory services	–	–	0.0	0.3	–	–	1.7	–	–	-100.0%	–
Consumables: Stationery, printing and office supplies	0.1	0.1	0.3	0.4	40.6%	–	0.4	0.4	0.5	6.1%	–
Travel and subsistence	1.1	0.9	1.9	1.2	2.7%	0.1%	2.0	2.1	2.3	22.9%	0.1%
Venues and facilities	0.3	1.1	0.4	0.3	0.6%	–	0.2	0.3	0.3	-0.7%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>101.5</b>	<b>107.7</b>	<b>114.4</b>	<b>152.6</b>	<b>14.6%</b>	<b>6.1%</b>	<b>159.9</b>	<b>168.7</b>	<b>175.0</b>	<b>4.7%</b>	<b>6.5%</b>
Departmental agencies and accounts	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Non-profit institutions	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
Households	1.0	3.0	1.7	0.9	-0.5%	0.1%	–	–	–	-100.0%	–

**Table 17.16 Community Education and Training expenditure trends and estimates by subprogramme and economic classification**

Economic classification	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											
Payments for capital assets	0.2	0.1	0.4	0.6	31.7%	–	0.6	0.3	0.2	-34.8%	–
Machinery and equipment	0.2	0.1	0.4	0.6	31.7%	–	0.6	0.3	0.2	-34.8%	–
Payments for financial assets	–	–	0.4	–	–	–	–	–	–	–	–
<b>Total</b>	<b>1 774.7</b>	<b>1 933.4</b>	<b>1 978.9</b>	<b>2 143.8</b>	<b>6.5%</b>	<b>100.0%</b>	<b>2 522.9</b>	<b>2 686.7</b>	<b>2 780.5</b>	<b>9.1%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	3.6%	3.7%	2.7%	2.4%	–	–	2.6%	2.6%	2.6%	–	–
<b>Details of transfers and subsidies</b>											
<b>Households</b>											
<b>Social benefits</b>											
Current	0.9	3.0	1.6	0.9	-1.4%	0.1%	–	–	–	-100.0%	–
Employee social benefits	0.9	3.0	1.6	0.9	-1.4%	0.1%	–	–	–	-100.0%	–
<b>Households</b>											
<b>Other transfers to households</b>											
Current	0.0	–	0.1	0.0	72.9%	–	–	–	–	-100.0%	–
Employee social benefits	0.0	–	0.1	0.0	72.9%	–	–	–	–	-100.0%	–
<b>Non-profit institutions</b>											
Current	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
Community education and training colleges	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Education, Training and Development Practices Sector	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Education and Training Authority											

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

## Personnel information

**Table 17.17 Community Education and Training personnel numbers and cost by salary level<sup>1</sup>**

Community Education and Training	Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> 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											
Salary level	14 857	13	14 296	1 860.9	0.1	12 488	1 905.3	0.2	14 828	2 357.6	0.2	14 857	2 514.3	0.2	14 383	2 601.6	0.2	4.8%	100.0%
1 – 6	1 037	13	1 030	213.6	0.2	1 033	263.6	0.3	1 037	284.1	0.3	1 037	305.0	0.3	1 037	327.2	0.3	0.1%	7.3%
7 – 10	345	–	338	78.7	0.2	342	155.4	0.5	345	168.1	0.5	345	180.2	0.5	345	193.0	0.6	0.3%	2.4%
11 – 12	55	–	54	17.1	0.3	55	53.1	1.0	55	56.5	1.0	55	60.0	1.1	55	63.8	1.2	–	0.4%
13 – 16	23	–	13	11.5	0.9	16	19.8	1.2	23	30.5	1.3	23	32.5	1.4	23	34.5	1.5	12.9%	0.2%
Other	13 397	–	12 861	1 540.1	0.1	11 042	1 413.4	0.1	13 368	1 818.4	0.1	13 397	1 936.6	0.1	12 923	1 983.2	0.2	5.4%	89.7%

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

2. Rand million.

## Entities

### National Skills Fund

#### Selected performance indicators

**Table 17.18 National Skills Fund 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 learners funded for education and training per year	Quality skills developed	Priority 2: Education, skills and health	48 169	57 238	59 051	59 000	59 200	59 400	59 600
Number of learners funded for education and training towards occupations in high demand per year	Quality skills developed		29 052	38 368	33 905	35 000	36 000	37 000	38 000
Number of learners from rural areas funded for education and training programmes per year	Quality skills developed		22 633	32 888	34 925	35 000	35 200	35 400	35 600
Number of small, medium and micro enterprises and cooperatives funded for skills development per year	Quality skills developed		2 158	2 222	786	786	800	1 000	1 500
Number of learners funded for skills development through small, medium and micro enterprises and cooperative skills development initiatives per year	Quality skills developed		- <sup>1</sup>	- <sup>1</sup>	4 480	4 480	4 750	5 000	5 250
Number of learners funded for skills development through community-based skills development initiatives per year	Quality skills developed		6 877	8 675	8 959	9 500	10 000	10 500	11 000
Number of learners from rural areas who completed their education and training per year	Quality skills developed		3 418	6 856	6 658	3 000	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of learners who acquired skills through funded community-based skills development initiatives per year	Quality skills developed		3 289	5 281	3 825	3 000	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of learners who completed their education and training towards priority occupations per year	Quality skills developed		3 267	8 521	5 908	3 000	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of workers to be educated through worker education initiatives per year	Quality skills developed		0	0	414	100	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of learners funded for worker education per year	Quality skills developed	237	823	618	620	640	660	680	

1. No historical data available.

2. Indicator discontinued.

#### Entity overview

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, Science and Technology to achieve a national standard of good practice in skills development.

To create greater opportunities for young people who are out of school, the fund will invest in skills development initiatives in areas of national priority such as artisan development. The fund will also continue to provide training opportunities through work-integrated learning programmes at public and private institutions for learners to acquire skills, and provide financial support for bursaries and infrastructure to grow and enhance the quality of the post-school education and training system.

Over the MTEF period, the fund aims to contribute to the development of skills for 3 300 small, medium and micro enterprises and cooperatives; facilitate the acquisition of various skills for 31 500 learners through community-based skills development initiatives; fund education and training for occupations in high demand for 111 000 learners; fund education and training programmes for 106 200 learners from rural areas; and pursue priority projects such as the development of infrastructure at TVET and community colleges aimed at expanding, integrating and improving the effectiveness of the post-school education and training system. To fund these skills development and infrastructure initiatives, total expenditure over the medium term is projected to be

R16.1 billion, increasing from R4.3 billion in 2019/20 to R5.2 billion in 2022/23 at an average annual rate of 6.4 per cent.

To improve its reporting on performance and financial management over the medium term, the fund will prioritise the implementation of a new ICT system funded from its administration budget, which increases from R279.8 million in 2019/20 to R315.8 million in 2022/23 at an average annual rate of 4.1 per cent.

The fund is set to derive an estimated 86.4 per cent (R12.4 billion) of its total revenue over the medium term through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to the fund as a direct charge against the National Revenue Fund. This transfer is projected to increase at an average annual rate of 5.8 per cent, from R3.7 billion in 2019/20 to R4.4 billion in 2022/23.

### Programmes/Objectives/Activities

**Table 17.19 National Skills Fund expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 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		
Administration	171.8	169.3	203.5	333.8	24.8%	5.4%	328.9	360.5	378.3	4.3%	6.5%
Quality skills developed	4 322.0	7 026.4	2 290.8	4 270.6	-0.4%	94.6%	6 029.8	4 899.4	5 151.2	6.4%	93.5%
<b>Total</b>	<b>4 493.8</b>	<b>7 195.7</b>	<b>2 494.3</b>	<b>4 604.4</b>	<b>0.8%</b>	<b>100.0%</b>	<b>6 358.7</b>	<b>5 260.0</b>	<b>5 529.4</b>	<b>6.3%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 17.20 National Skills Fund statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%) 2016/17 - 2019/20
	2016/17	2017/18	2017/18	2018/19	2019/20	2019/20	2020/21		
<b>Revenue</b>									
Non-tax revenue	408.8	824.5	548.9	551.0	495.9	503.5	513.2	589.8	125.5%
of which:									
Other non-tax revenue	408.8	824.5	548.9	551.0	495.9	503.5	513.2	589.8	125.5%
<b>Transfers received</b>	<b>3 179.4</b>	<b>3 051.0</b>	<b>3 154.1</b>	<b>3 204.7</b>	<b>3 462.4</b>	<b>3 504.2</b>	<b>3 751.7</b>	<b>3 715.3</b>	<b>99.5%</b>
<b>Total revenue</b>	<b>3 588.2</b>	<b>3 875.6</b>	<b>3 703.0</b>	<b>3 755.8</b>	<b>3 958.4</b>	<b>4 007.7</b>	<b>4 264.9</b>	<b>4 305.0</b>	<b>102.8%</b>
<b>Expenses</b>									
Current expenses	235.5	123.3	142.7	121.0	238.0	154.9	269.1	279.8	76.7%
Compensation of employees	131.0	46.2	61.0	59.7	72.7	70.7	131.9	129.8	77.3%
Goods and services	95.4	70.9	74.0	56.3	157.2	80.9	124.7	141.8	77.6%
Depreciation	9.1	6.2	7.7	5.0	8.1	3.3	12.6	8.1	60.2%
<b>Transfers and subsidies</b>	<b>5 279.8</b>	<b>4 370.5</b>	<b>9 424.3</b>	<b>7 074.8</b>	<b>4 046.7</b>	<b>2 339.4</b>	<b>5 005.6</b>	<b>4 324.6</b>	<b>76.2%</b>
<b>Total expenses</b>	<b>5 515.4</b>	<b>4 493.8</b>	<b>9 567.0</b>	<b>7 195.7</b>	<b>4 284.6</b>	<b>2 494.3</b>	<b>5 274.8</b>	<b>4 604.4</b>	<b>76.2%</b>
<b>Surplus/(Deficit)</b>	<b>(1 927.1)</b>	<b>(618.2)</b>	<b>(5 863.9)</b>	<b>(3 440.0)</b>	<b>(326.3)</b>	<b>1 513.4</b>	<b>(1 009.9)</b>	<b>(299.3)</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(1 766.5)</b>	<b>(982.8)</b>	<b>(6 570.3)</b>	<b>(3 086.7)</b>	<b>(335.3)</b>	<b>1 352.2</b>	<b>(1 764.7)</b>	<b>(1 961.2)</b>	<b>44.8%</b>
<b>Receipts</b>									
Non-tax receipts	408.8	766.9	548.9	490.3	435.2	445.3	452.5	452.5	116.8%
Other tax receipts	408.8	766.9	548.9	490.3	435.2	445.3	452.5	452.5	116.8%
<b>Transfers received</b>	<b>3 179.4</b>	<b>3 053.6</b>	<b>3 154.1</b>	<b>3 204.0</b>	<b>3 462.4</b>	<b>3 504.0</b>	<b>3 751.7</b>	<b>3 555.2</b>	<b>98.3%</b>
<b>Total receipts</b>	<b>3 588.2</b>	<b>3 820.5</b>	<b>3 703.0</b>	<b>3 694.3</b>	<b>3 897.6</b>	<b>3 949.3</b>	<b>4 204.2</b>	<b>4 007.7</b>	<b>100.5%</b>
<b>Payment</b>									
Current payments	229.7	96.8	148.0	132.7	260.6	164.4	256.6	256.6	72.7%
Compensation of employees	130.6	44.8	61.0	58.6	103.4	69.6	131.9	131.9	71.4%
Goods and services	99.1	51.9	87.0	74.1	157.2	94.8	124.7	124.7	73.8%
<b>Transfers and subsidies</b>	<b>5 125.0</b>	<b>4 658.1</b>	<b>10 125.4</b>	<b>6 599.9</b>	<b>3 918.3</b>	<b>2 384.2</b>	<b>5 655.4</b>	<b>5 655.4</b>	<b>77.7%</b>
<b>Total payments</b>	<b>5 354.7</b>	<b>4 803.3</b>	<b>10 273.4</b>	<b>6 781.0</b>	<b>4 232.9</b>	<b>2 597.1</b>	<b>5 968.9</b>	<b>5 968.9</b>	<b>78.0%</b>
<b>Net cash flow from investing activities</b>	<b>(1 772.5)</b>	<b>1 407.0</b>	<b>1 121.5</b>	<b>2 486.2</b>	<b>1 691.9</b>	<b>(620.5)</b>	<b>678.2</b>	<b>678.2</b>	<b>229.8%</b>
Acquisition of property, plant, equipment and intangible assets	(1 757.4)	(156.0)	(771.5)	(36.7)	(996.3)	(277.8)	(862.9)	(862.9)	30.4%
Acquisition of software and other intangible assets	(15.1)	(1.6)	(18.0)	(16.8)	(17.5)	(4.7)	(7.5)	(7.5)	52.7%
Other flows from investing activities	—	1 564.6	1 911.0	2 539.8	2 705.7	(338.1)	1 548.7	1 548.7	86.2%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3 539.0)</b>	<b>424.1</b>	<b>(5 448.8)</b>	<b>(600.6)</b>	<b>1 356.6</b>	<b>731.7</b>	<b>(1 086.4)</b>	<b>(1 283.0)</b>	



**Table 17.20 National Skills Fund statements of historical financial performance, cash flow and financial position**

Cash flow statement									
	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
<b>Statement of financial position</b>									
Carrying value of assets	51.0	546.0	1 165.4	538.3	1 709.6	812.8	1 031.6	1 041.6	74.3%
Acquisition of assets	(1 757.4)	(156.0)	(771.5)	(36.7)	(996.3)	(277.8)	(862.9)	(862.9)	30.4%
Investments	6 199.6	8 860.5	3 544.2	6 320.7	3 615.0	6 658.8	2 066.4	7 025.1	187.1%
Receivables and prepayments	-	1 436.1	788.3	1 438.5	1 520.4	1 649.6	1 605.6	1 741.9	160.1%
Cash and cash equivalents	-	610.2	610.2	9.6	9.6	741.3	9.6	741.3	334.0%
<b>Total assets</b>	<b>6 250.6</b>	<b>11 452.8</b>	<b>6 108.1</b>	<b>8 307.1</b>	<b>6 854.7</b>	<b>9 862.4</b>	<b>4 713.2</b>	<b>10 549.9</b>	<b>167.9%</b>
Accumulated surplus/(deficit)	3 742.1	5 861.5	2 639.8	4 463.7	5 277.2	5 977.1	3 047.4	8 933.7	171.6%
Capital and reserves	2 500.0	4 392.1	2 199.0	2 354.9	-	2 354.9	-	-	193.7%
Capital reserve fund	-	1 113.9	1 183.0	1 405.7	1 485.8	1 463.6	1 569.0	1 545.6	130.5%
Trade and other payables	-	65.3	68.0	42.5	53.1	28.6	56.1	30.2	93.9%
Provisions	3.2	4.9	2.1	1.3	1.4	1.2	1.5	1.2	106.3%
Derivatives financial instruments	5.4	15.1	16.1	39.0	37.1	37.0	39.2	39.1	133.3%
<b>Total equity and liabilities</b>	<b>6 250.6</b>	<b>11 452.8</b>	<b>6 108.1</b>	<b>8 307.1</b>	<b>6 854.7</b>	<b>9 862.4</b>	<b>4 713.2</b>	<b>10 549.9</b>	<b>167.9%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 17.21 National Skills Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
Non-tax revenue	589.8	-10.6%	15.6%	618.9	649.7	682.1	5.0%	13.6%
Other non-tax revenue	589.8	-10.6%	15.6%	618.9	649.7	682.1	5.0%	13.6%
Transfers received	3 715.3	6.8%	84.4%	3 882.6	4 117.0	4 394.0	5.8%	86.4%
<b>Total revenue</b>	<b>4 305.0</b>	<b>3.6%</b>	<b>100.0%</b>	<b>4 501.5</b>	<b>4 766.7</b>	<b>5 076.1</b>	<b>5.6%</b>	<b>100.0%</b>
<b>Current expenses</b>								
Compensation of employees	279.8	31.4%	4.2%	272.2	301.0	315.8	4.1%	5.4%
Goods and services	129.8	41.2%	1.9%	132.1	161.1	169.2	9.2%	2.8%
Depreciation	141.8	26.0%	2.2%	131.4	130.9	137.2	-1.1%	2.5%
Transfers and subsidies	8.1	9.5%	0.1%	8.6	9.0	9.4	5.0%	0.2%
<b>Total expenses</b>	<b>4 324.6</b>	<b>-0.4%</b>	<b>95.8%</b>	<b>6 086.5</b>	<b>4 959.0</b>	<b>5 213.6</b>	<b>6.4%</b>	<b>94.6%</b>
<b>Surplus/(Deficit)</b>	<b>(299.3)</b>			<b>(1 857.2)</b>	<b>(493.3)</b>	<b>(453.3)</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>								
Receipts	(1 961.2)	25.9%	14.0%	(634.0)	(119.1)	1 388.5	4.0%	10.8%
Non-tax receipts	452.5	-16.1%	14.0%	470.5	489.2	508.6	4.0%	10.7%
Other tax receipts	452.5	-16.1%	14.0%	470.5	489.2	508.6	4.0%	10.7%
Transfers received	3 552.2	5.2%	86.0%	3 882.6	4 117.0	4 394.0	7.3%	89.2%
<b>Total receipts</b>	<b>4 007.7</b>	<b>1.6%</b>	<b>100.0%</b>	<b>4 353.1</b>	<b>4 606.2</b>	<b>4 902.6</b>	<b>6.9%</b>	<b>100.0%</b>
Current payments	256.6	38.4%	4.0%	268.1	276.6	290.8	4.3%	6.0%
Compensation of employees	131.9	43.3%	1.9%	138.7	144.8	153.1	5.1%	3.1%
Goods and services	124.7	33.9%	2.2%	129.4	131.7	137.2	3.4%	2.8%
Transfers and subsidies	5 655.4	6.7%	103.4%	4 658.9	4 385.5	3 156.5	-17.7%	92.7%
<b>Total payment</b>	<b>5 968.9</b>	<b>7.5%</b>	<b>100.0%</b>	<b>4 987.0</b>	<b>4 725.3</b>	<b>3 514.1</b>	<b>-16.2%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>678.2</b>	<b>-21.6%</b>	<b>100.0%</b>	<b>(817.6)</b>	<b>(796.7)</b>	<b>(219.9)</b>	<b>-168.7%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(862.9)	76.9%	-23.8%	(632.6)	(354.9)	(105.1)	-50.4%	10.6%
Acquisition of software and other intangible assets	(7.5)	66.1%	-0.3%	(7.9)	(8.3)	(8.8)	5.5%	1.2%
Other flows from investing activities	1 548.7	-0.3%	124.0%	(177.1)	(433.5)	(106.0)	-140.9%	88.2%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1 283.0)</b>	<b>-244.6%</b>	<b>100.0%</b>	<b>(1 451.6)</b>	<b>(915.8)</b>	<b>1 168.6</b>	<b>-196.9%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	1 041.6	24.0%	7.3%	310.4	154.1	154.1	-47.1%	3.9%
Acquisition of assets	(862.9)	76.9%	-3.2%	(632.6)	(354.9)	(105.1)	-50.4%	-4.7%
Investments	7 025.1	-7.4%	71.9%	7 411.4	7 819.1	7 819.1	3.6%	71.3%
Receivables and prepayments	1 741.9	6.6%	15.8%	1 837.7	1 938.8	1 938.8	3.6%	17.7%
Cash and cash equivalents	741.3	6.7%	5.0%	741.3	741.3	741.3	-	7.0%
<b>Total assets</b>	<b>10 549.9</b>	<b>-2.7%</b>	<b>100.0%</b>	<b>10 300.8</b>	<b>10 653.3</b>	<b>10 653.3</b>	<b>0.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	8 933.7	15.1%	62.5%	8 595.8	8 854.5	8 854.5	-0.3%	83.6%
Capital reserve fund	1 545.6	11.5%	14.0%	1 630.6	1 720.3	1 720.3	3.6%	15.7%
Trade and other payables	30.2	-22.7%	0.4%	31.8	33.6	33.6	3.6%	0.3%
Provisions	1.2	-37.1%	0.0%	1.3	1.4	1.4	3.6%	0.0%
Derivatives financial instruments	39.1	37.3%	0.3%	41.3	43.5	43.5	3.6%	0.4%
<b>Total equity and liabilities</b>	<b>10 549.9</b>	<b>-2.7%</b>	<b>100.0%</b>	<b>10 300.8</b>	<b>10 653.3</b>	<b>10 653.3</b>	<b>0.3%</b>	<b>100.0%</b>

## Personnel information

**Table 17.22 National Skills Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost <sup>1</sup> 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		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23						
National Skills Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	199	202	97	70.7	0.7	153	129.8	0.8	166	132.1	0.8	189	161.1	0.9	189	169.2	0.9	9.2%	100.0%
1 – 6	2	2	1	5.3	5.3	2	11.1	5.5	2	8.8	4.4	2	9.3	4.7	2	9.8	4.9	-3.9%	1.2%
7 – 10	121	121	45	19.7	0.4	86	48.8	0.6	99	57.4	0.6	113	72.3	0.6	113	76.2	0.7	16.0%	58.9%
11 – 12	48	51	32	27.0	0.8	43	42.0	1.0	37	34.6	0.9	46	46.3	1.0	46	48.5	1.1	4.9%	24.8%
13 – 16	28	28	19	18.7	1.0	22	27.9	1.3	28	31.3	1.1	28	33.2	1.2	28	34.7	1.2	7.6%	15.2%

1. Rand million.

## National Student Financial Aid Scheme

### Selected performance indicators

**Table 17.23 National Student Financial Aid Scheme 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
Amount of financial aid raised from new funders for qualifying students per year	Student-centred financial aid	Priority 2: Education, skills and health	R104m	R56.6m	0	R12.1m	R13.3m	R14.6m	R16m
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid		R392.4m	R512.8m	R628m	R675.4m	R776.7m	R893.9m	R980.8m
Number of eligible university students obtaining financial aid per year	Student-centred financial aid		225 950	260 002	346 966	426 268	427 851	431 412	439 659
Number of eligible TVET college students obtaining financial aid per year	Student-centred financial aid		225 557	200 339	239 797	305 400	310 900	329 554	346 258
Percentage of students for whom the first instalment of amounts due to the institution is paid to the institution within 30 days of the acceptance date of the bursary agreement/loan agreement form/schedule of particulars per year	Student-centred financial aid		99.4% (223 250/ 224 594)	73% (292 212/ 400 291)	72% (393 460/ 541 082)	80%	90%	92%	95%
Percentage of students paid the first instalment of their allowances within 10 days of the acceptance date of the bursary agreement/loan agreement/schedule of particulars per year	Student-centred financial aid		40.8% (29 127/ 71 390)	71% (22 204/ 31 273)	47% (28 565/ 61 291)	80%	90%	90%	90%

### Entity overview

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, Science and Technology; raising funds; recovering past loans; maintaining and analysing a database of funded students; undertaking research for the better use of financial resources; advising the minister on matters relating to student financial aid; and undertaking other functions assigned to it by the act or the minister.

Over the MTEF period, the scheme will continue to provide financial assistance to undergraduate university and TVET college students from households with a combined annual income of less than R350 000, and students with disabilities from households with a combined annual income of less than R600 000. To ensure that this core function is fulfilled, over the medium term, the scheme will focus on reviewing the business processes necessary for it to function optimally and improving efficiency. Funding for these activities over the medium term is within

operational transfers from the department of R943.7 million and administration fees from stakeholders of R144.8 million.

The scheme aims to support an estimated 945 854 undergraduate students in universities and 871 401 students in TVET colleges over the MTEF period. Due to a lower than anticipated intake of students at TVET colleges, Cabinet has approved a reduction of R899.2 million over the medium term on the allocation for TVET student bursaries. Despite these reductions, the scheme's allocation from the department is set to increase at an average annual rate of 7.7 per cent, from R30.8 billion in 2019/20 to R38.5 billion in 2022/23.

Transfers from the department for student funding constitute an estimated 91.5 per cent (R109.6 billion) of the scheme's total projected revenue over the period ahead. The balance of R10.2 billion is derived mainly through transfers from the Department of Basic Education, the National Skills Fund and SETAs; fees charged for administering bursaries; and interest on funds held in call accounts prior to disbursement.

### ***Strengthening governance and administration***

When the scheme was put under administration in 2018/19, it responded by focusing on disbursing funds to qualifying students instead of securing new funding. Since then, significant effort has been directed towards maintaining stability through making systematic monthly payments to institutions and students, rebuilding relationships across the sector, increasing the scheme's visibility, providing hands-on support at institutions across the country to expedite the resolution of queries that halted the flow of student funding, and restoring public trust. The re-establishment of the scheme is expected to be completed over the MTEF period through the institutionalisation of sound governance and management structures. This will be followed by the appointment of a new executive team, a focus on hiring technical human capital, and the transfer skills from consultants and advisers to permanent staff. Although the number of personnel in the scheme is set to decrease from 529 in 2019/20 to 509 in 2022/23, mainly due to planned retirements and the conclusion of contracts, spending on compensation of employees is set to increase from R220.1 million in 2019/20 to R252.2 million in 2022/23 at an average annual rate of 4.6 per cent.

### ***Improving efficiency***

There has been a stagnation in recoveries since the announcement of free higher education and the settlement of historic debt. This has implications for the sustainability of the scheme's funding model. To address this, the scheme will focus on recovering loans from existing debtors through obtaining deduction agreements from public and private sector employees in terms of the National Credit Act (2005). As a result, the principal repayment of loaned funds is projected to be R2.7 billion over the medium term, increasing from R675.4 million in 2019/20 to R980.8 million in 2022/23 at an average annual rate of 13 per cent. Based on these estimates, spending on debt collection is set to increase from R28.8 million in 2019/20 to R37.9 million in 2022/23.

In line with National Treasury's guidelines, the scheme has implemented a number of cost-containment measures that are not expected to have a negative impact on service delivery. The payment of allowances for books, food, accommodation and transport directly into students' bank accounts instead of to institutions is expected to result in a decrease of R33 million in projected expenditure on administration fees over the medium term. Spending on consultants is expected to decrease from R40.6 million in 2019/20 to R12.6 million in 2022/23 due to the completion of forensic investigations and the integration and streamlining of data systems and processes. Further, by making better use of meetings, spending on workshops and conferences, and travel and subsistence is expected to be contained to an average annual rate of only 1.9 per cent over the medium term, from R18.6 million in 2019/20 to R19.7 million in 2022/23.

## Programmes/Objectives/Activities

**Table 17.24 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%) 2016/17 - 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		
Administration	156.2	197.3	303.6	314.2	26.2%	1.2%	285.2	302.2	314.9	0.1%	0.8%
Student-centered financial aid	10 882.9	12 526.8	27 829.5	34 312.8	46.6%	98.8%	38 160.1	40 152.9	41 795.4	6.8%	99.2%
<b>Total</b>	<b>11 039.1</b>	<b>12 724.1</b>	<b>28 133.2</b>	<b>34 627.0</b>	<b>46.4%</b>	<b>100.0%</b>	<b>38 445.4</b>	<b>40 455.0</b>	<b>42 110.3</b>	<b>6.7%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 17.25 National Student Financial Aid Scheme statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2019/20	2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>783.2</b>	<b>1 174.5</b>	<b>1 203.3</b>	<b>1 507.1</b>	<b>2 832.0</b>	<b>1 430.7</b>	<b>1 769.7</b>	<b>1 759.0</b>	<b>89.1%</b>
Sale of goods and services other than capital assets	19.8	20.4	23.5	25.2	23.9	47.8	53.7	43.0	112.8%
<i>of which:</i>									
Administrative fees	19.8	20.4	23.5	25.2	23.9	47.8	53.7	43.0	112.8%
Other non-tax revenue	763.5	1 154.1	1 179.8	1 481.9	2 808.1	1 382.9	1 716.0	1 716.0	88.7%
<b>Transfers received</b>	<b>14 311.0</b>	<b>11 792.6</b>	<b>15 542.9</b>	<b>15 571.1</b>	<b>22 460.0</b>	<b>21 656.5</b>	<b>32 841.8</b>	<b>32 868.1</b>	<b>96.2%</b>
<b>Total revenue</b>	<b>15 094.2</b>	<b>12 967.1</b>	<b>16 746.2</b>	<b>17 078.2</b>	<b>25 292.0</b>	<b>23 087.2</b>	<b>34 611.5</b>	<b>34 627.0</b>	<b>95.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>267.5</b>	<b>3 713.9</b>	<b>3 503.4</b>	<b>5 336.0</b>	<b>1 352.3</b>	<b>3 540.2</b>	<b>1 356.4</b>	<b>2 065.9</b>	<b>226.2%</b>
Compensation of employees	138.7	123.3	156.7	149.1	204.3	193.5	209.5	220.1	96.7%
Goods and services	99.4	3 579.3	3 331.2	5 172.1	1 131.6	3 331.9	1 132.1	1 831.0	244.4%
Depreciation	29.3	11.2	15.5	14.8	16.4	14.8	14.8	14.8	73.0%
<b>Transfers and subsidies</b>	<b>9 452.9</b>	<b>7 325.3</b>	<b>10 107.6</b>	<b>7 388.0</b>	<b>24 138.6</b>	<b>24 593.0</b>	<b>32 561.2</b>	<b>32 561.2</b>	<b>94.2%</b>
<b>Total expenses</b>	<b>9 720.4</b>	<b>11 039.1</b>	<b>13 611.0</b>	<b>12 724.1</b>	<b>25 490.9</b>	<b>28 133.2</b>	<b>33 917.6</b>	<b>34 627.0</b>	<b>104.6%</b>
<b>Surplus/(Deficit)</b>	<b>5 373.8</b>	<b>1 927.9</b>	<b>3 135.2</b>	<b>4 354.1</b>	<b>(198.9)</b>	<b>(5 046.0)</b>	<b>693.9</b>	<b>-</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>617.3</b>	<b>1 780.2</b>	<b>169.2</b>	<b>(962.3)</b>	<b>(4 598.6)</b>	<b>(1 361.6)</b>	<b>119.3</b>	<b>(36.0)</b>	<b>15.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>319.1</b>	<b>46.4</b>	<b>337.8</b>	<b>25.2</b>	<b>24.0</b>	<b>47.8</b>	<b>53.7</b>	<b>43.0</b>	<b>22.1%</b>
Sale of goods and services other than capital assets	19.8	20.4	23.5	25.2	24.0	47.8	53.7	43.0	112.8%
Administrative fees	19.8	20.4	23.5	25.2	24.0	47.8	53.7	43.0	112.8%
Other tax receipts	299.3	26.0	314.3	-	-	-	-	-	4.2%
<b>Transfers received</b>	<b>14 319.2</b>	<b>14 743.3</b>	<b>15 073.8</b>	<b>13 845.8</b>	<b>22 445.2</b>	<b>25 153.0</b>	<b>33 343.7</b>	<b>32 902.9</b>	<b>101.7%</b>
<b>Total receipts</b>	<b>14 638.3</b>	<b>14 789.6</b>	<b>15 411.6</b>	<b>13 871.0</b>	<b>22 469.2</b>	<b>25 200.9</b>	<b>33 397.4</b>	<b>32 946.0</b>	<b>101.0%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>238.1</b>	<b>253.2</b>	<b>228.0</b>	<b>275.1</b>	<b>309.3</b>	<b>382.5</b>	<b>350.6</b>	<b>420.8</b>	<b>118.3%</b>
Compensation of employees	138.7	123.3	139.3	149.1	181.7	193.5	209.5	220.1	102.5%
Goods and services	99.4	129.8	88.7	126.0	127.6	189.0	141.0	200.7	141.3%
<b>Transfers and subsidies</b>	<b>13 782.9</b>	<b>12 756.2</b>	<b>15 014.4</b>	<b>14 558.2</b>	<b>26 758.5</b>	<b>26 180.0</b>	<b>32 927.6</b>	<b>32 561.2</b>	<b>97.3%</b>
<b>Total payments</b>	<b>14 021.0</b>	<b>13 009.4</b>	<b>15 242.5</b>	<b>14 833.3</b>	<b>27 067.8</b>	<b>26 562.5</b>	<b>33 278.2</b>	<b>32 982.0</b>	<b>97.5%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>	<b>(486.0)</b>	<b>735.3</b>	<b>(363.0)</b>	<b>215.6</b>	<b>730.5</b>	<b>1 087.7</b>	<b>699.2</b>	<b>573.4</b>	<b>449.8%</b>
Loan principal repayments	345.9	392.4	518.9	512.8	651.5	628.6	801.2	675.4	95.3%
Other	(831.9)	342.9	(881.8)	(297.1)	79.1	459.0	(102.0)	(102.0)	-23.2%
<b>Net cash flow from investing activities</b>	<b>(14.0)</b>	<b>468.8</b>	<b>(8.9)</b>	<b>521.3</b>	<b>548.2</b>	<b>488.5</b>	<b>582.2</b>	<b>551.8</b>	<b>183.3%</b>
Acquisition of property, plant, equipment and intangible assets	(7.2)	(8.2)	(3.8)	(6.8)	(5.6)	(5.8)	(6.3)	(4.7)	111.0%
Acquisition of software and other intangible assets	(6.7)	-	(5.0)	-	(4.8)	-	(5.5)	(0.1)	0.3%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>117.3</b>	<b>2 984.4</b>	<b>(202.6)</b>	<b>(225.4)</b>	<b>(3 319.8)</b>	<b>214.6</b>	<b>1 400.7</b>	<b>1 089.2</b>	
<b>Statement of financial position</b>									
Carrying value of assets	22.8	48.6	23.6	40.6	39.6	31.7	38.6	27.8	119.4%
Acquisition of assets	(7.2)	(8.2)	(3.8)	(6.8)	(5.6)	(5.8)	(6.3)	(4.7)	111.0%
Loans	10 284.2	9 362.0	12 533.4	10 245.6	10 550.1	9 338.3	9 792.9	8 533.8	86.8%
Receivables and prepayments	2 029.4	1 921.5	2 079.9	4 129.8	7 438.5	3 667.5	4 550.5	4 071.0	85.7%
Cash and cash equivalents	1 004.2	3 897.3	4 287.0	3 671.9	4 293.4	3 886.6	3 886.0	4 080.9	115.3%
<b>Total assets</b>	<b>13 340.6</b>	<b>15 229.5</b>	<b>18 923.9</b>	<b>18 087.8</b>	<b>22 321.5</b>	<b>16 924.0</b>	<b>18 268.0</b>	<b>16 713.5</b>	<b>91.9%</b>
Accumulated surplus/(deficit)	1 741.2	1 927.9	2 113.7	4 354.1	3 406.0	(5 046.0)	2 706.8	-	12.4%
Capital and reserves	10 485.2	9 144.7	12 644.3	11 515.5	13 875.2	15 869.5	11 390.3	10 601.2	97.4%
Deferred income	867.2	3 568.5	3 603.1	1 840.8	4 672.8	4 246.3	3 821.8	4 140.2	106.4%
Trade and other payables	180.6	556.4	532.3	350.3	341.5	1 827.4	324.4	1 947.5	339.5%
Provisions	66.3	31.9	30.3	27.2	25.9	26.7	24.6	24.6	75.0%
<b>Total equity and liabilities</b>	<b>13 340.6</b>	<b>15 229.5</b>	<b>18 923.9</b>	<b>18 087.8</b>	<b>22 321.5</b>	<b>16 924.0</b>	<b>18 268.0</b>	<b>16 713.5</b>	<b>91.9%</b>

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

**Table 17.26 National Student Financial Aid Scheme 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 (%)
R million	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 759.0</b>	<b>14.4%</b>	<b>7.3%</b>	<b>1 433.6</b>	<b>1 429.4</b>	<b>1 427.1</b>	<b>-6.7%</b>	<b>3.9%</b>
Sale of goods and services other than capital assets	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
Administrative fees	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
Other non-tax revenue	1 716.0	14.1%	7.1%	1 386.3	1 381.5	1 377.4	-7.1%	3.8%
<b>Transfers received</b>	<b>32 868.1</b>	<b>40.7%</b>	<b>92.7%</b>	<b>37 011.7</b>	<b>39 025.6</b>	<b>40 683.2</b>	<b>7.4%</b>	<b>96.1%</b>
<b>Total revenue</b>	<b>34 627.0</b>	<b>38.7%</b>	<b>100.0%</b>	<b>38 445.3</b>	<b>40 455.0</b>	<b>42 110.3</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>2 065.9</b>	<b>-17.8%</b>	<b>23.5%</b>	<b>1 732.8</b>	<b>1 744.8</b>	<b>1 756.2</b>	<b>-5.3%</b>	<b>4.7%</b>	
Compensation of employees	220.1	21.3%	0.9%	234.6	239.6	252.2	4.6%	0.6%
Goods and services	1 831.0	-20.0%	22.6%	1 483.6	1 490.8	1 489.6	-6.6%	4.1%
Depreciation	14.8	9.7%	0.1%	14.6	14.5	14.3	-1.1%	0.0%
<b>Transfers and subsidies</b>	<b>32 561.2</b>	<b>64.4%</b>	<b>76.5%</b>	<b>36 712.6</b>	<b>38 710.2</b>	<b>40 354.1</b>	<b>7.4%</b>	<b>95.3%</b>
<b>Total expenses</b>	<b>34 627.0</b>	<b>46.4%</b>	<b>100.0%</b>	<b>38 445.4</b>	<b>40 455.0</b>	<b>42 110.3</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(36.0)</b>	<b>-127.3%</b>	<b>0.5%</b>	<b>(27.2)</b>	<b>(30.0)</b>	<b>(32.5)</b>	<b>14.6%</b>	<b>0.4%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>43.0</b>	<b>-2.5%</b>	<b>0.2%</b>	<b>47.3</b>	<b>47.9</b>	<b>49.6</b>	<b>4.9%</b>	<b>0.1%</b>
Sales of goods and services other than capital assets	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
Administrative fees	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
<b>Transfers received</b>	<b>32 902.9</b>	<b>30.7%</b>	<b>99.8%</b>	<b>37 011.7</b>	<b>39 025.6</b>	<b>40 683.2</b>	<b>7.3%</b>	<b>99.9%</b>
<b>Total receipts</b>	<b>32 946.0</b>	<b>30.6%</b>	<b>100.0%</b>	<b>37 059.1</b>	<b>39 073.5</b>	<b>40 732.8</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>420.8</b>	<b>18.5%</b>	<b>1.8%</b>	<b>373.7</b>	<b>393.3</b>	<b>411.2</b>	<b>-0.8%</b>	<b>1.1%</b>	
Compensation of employees	220.1	21.3%	0.9%	234.6	239.6	252.2	4.6%	0.6%
Goods and services	200.7	15.6%	0.9%	139.1	153.6	159.0	-7.5%	0.4%
<b>Transfers and subsidies</b>	<b>32 561.2</b>	<b>36.7%</b>	<b>104.3%</b>	<b>36 712.6</b>	<b>38 710.2</b>	<b>40 354.1</b>	<b>7.4%</b>	<b>98.9%</b>
<b>Total payment</b>	<b>32 982.0</b>	<b>36.4%</b>	<b>100.0%</b>	<b>37 086.3</b>	<b>39 103.5</b>	<b>40 765.3</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Net cash flow from advancing activities (financial institutions only)</b>	<b>573.4</b>	<b>-8.0%</b>	<b>100.0%</b>	<b>669.6</b>	<b>781.5</b>	<b>862.8</b>	<b>14.6%</b>	<b>75.5%</b>
Loan principal repayments	675.4	19.8%	116.7%	776.7	893.9	980.8	13.2%	87.4%
Other	(102.0)	-166.7%	-16.7%	(107.1)	(112.4)	(118.1)	5.0%	-11.9%
<b>Net cash flow from investing activities</b>	<b>551.8</b>	<b>5.6%</b>	<b>100.0%</b>	<b>511.4</b>	<b>523.9</b>	<b>536.8</b>	<b>-0.9%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(4.7)	-17.1%	-1.3%	(4.8)	(5.1)	(5.3)	4.4%	-0.9%
Acquisition of software and other intangible assets	(0.1)	-	-0.0%	(5.8)	(6.1)	(6.4)	355.2%	-0.9%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1 089.2</b>	<b>-28.5%</b>	<b>100.0%</b>	<b>1 153.9</b>	<b>1 275.5</b>	<b>1 367.0</b>	<b>7.9%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	27.8	-17.0%	0.2%	26.0	24.4	22.9	-6.2%	0.2%
<b>Acquisition of assets</b>	<b>(4.7)</b>	<b>-17.1%</b>	<b>-0.0%</b>	<b>(4.8)</b>	<b>(5.1)</b>	<b>(5.3)</b>	<b>4.4%</b>	<b>-0.0%</b>
Loans	8 533.8	-3.0%	56.1%	7 709.2	6 864.0	5 997.6	-11.1%	45.4%
Receivables and prepayments	4 071.0	28.4%	20.4%	4 273.4	4 485.7	4 709.1	5.0%	27.6%
Cash and cash equivalents	4 080.9	1.5%	23.3%	4 284.9	4 499.2	4 274.2	1.6%	26.9%
<b>Total assets</b>	<b>16 713.5</b>	<b>3.1%</b>	<b>100.0%</b>	<b>16 293.6</b>	<b>15 873.3</b>	<b>15 003.8</b>	<b>-3.5%</b>	<b>100.0%</b>
Capital and reserves	10 601.2	5.0%	70.2%	10 188.6	9 768.2	8 892.0	-5.7%	61.7%
Deferred income	4 140.2	5.1%	20.9%	4 036.7	3 935.8	3 837.4	-2.5%	25.0%
Trade and other payables	1 947.5	51.8%	7.0%	2 044.9	2 147.1	2 254.5	5.0%	13.2%
Provisions	24.6	-8.3%	0.2%	23.4	22.2	20.0	-6.7%	0.1%
<b>Total equity and liabilities</b>	<b>16 713.5</b>	<b>3.1%</b>	<b>100.0%</b>	<b>16 293.6</b>	<b>15 873.3</b>	<b>15 003.8</b>	<b>-3.5%</b>	<b>100.0%</b>

## Personnel information

**Table 17.27 National Student Financial Aid Scheme personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost <sup>1</sup> 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		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23						
National Student Financial Aid Scheme			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	529	529	596	193.5	0.3	529	220.1	0.4	520	234.6	0.5	509	239.6	0.5	509	252.2	0.5	4.6%	100.0%
1 – 6	327	327	430	69.0	0.2	327	72.0	0.2	317	75.1	0.2	317	79.6	0.3	317	84.3	0.3	5.4%	61.8%
7 – 10	91	91	90	43.2	0.5	91	46.3	0.5	93	49.7	0.5	94	53.1	0.6	94	56.0	0.6	6.5%	18.0%
11 – 12	52	52	30	24.4	0.8	52	37.4	0.7	53	43.5	0.8	50	44.0	0.9	50	46.3	0.9	7.4%	9.9%
13 – 16	58	58	45	54.9	1.2	58	61.3	1.1	56	65.0	1.2	48	62.8	1.3	48	65.7	1.4	2.3%	10.1%
17 – 22	1	1	1	2.1	2.1	1	3.1	3.1	1	1.3	1.3	–	–	–	–	–	–	-100.0%	0.1%

1. Rand million.

## Sector education and training authorities

### Selected performance indicators

**Table 17.28 Sector education and training authorities 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 unemployed people entering skills programmes per year	Discretionary grants and projects	Priority 2: Education, skills and health	31 715	34 252	36 992	39 211	41 563	45 719	50 291
Number of workers entering skills programmes per year	Mandatory grants		78 215	84 472	91 229	96 702	102 504	112 754	124 030
Number of unemployed people completing skills programmes per year	Discretionary grants and projects		16 074	17 359	18 747	18 401	19 505	21 456	23 601
Number of workers completing skills programmes per year	Mandatory grants		62 388	67 379	72 769	71 422	75 707	83 278	91 605
Number of unemployed people entering learnerships per year	Discretionary grants and projects		47 554	51 358	55 466	54 439	57 705	63 476	69 823
Number of workers entering learnerships per year	Mandatory grants		33 085	35 731	38 589	37 875	40 147	44 162	48 578
Number of unemployed people completing learnerships per year	Discretionary grants and projects		24 878	26 868	29 017	28 480	30 231	33 254	36 580
Number of workers completing learnerships per year	Mandatory grants		17 927	19 361	20 909	20 523	21 754	23 929	26 322
Number of unemployed people receiving bursaries per year	Discretionary grants and projects		11 630	12 560	13 564	13 314	14 113	14 960	16 456
Number of workers receiving bursaries per year	Mandatory grants		8 157	8 809	9 513	9 338	9 898	10 888	11 977
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grants and projects		20 089	21 696	23 431	22 998	24 377	26 815	29 496
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grants and projects		11 633	12 563	13 568	13 317	14 116	15 528	17 080

### Entity overview

The Skills Development Act (1998) mandates sector education and training authorities to implement national, sector and workplace strategies to develop and improve skills in the South African workforce, provide learnerships that lead to recognised occupational qualifications, and fund skills development. The authorities derive their objectives directly from the national skills development strategy, which aims to increase access to occupationally directed programmes, promote the growth of public TVET colleges, address low levels of youth and adult literacy and numeracy skills, and encourage the better use of workplace-based skills development.

Over the medium term, the authorities' core focus will be on strengthening and delivering relevant priority skills to South Africa's labour market, with particular emphasis on artisan development; apprenticeships;

learnerships; internships; bursaries; partnerships with TVET colleges, universities and the market; improved institutional research capacity, monitoring and evaluation; and the development of small, medium and micro enterprises to provide work experience opportunities. Over the medium term, R29.5 billion from the skills development levy discretionary grant is expected to fund the awarding of 45 529 bursaries to unemployed people and 32 763 bursaries to workers to attain higher education and training qualifications. An estimated 476 861 people are expected to enter skills programmes funded through payments made to employers for training and developing the skills of their workers or of unemployed people.

The authorities are expected to derive 88.3 per cent (R49.6 billion) of their revenue over the MTEF period through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to the authorities as a direct charge against the National Revenue Fund. Levy payments are expected to increase at an average annual rate of 5.8 per cent, from R14.9 billion in 2019/20 to R17.6 billion in 2022/23.

### Programmes/Objectives/Activities

**Table 17.29 Sector education and training authorities expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	1 928.6	2 366.5	2 393.1	2 497.2	9.0%	15.1%	2 610.2	2 750.6	2 887.3	5.0%	14.9%
Mandatory grants	2 076.5	1 843.1	682.3	514.2	-37.2%	8.8%	565.7	595.5	849.4	18.2%	3.5%
Discretionary grants and projects	9 601.3	7 619.6	2 269.6	1 971.0	-41.0%	37.0%	2 076.6	2 178.4	2 305.8	5.4%	11.8%
Skill planning	390.7	677.8	2 114.1	2 689.0	90.2%	9.2%	2 926.0	3 101.2	3 237.0	6.4%	16.6%
Learning programmes and projects	-	1 740.1	7 375.2	9 389.8	-	28.5%	8 326.8	8 784.0	9 376.4	-0.0%	49.8%
Quality assurance	-	7.8	392.5	587.4	-	1.5%	587.2	617.2	631.0	2.4%	3.4%
<b>Total</b>	<b>13 997.0</b>	<b>14 254.8</b>	<b>15 226.7</b>	<b>17 648.6</b>	<b>8.0%</b>	<b>100.0%</b>	<b>17 092.3</b>	<b>18 026.8</b>	<b>19 287.0</b>	<b>3.0%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 17.30 Sector education and training authorities 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 (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>888.9</b>	<b>1 703.0</b>	<b>1 375.0</b>	<b>1 748.1</b>	<b>1 647.5</b>	<b>1 738.5</b>	<b>1 377.2</b>	<b>1 687.8</b>	<b>130.0%</b>
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	31.7	-
of which:									
Administrative fees	-	-	-	-	-	-	-	31.7	-
Other non-tax revenue	888.9	1 703.0	1 375.0	1 748.1	1 647.5	1 738.5	1 377.2	1 656.1	129.4%
<b>Transfers received</b>	<b>12 666.9</b>	<b>13 699.2</b>	<b>13 696.9</b>	<b>13 464.5</b>	<b>14 132.4</b>	<b>14 446.6</b>	<b>14 905.8</b>	<b>15 460.5</b>	<b>103.0%</b>
<b>Total revenue</b>	<b>13 555.9</b>	<b>15 402.1</b>	<b>15 071.9</b>	<b>15 212.6</b>	<b>15 779.9</b>	<b>16 185.1</b>	<b>16 283.0</b>	<b>17 148.3</b>	<b>105.4%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>61.0</b>	<b>2 231.6</b>	<b>64.5</b>	<b>2 370.2</b>	<b>2 611.7</b>	<b>2 478.6</b>	<b>2 754.0</b>	<b>2 864.7</b>	<b>181.1%</b>
Compensation of employees	17.8	965.8	27.6	1 226.4	1 405.3	1 382.6	1 509.5	1 551.5	173.2%
Goods and services	43.2	1 224.0	36.8	1 097.5	1 138.8	1 045.5	1 174.3	1 241.0	192.5%
Depreciation	-	41.8	-	46.2	67.6	50.5	70.2	72.3	153.0%
Interest, dividends and rent on land	-	0.0	-	0.0	-	0.1	-	-	-
<b>Transfers and subsidies</b>	<b>399.0</b>	<b>11 765.4</b>	<b>346.9</b>	<b>11 884.7</b>	<b>13 021.6</b>	<b>12 748.1</b>	<b>14 227.4</b>	<b>14 783.8</b>	<b>182.8%</b>
<b>Total expenses</b>	<b>460.0</b>	<b>13 997.0</b>	<b>411.4</b>	<b>14 254.8</b>	<b>15 633.3</b>	<b>15 226.7</b>	<b>16 981.4</b>	<b>17 648.6</b>	<b>182.5%</b>
<b>Surplus/(Deficit)</b>	<b>13 095.9</b>	<b>1 405.1</b>	<b>14 660.5</b>	<b>957.7</b>	<b>146.6</b>	<b>958.4</b>	<b>(698.4)</b>	<b>(500.3)</b>	

**Table 17.30 Sector education and training authorities statements of historical financial performance, cash flow and financial position**

Cash flow statement									
	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
<b>Cash flow from operating activities</b>	<b>285.0</b>	<b>1 955.9</b>	<b>384.3</b>	<b>1 535.3</b>	<b>755.3</b>	<b>2 373.8</b>	<b>834.4</b>	<b>1 296.4</b>	<b>317.0%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>497.3</b>	<b>1 150.3</b>	<b>757.1</b>	<b>1 287.1</b>	<b>1 180.3</b>	<b>1 405.8</b>	<b>1 297.7</b>	<b>1 300.7</b>	<b>137.8%</b>
Sales of goods and services other than capital assets	0.1	0.2	0.2	1.7	0.2	0.9	0.2	0.2	438.5%
Other sales	0.1	0.2	0.2	1.7	0.2	0.9	0.2	0.2	438.5%
Other tax receipts	497.2	1 150.1	756.9	1 285.5	1 180.1	1 404.9	1 297.5	1 300.4	137.8%
<b>Transfers received</b>	<b>12 616.8</b>	<b>13 477.5</b>	<b>13 560.4</b>	<b>14 132.2</b>	<b>14 329.4</b>	<b>15 014.0</b>	<b>15 072.0</b>	<b>14 995.1</b>	<b>103.7%</b>
<b>Total receipts</b>	<b>13 114.1</b>	<b>14 629.2</b>	<b>14 317.5</b>	<b>15 423.3</b>	<b>15 509.6</b>	<b>16 434.5</b>	<b>16 369.8</b>	<b>16 295.7</b>	<b>105.9%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>2 143.5</b>	<b>1 901.4</b>	<b>2 142.3</b>	<b>2 086.9</b>	<b>2 305.8</b>	<b>2 154.7</b>	<b>2 409.0</b>	<b>2 373.4</b>	<b>94.6%</b>
Compensation of employees	887.8	952.4	1 170.5	1 124.6	1 263.0	1 227.2	1 328.8	1 231.8	97.5%
Goods and services	1 255.5	949.0	971.7	962.1	1 042.8	927.3	1 080.2	1 141.4	91.5%
Interest and rent on land	0.1	0.0	0.0	0.2	0.0	0.1	0.0	0.1	316.7%
<b>Transfers and subsidies</b>	<b>10 683.7</b>	<b>10 771.9</b>	<b>11 788.5</b>	<b>11 801.2</b>	<b>12 448.6</b>	<b>11 906.1</b>	<b>13 126.3</b>	<b>12 626.0</b>	<b>98.0%</b>
<b>Total payments</b>	<b>12 829.1</b>	<b>12 673.2</b>	<b>13 933.2</b>	<b>13 888.1</b>	<b>14 754.4</b>	<b>14 060.7</b>	<b>15 535.3</b>	<b>14 999.3</b>	<b>97.5%</b>
<b>Net cash flow from investing activities</b>	<b>(365.8)</b>	<b>1 525.5</b>	<b>215.1</b>	<b>(25.8)</b>	<b>(133.9)</b>	<b>(200.1)</b>	<b>(105.5)</b>	<b>(165.3)</b>	<b>-290.7%</b>
Acquisition of property, plant, equipment and intangible assets	(4.0)	(56.1)	(68.8)	(137.1)	(64.3)	(157.0)	(64.3)	(77.5)	212.3%
Investment property	-	-	-	-	-	-	-	-	-
Acquisition of software and other intangible assets	(31.9)	(28.2)	(35.1)	(19.4)	(69.6)	(44.2)	(37.1)	(83.7)	101.0%
Other flows from investing activities	(329.9)	1 608.8	319.8	129.5	-	0.1	(4.1)	(4.1)	-12 145.2%
<b>Net cash flow from financing activities</b>	<b>(1.9)</b>	<b>3.2</b>	<b>(0.5)</b>	<b>(1.6)</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>(1.8)</b>	<b>(1.3)</b>	<b>23.6%</b>
Borrowing activities	-	0.3	-	-	-	-	-	-	-
Other flows from financing activities	-	-	-	-	-	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(82.7)</b>	<b>3 484.6</b>	<b>598.9</b>	<b>1 507.9</b>	<b>619.7</b>	<b>2 172.0</b>	<b>727.1</b>	<b>1 129.8</b>	
<b>Statement of financial position</b>									
Carrying value of assets	571.2	344.5	554.4	400.6	508.2	522.2	513.0	602.1	87.1%
Investments	1 950.0	105.6	-	-	-	-	-	-	5.4%
Inventory	3.8	5.0	4.0	6.0	5.6	6.1	5.8	5.2	116.0%
Loans	-	-	-	-	-	-	-	-	-
Defined benefit plan assets	-	-	-	-	-	-	-	-	-
Taxation	-	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>11 383.5</b>	<b>18 888.6</b>	<b>13 116.5</b>	<b>20 088.8</b>	<b>15 480.7</b>	<b>19 795.9</b>	<b>16 534.9</b>	<b>16 491.4</b>	<b>133.2%</b>
Accumulated surplus/(deficit)	4 346.3	6 109.0	5 440.9	6 814.7	6 891.8	8 428.7	7 108.7	7 078.6	119.5%
Capital and reserves	4 892.2	9 162.7	5 052.5	9 808.2	5 876.3	7 794.6	6 700.2	6 742.2	148.8%
Borrowings	1.1	-	1.2	-	1.2	-	1.3	-	-
Finance lease	6.7	3.9	0.6	2.1	0.6	1.1	2.3	1.9	88.0%
Accrued interest	-	-	-	-	-	-	-	-	-
Benefits payable	-	-	-	-	-	-	-	0.3	-
Taxation	-	-	-	-	-	-	-	-	-
Provisions	720.9	1 569.3	720.4	1 194.9	738.1	985.3	589.5	453.2	151.8%
Managed funds (e.g. Poverty Alleviation Fund)	-	-	-	-	-	-	-	-	-
<b>Total equity and liabilities</b>	<b>11 353.3</b>	<b>18 888.6</b>	<b>13 116.5</b>	<b>20 088.8</b>	<b>15 480.7</b>	<b>19 795.9</b>	<b>16 534.9</b>	<b>16 491.4</b>	<b>133.2%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 17.31 Sector education and training authorities statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 687.8</b>	<b>-0.3%</b>	<b>10.8%</b>	<b>1 545.1</b>	<b>1 622.8</b>	<b>1 586.1</b>	<b>-2.0%</b>	<b>8.8%</b>	
Sale of goods and services other than capital assets	31.7	-	0.0%	-	-	-	-100.0%	0.0%	
Administrative fees	31.7	-	0.0%	-	-	-	-100.0%	0.0%	
Other non-tax revenue	1 656.1	-0.9%	10.7%	1 545.1	1 622.8	1 586.1	-1.4%	8.8%	
<b>Transfers received</b>	<b>15 460.5</b>	<b>4.1%</b>	<b>89.2%</b>	<b>16 096.3</b>	<b>17 073.2</b>	<b>18 214.3</b>	<b>5.6%</b>	<b>91.2%</b>	
<b>Total revenue</b>	<b>17 148.3</b>	<b>3.6%</b>	<b>100.0%</b>	<b>17 641.4</b>	<b>18 695.9</b>	<b>19 800.4</b>	<b>4.9%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>2 864.7</b>	<b>8.7%</b>	<b>16.3%</b>	<b>3 109.8</b>	<b>3 286.6</b>	<b>3 534.3</b>	<b>7.3%</b>	<b>17.7%</b>	
Compensation of employees	1 551.5	17.1%	8.3%	1 689.6	1 803.3	1 968.2	8.3%	9.7%	
Goods and services	1 241.0	0.5%	7.6%	1 336.3	1 394.0	1 474.2	5.9%	7.6%	
Depreciation	72.3	20.1%	0.3%	83.9	89.4	91.9	8.3%	0.5%	
<b>Transfers and subsidies</b>	<b>14 783.8</b>	<b>7.9%</b>	<b>83.7%</b>	<b>13 982.5</b>	<b>14 740.2</b>	<b>15 752.7</b>	<b>2.1%</b>	<b>82.3%</b>	
<b>Total expenses</b>	<b>17 648.6</b>	<b>8.0%</b>	<b>100.0%</b>	<b>17 092.3</b>	<b>18 026.8</b>	<b>19 287.0</b>	<b>3.0%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(500.3)</b>			<b>549.1</b>	<b>669.1</b>	<b>513.4</b>			



**Table 17.31 Sector education and training authorities statements of estimates of financial performance, cash flow and financial position**

Cash flow statement	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)			
				2019/20	2016/17 - 2019/20	2020/21			2021/22	2022/23	2019/20 - 2022/23
				R million							
<b>Cash flow from operating activities</b>	<b>1 296.4</b>	<b>-12.8%</b>	<b>8.2%</b>	<b>1 777.1</b>	<b>1 872.7</b>	<b>1 977.8</b>	<b>14.3%</b>	<b>7.8%</b>			
<b>Receipts</b>											
<b>Non-tax receipts</b>	<b>1 300.7</b>	<b>4.2%</b>	<b>8.2%</b>	<b>1 318.5</b>	<b>1 391.4</b>	<b>1 458.5</b>	<b>3.9%</b>	<b>7.8%</b>			
Sales of goods and services other than capital assets	0.2	4.1%	0.0%	0.2	0.2	0.2	5.2%	0.0%			
Other sales	0.2	4.1%	0.0%	0.2	0.2	0.2	5.2%	0.0%			
Other tax receipts	1 300.4	4.2%	8.2%	1 318.3	1 391.2	1 458.3	3.9%	7.8%			
<b>Transfers received</b>	<b>14 995.1</b>	<b>3.6%</b>	<b>91.8%</b>	<b>15 551.3</b>	<b>16 588.9</b>	<b>17 357.3</b>	<b>5.0%</b>	<b>92.2%</b>			
<b>Total receipts</b>	<b>16 295.7</b>	<b>3.7%</b>	<b>100.0%</b>	<b>16 869.8</b>	<b>17 980.4</b>	<b>18 815.8</b>	<b>4.9%</b>	<b>100.0%</b>			
<b>Current payments</b>	<b>2 373.4</b>	<b>7.7%</b>	<b>14.0%</b>	<b>2 468.9</b>	<b>2 641.3</b>	<b>2 848.3</b>	<b>6.3%</b>	<b>16.4%</b>			
Compensation of employees	1 231.8	9.0%	7.4%	1 322.6	1 440.5	1 593.1	9.0%	8.8%			
Goods and services	1 141.4	6.3%	6.5%	1 146.2	1 200.8	1 255.2	3.2%	7.5%			
Interest and rent on land	0.1	77.1%	0.0%	0.1	0.0	0.0	-41.8%	0.0%			
<b>Transfers and subsidies</b>	<b>12 626.0</b>	<b>5.4%</b>	<b>77.4%</b>	<b>12 623.8</b>	<b>13 466.3</b>	<b>13 989.7</b>	<b>3.5%</b>	<b>83.6%</b>			
<b>Total payment</b>	<b>14 999.3</b>	<b>5.8%</b>	<b>100.0%</b>	<b>15 092.8</b>	<b>16 107.6</b>	<b>16 838.0</b>	<b>3.9%</b>	<b>100.0%</b>			
<b>Net cash flow from investing activities</b>	<b>(165.3)</b>	<b>-147.7%</b>	<b>100.0%</b>	<b>(164.2)</b>	<b>(175.1)</b>	<b>(252.4)</b>	<b>15.2%</b>	<b>100.0%</b>			
Acquisition of property, plant, equipment and intangible assets	(77.5)	11.3%	163.4%	(61.8)	(68.4)	(78.9)	0.6%	38.7%			
Investment property	-	-	-	-	-	(60.0)	-	5.9%			
Acquisition of software and other intangible assets	(83.7)	43.8%	36.5%	(98.1)	(102.1)	(108.7)	9.1%	52.9%			
<b>Net cash flow from financing activities</b>	<b>(1.3)</b>	<b>-174.2%</b>	<b>100.0%</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>4.2%</b>	<b>100.0%</b>			
Borrowing activities	-	-100.0%	2.4%	-	-	-	-	-			
Other flows from financing activities	-	-	-	-	-	-	-	-			
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1 129.8</b>	<b>-31.3%</b>	<b>100.0%</b>	<b>1 611.4</b>	<b>1 696.2</b>	<b>1 723.9</b>	<b>15.1%</b>	<b>100.0%</b>			
<b>Statement of financial position</b>											
Investments	-	-100.0%	0.1%	-	-	-	-	-			
Inventory	5.2	1.3%	0.0%	5.4	5.8	10.1	24.5%	0.0%			
Loans	-	-	-	-	-	-	-	-			
Defined benefit plan assets	-	-	-	-	-	-	-	-			
Taxation	-	-	-	-	-	-	-	-			
Derivatives financial instruments	-	-	-	-	-	-	-	-			
<b>Total assets</b>	<b>16 491.4</b>	<b>-4.4%</b>	<b>100.0%</b>	<b>17 551.1</b>	<b>20 027.6</b>	<b>19 824.3</b>	<b>6.3%</b>	<b>100.0%</b>			
Capital and reserves	6 742.2	-9.7%	44.4%	6 895.6	9 113.8	9 417.9	11.8%	43.3%			
Borrowings	-	-	-	-	-	-	-	-			
Finance lease	1.9	-21.6%	0.0%	1.9	1.8	1.9	0.6%	0.0%			
Accrued interest	-	-	-	-	-	-	-	-			
Benefits payable	0.3	-	0.0%	0.3	0.4	0.4	2.7%	0.0%			
Taxation	-	-	-	-	-	-	-	-			
Provisions	453.2	-33.9%	5.5%	474.2	572.0	550.3	6.7%	2.8%			
Managed funds (e.g. Poverty Alleviation Fund)	-	-	-	-	-	-	-	-			
<b>Total equity and liabilities</b>	<b>16 491.4</b>	<b>-4.4%</b>	<b>100.0%</b>	<b>17 551.1</b>	<b>20 027.6</b>	<b>19 824.3</b>	<b>6.3%</b>	<b>100.0%</b>			

**Personnel information****Table 17.32 Sector education and training authorities personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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						2019/20	2022/23	Average growth rate (%)	Average: Salary level/ Total (%)			
		2018/19		2019/20		2020/21		2021/22		2022/23										
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
<b>Sector education and training authorities</b>		<b>2 634</b>	<b>2 671</b>	<b>2 592</b>	<b>1 382.6</b>	<b>0.5</b>	<b>2 615</b>	<b>1 551.5</b>	<b>0.6</b>	<b>2 606</b>	<b>1 689.6</b>	<b>0.6</b>	<b>2 662</b>	<b>1 803.3</b>	<b>0.7</b>	<b>2 666</b>	<b>1 968.2</b>	<b>0.7</b>	<b>8.3%</b>	<b>100.0%</b>
1 – 6	552	565	557	92.1	0.2	560	104.2	0.2	547	110.5	0.2	547	118.6	0.2	549	126.6	0.2	6.7%	20.9%	
7 – 10	1 417	1 432	1 351	635.4	0.5	1 387	726.1	0.5	1 387	798.1	0.6	1 429	885.3	0.6	1 432	940.2	0.7	9.0%	53.4%	
11 – 12	441	448	481	371.6	0.8	442	376.5	0.9	450	407.2	0.9	461	412.7	0.9	460	473.6	1.0	8.0%	17.2%	
13 – 16	215	217	193	258.4	1.3	217	318.0	1.5	213	343.3	1.6	216	354.0	1.6	216	395.4	1.8	7.5%	8.2%	
17 – 22	10	10	10	25.0	2.5	10	26.7	2.7	10	30.5	3.1	10	32.6	3.3	10	32.4	3.3	6.7%	0.4%	

1. Rand million.

## Council on Higher Education

### Selected performance indicators

**Table 17.33 Council on Higher Education 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
Completion of the phases in the review and further development of the higher education qualifications sub-framework per year	Management of the higher education qualifications sub-framework		2	0	0	1	1	2	3
Number of qualification standards fully developed or reviewed per year	Management of the higher education qualifications sub-framework		4	0	1	1	3	3	3
Number of capacity development interventions or initiatives coordinated per year	Management of the higher education qualifications sub-framework		-1	-1	-1	-1	5	10	15
Percentage of programme accreditation applications received that go through the accreditation process and are presented to the higher education qualifications committee within 8 months of the date of the appointment of evaluators per year	Quality assurance		86% (660/771)	85% (619/725)	69% (580/836)	75%	85%	85%	85%
Percentage of programme re-accreditation applications received that go through the accreditation process and are presented to the higher education qualifications committee within 8 months of the date of the appointment of evaluators per year	Quality assurance	Priority 2: Education, skills and health	100% (139)	81% (192/237)	73% (102/139)	100%	100%	100%	100%
Percentage of site visits undertaken whose reports are presented to the higher education qualifications committee within 4 months of the date of receipt of reports from the site visit panels per year	Quality assurance		66% (37/56)	72% (28/39)	95% (38/40)	75%	95%	95%	95%
Number of journals/journal articles or books/book chapters published per year	Research, monitoring and advice		2	1	0	1	3	3	3
Number of VitalStats produced per year	Research, monitoring and advice		1	2	1	1	1	1	1
Percentage of requests for advice responded to with the submission of advice per year	Research, monitoring and advice		100% (4)	100% (2)	100% (1)	80%	100%	100%	100%
Number of pieces of proactive advice produced and submitted per year	Research, monitoring and advice		0	0	2	2	3	3	3

1. No historical data available.

### Entity overview

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 promotion of higher education. The council's quality assurance role and its promotion of quality higher education contribute to the post-school sector's broader imperative of providing access to education and training of the highest quality that leads to significantly improved learning outcomes.

Over the medium term, the council will continue to focus on becoming a recognised centre for information and policy analysis on higher education, and on advising the Minister of Higher Education, Science and Technology on all higher education matters by conducting research on and monitoring the state of the sector.

As the council's core functions of providing research, quality assurance, knowledge and advisory services, and monitoring and evaluation are labour intensive, spending on compensation of employees accounts for an estimated 73 per cent (R145.7 million) of the total budget of R199.2 million over the medium term. Although the number of personnel at the council is expected to remain constant at 80 over the period ahead, spending on compensation of employees is set to increase at an average annual rate of 7.7 per cent, from R40.7 million in 2019/20 to R50.9 million in 2022/23. Of the remainder of the council's budget over the medium term,

estimated expenditure of R24.7 million is earmarked for the accreditation and re-accreditation of all programmes submitted by institutions, R18.8 million for institutional site visits, and R8.2 million for audits of higher education institutions.

Transfers from the department account for an estimated 89 per cent (R177 million) of the council's total revenue over the MTEF period, increasing at an average annual rate of 2.9 per cent, from R56.5 million in 2019/20 to R61.5 million in 2022/23. The remaining 11 per cent is derived through interest earned on investments and accreditation services provided to private higher education institutions.

### Programmes/Objectives/Activities

**Table 17.34 Council on Higher Education expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	31.8	33.1	33.9	27.7	-4.5%	52.9%	24.6	24.6	27.1	-0.7%	40.2%
Management of the higher education qualifications sub-framework	12.8	15.8	17.6	21.1	18.0%	28.1%	23.9	27.5	28.1	10.1%	38.6%
Quality assurance	5.7	4.8	3.8	5.8	0.5%	8.4%	6.5	8.9	8.9	15.2%	11.5%
Assessment quality assurance mechanism	3.7	-	-	-	-100.0%	1.6%	-	-	-	-	-
Research, monitoring and advice	5.0	5.3	5.4	5.6	3.5%	8.9%	7.9	5.5	5.7	0.9%	9.6%
<b>Total</b>	<b>59.1</b>	<b>59.0</b>	<b>60.8</b>	<b>60.1</b>	<b>0.6%</b>	<b>100.0%</b>	<b>62.9</b>	<b>66.5</b>	<b>69.8</b>	<b>5.1%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 17.35 Council on Higher Education statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>5.2</b>	<b>8.2</b>	<b>5.9</b>	<b>7.5</b>	<b>5.1</b>	<b>7.7</b>	<b>6.6</b>	<b>6.6</b>	<b>131.4%</b>
Sale of goods and services other than capital assets	4.0	7.2	5.1	6.2	4.3	6.2	5.4	5.4	133.3%
<i>of which:</i>									
Administrative fees	4.0	7.2	5.1	6.2	4.3	6.2	5.4	5.4	133.3%
Other non-tax revenue	1.2	1.0	0.9	1.3	0.9	1.5	1.2	1.2	122.2%
<b>Transfers received</b>	<b>52.0</b>	<b>41.8</b>	<b>50.7</b>	<b>62.7</b>	<b>52.2</b>	<b>51.4</b>	<b>53.2</b>	<b>56.5</b>	<b>102.1%</b>
<b>Total revenue</b>	<b>57.2</b>	<b>50.0</b>	<b>56.6</b>	<b>70.2</b>	<b>57.3</b>	<b>59.1</b>	<b>59.8</b>	<b>63.1</b>	<b>105.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>57.2</b>	<b>59.1</b>	<b>56.6</b>	<b>59.0</b>	<b>65.9</b>	<b>60.8</b>	<b>59.8</b>	<b>60.1</b>	<b>99.8%</b>
Compensation of employees	31.4	30.0	33.3	33.0	37.8	33.7	40.0	40.7	96.5%
Goods and services	25.8	26.8	23.3	23.7	25.8	24.9	19.8	17.2	97.7%
Depreciation	-	2.2	-	2.3	2.3	2.2	-	2.3	397.4%
<b>Total expenses</b>	<b>57.2</b>	<b>59.1</b>	<b>56.6</b>	<b>59.0</b>	<b>65.9</b>	<b>60.8</b>	<b>59.8</b>	<b>60.1</b>	<b>99.8%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>(9.1)</b>	<b>-</b>	<b>11.2</b>	<b>(8.6)</b>	<b>(1.7)</b>	<b>-</b>	<b>2.9</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(3.1)</b>	<b>(7.8)</b>	<b>1.1</b>	<b>13.9</b>	<b>(6.9)</b>	<b>(3.3)</b>	<b>1.4</b>	<b>(1.3)</b>	<b>-19.7%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>4.9</b>	<b>7.6</b>	<b>5.9</b>	<b>10.9</b>	<b>5.1</b>	<b>7.9</b>	<b>5.1</b>	<b>5.1</b>	<b>150.1%</b>
Sales of goods and services other than capital assets	4.0	6.6	5.1	9.6	4.3	6.4	4.2	4.2	152.8%
Administrative fees	4.0	6.6	5.1	9.6	4.3	6.4	4.2	4.2	152.8%
Other tax receipts	0.9	1.0	0.9	1.3	0.9	1.5	0.9	0.9	135.9%
<b>Transfers received</b>	<b>40.9</b>	<b>41.8</b>	<b>50.7</b>	<b>60.5</b>	<b>52.2</b>	<b>51.4</b>	<b>53.2</b>	<b>53.2</b>	<b>105.1%</b>
<b>Total receipts</b>	<b>45.8</b>	<b>49.4</b>	<b>56.6</b>	<b>71.4</b>	<b>57.3</b>	<b>59.3</b>	<b>58.3</b>	<b>58.3</b>	<b>109.4%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>48.8</b>	<b>57.2</b>	<b>55.5</b>	<b>57.5</b>	<b>64.2</b>	<b>62.7</b>	<b>56.9</b>	<b>59.6</b>	<b>105.1%</b>
Compensation of employees	31.7	29.0	33.3	31.8	37.8	32.0	35.4	35.4	92.8%
Goods and services	17.1	28.1	22.2	25.7	26.4	30.6	21.5	24.2	124.7%
<b>Total payments</b>	<b>48.8</b>	<b>57.2</b>	<b>55.5</b>	<b>57.5</b>	<b>64.2</b>	<b>62.7</b>	<b>56.9</b>	<b>59.6</b>	<b>105.1%</b>

**Table 17.35 Council on Higher Education 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
<b>Net cash flow from investing activities</b>	<b>(1.8)</b>	<b>(0.5)</b>	<b>(1.1)</b>	<b>(1.4)</b>	<b>(1.7)</b>	<b>(1.1)</b>	<b>(1.8)</b>	<b>(1.8)</b>	<b>73.6%</b>
Acquisition of property, plant, equipment and intangible assets	(1.3)	(0.2)	(1.1)	(1.2)	(1.2)	(0.8)	(1.3)	(1.3)	69.9%
Acquisition of software and other intangible assets	(0.5)	(0.3)	–	(0.2)	(0.5)	(0.2)	(0.5)	(0.5)	85.9%
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	0.0	–	0.0	0.0	–	0.0	0.0	81.4%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(4.8)</b>	<b>(8.3)</b>	<b>0.0</b>	<b>12.5</b>	<b>(8.6)</b>	<b>(4.4)</b>	<b>(0.4)</b>	<b>(3.0)</b>	
Statement of financial position									
Carrying value of assets	42.4	35.6	45.8	34.4	45.7	33.3	45.7	45.7	82.9%
Acquisition of assets	(1.3)	(0.2)	(1.1)	(1.2)	(1.2)	(0.8)	(1.3)	(1.3)	69.9%
Receivables and prepayments	0.6	1.1	0.6	0.8	0.6	0.7	0.6	0.6	131.4%
Cash and cash equivalents	10.4	6.5	7.1	19.4	7.5	20.4	7.5	7.5	165.8%
<b>Total assets</b>	<b>53.4</b>	<b>43.2</b>	<b>53.6</b>	<b>54.6</b>	<b>53.8</b>	<b>54.4</b>	<b>53.8</b>	<b>53.8</b>	<b>96.0%</b>
Accumulated surplus/(deficit)	44.5	26.1	42.1	37.3	42.1	35.7	42.1	42.1	82.7%
Capital and reserves	4.9	7.3	7.3	7.3	7.3	7.3	7.3	7.3	108.9%
Capital reserve fund	–	–	–	0.9	–	1.2	–	–	–
Trade and other payables	3.2	7.8	3.3	6.9	3.5	7.7	3.5	3.5	191.9%
Provisions	0.8	2.0	0.8	2.2	0.9	2.5	0.9	0.9	219.6%
<b>Total equity and liabilities</b>	<b>53.4</b>	<b>43.2</b>	<b>53.6</b>	<b>54.6</b>	<b>53.8</b>	<b>54.4</b>	<b>53.8</b>	<b>53.8</b>	<b>96.0%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 17.36 Council on Higher Education statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>6.6</b>	<b>-7.1%</b>	<b>12.6%</b>	<b>6.7</b>	<b>7.2</b>	<b>8.3</b>	<b>8.2%</b>	<b>11.0%</b>	
Sale of goods and services other than capital assets	5.4	-9.4%	10.5%	5.3	5.6	6.2	5.1%	8.6%	
Administrative fees	5.4	-9.4%	10.5%	5.3	5.6	6.2	5.1%	8.6%	
Other non-tax revenue	1.2	7.1%	2.1%	1.5	1.6	2.1	20.2%	2.4%	
<b>Transfers received</b>	<b>56.5</b>	<b>10.6%</b>	<b>87.4%</b>	<b>56.2</b>	<b>59.3</b>	<b>61.5</b>	<b>2.9%</b>	<b>89.0%</b>	
<b>Total revenue</b>	<b>63.1</b>	<b>8.1%</b>	<b>100.0%</b>	<b>62.9</b>	<b>66.5</b>	<b>69.8</b>	<b>3.5%</b>	<b>100.0%</b>	
<b>Current expenses</b>	<b>60.1</b>	<b>0.6%</b>	<b>100.0%</b>	<b>62.9</b>	<b>66.5</b>	<b>69.8</b>	<b>5.1%</b>	<b>100.0%</b>	
Compensation of employees	40.7	10.7%	57.5%	45.9	49.0	50.9	7.7%	71.8%	
Goods and services	17.2	-13.7%	38.8%	16.6	17.1	18.1	1.7%	26.7%	
Depreciation	2.3	0.1%	3.8%	0.5	0.4	0.8	-28.6%	1.6%	
<b>Total expenses</b>	<b>60.1</b>	<b>0.6%</b>	<b>100.0%</b>	<b>62.9</b>	<b>66.5</b>	<b>69.8</b>	<b>5.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>2.9</b>			<b>–</b>	<b>–</b>	<b>–</b>			
Cash flow statement									
<b>Cash flow from operating activities</b>	<b>(1.3)</b>	<b>-45.3%</b>	<b>35.6%</b>	<b>(6.2)</b>	<b>(1.7)</b>	<b>(0.9)</b>	<b>47.8%</b>	<b>27.5%</b>	
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>5.1</b>	<b>-12.4%</b>	<b>13.2%</b>	<b>7.2</b>	<b>8.1</b>	<b>8.8</b>	<b>20.0%</b>	<b>11.2%</b>	
Sales of goods and services other than capital assets	4.2	-14.0%	11.2%	5.3	5.6	6.2	13.9%	8.2%	
Administrative fees	4.2	-14.0%	11.2%	5.3	5.6	6.2	13.9%	8.2%	
Other tax receipts	0.9	-2.8%	2.0%	1.9	2.5	2.6	42.5%	3.0%	
<b>Transfers received</b>	<b>53.2</b>	<b>8.4%</b>	<b>86.8%</b>	<b>56.2</b>	<b>59.3</b>	<b>61.5</b>	<b>4.9%</b>	<b>88.8%</b>	
<b>Total receipts</b>	<b>58.3</b>	<b>5.7%</b>	<b>100.0%</b>	<b>63.3</b>	<b>67.4</b>	<b>70.3</b>	<b>6.4%</b>	<b>100.0%</b>	
<b>Current payments</b>	<b>59.6</b>	<b>1.4%</b>	<b>99.1%</b>	<b>69.6</b>	<b>69.1</b>	<b>71.3</b>	<b>6.1%</b>	<b>100.0%</b>	
Compensation of employees	35.4	6.9%	53.7%	47.9	50.1	47.7	10.4%	66.9%	
Goods and services	24.2	-4.9%	45.5%	21.7	19.0	23.6	-0.9%	33.1%	
<b>Total payment</b>	<b>59.6</b>	<b>1.4%</b>	<b>100.0%</b>	<b>69.6</b>	<b>69.1</b>	<b>71.3</b>	<b>6.1%</b>	<b>100.0%</b>	
<b>Net cash flow from investing activities</b>	<b>(1.8)</b>	<b>53.5%</b>	<b>100.0%</b>	<b>(2.8)</b>	<b>(2.5)</b>	<b>(2.1)</b>	<b>6.0%</b>	<b>100.0%</b>	
Acquisition of property, plant, equipment and intangible assets	(1.3)	95.7%	67.6%	(2.3)	(1.7)	(1.4)	3.4%	72.2%	
Acquisition of software and other intangible assets	(0.5)	15.9%	34.3%	(0.6)	(0.8)	(0.7)	9.9%	28.7%	
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	16.5%	-1.9%	0.0	0.0	–	-100.0%	-0.9%	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3.0)</b>	<b>-28.4%</b>	<b>100.0%</b>	<b>(9.1)</b>	<b>(4.2)</b>	<b>(3.0)</b>	<b>-0.0%</b>	<b>100.0%</b>	

**Table 17.36 Council on Higher Education statements of estimates of financial performance, cash flow and financial position**

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2019/20	2016/17 - 2019/20	2020/21		
R million								
Carrying value of assets	45.7	8.7%	72.9%	47.4	47.4	48.0	1.7%	84.6%
Acquisition of assets	(1.3)	95.7%	-1.6%	(2.3)	(1.7)	(1.4)	3.4%	-3.0%
Receivables and prepayments	0.6	-17.5%	1.6%	1.1	1.1	1.1	21.8%	1.8%
Cash and cash equivalents	7.5	4.7%	25.5%	7.5	7.5	7.8	1.4%	13.6%
<b>Total assets</b>	<b>53.8</b>	<b>7.6%</b>	<b>100.0%</b>	<b>56.0</b>	<b>56.0</b>	<b>57.0</b>	<b>1.9%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	42.1	17.2%	68.2%	43.8	43.8	45.7	2.7%	78.7%
Capital and reserves	7.3	0.0%	14.3%	7.3	7.3	7.3	-	13.1%
Trade and other payables	3.5	-23.2%	12.9%	4.0	4.0	3.0	-5.3%	6.6%
Provisions	0.9	-23.4%	3.7%	0.9	0.9	1.0	3.9%	1.6%
<b>Total equity and liabilities</b>	<b>53.8</b>	<b>7.6%</b>	<b>100.0%</b>	<b>56.0</b>	<b>56.0</b>	<b>57.0</b>	<b>1.9%</b>	<b>100.0%</b>

## Personnel information

**Table 17.37 Council on Higher Education personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020	Number and cost <sup>1</sup> 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			2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23								
Council on Higher Education		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	80	80	75	33.7	0.4	80	40.7	0.5	80	45.9	0.6	80	49.0	0.6	80	50.9	0.6	7.7%	100.0%
1 – 6	30	30	30	1.8	0.1	30	1.9	0.1	30	2.2	0.1	30	2.3	0.1	30	2.4	0.1	7.9%	37.5%
7 – 10	31	31	27	16.1	0.6	29	18.2	0.6	29	20.6	0.7	29	22.0	0.8	29	22.8	0.8	7.8%	36.3%
11 – 12	13	13	12	10.0	0.8	13	11.9	0.9	13	13.4	1.0	13	14.3	1.1	13	14.8	1.1	7.7%	16.3%
13 – 16	6	6	6	5.9	1.0	8	8.7	1.1	8	9.8	1.2	8	10.4	1.3	8	10.8	1.4	7.7%	10.0%

1. Rand million.

## Quality Council for Trades and Occupations

### Selected performance indicators

**Table 17.38 Quality Council for Trades and Occupations performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of prioritised occupational qualifications recommended to the South African Qualifications Authority for registration on the occupational qualifications sub-framework per year	Occupational qualifications management		80	111	76	50	120	70	50
Percentage of skills development providers accreditation applications offering occupational qualifications and part qualifications processed within 90 working days per year	Occupational qualifications management	Priority 2: Education, skills and health	- <sup>1</sup>	87% (313/358)	63% (159/250)	90%	90%	90%	90%
Percentage of assessment centre accreditations processed within 30 days per year	Occupational quality assurance		100% (137)	100% (183)	100% (173)	100%	100%	100%	100%
Percentage of assessments for occupational qualifications and part qualifications quality assured against Quality Council for Trade and Occupations standards per year	Occupational quality assurance		- <sup>1</sup>	100% (13)	100% (16)	100%	95%	95%	90%
Percentage of requests for the verification of authenticity of certificates received and verified within 5 working days per year	Occupational quality assurance		100% (8 710)	99.99% (10 443/ 10 444)	100% (10 944)	95%	95%	95%	95%

1. No historical data available.

## Entity overview

The Quality Council for Trades and Occupations was established through the Skills Development Act (1998). It 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, Science and Technology on all matters of policy concerning occupational standards and qualifications. The council's quality assurance role and its management of the occupational qualifications sub-framework contribute to the post-school sector's broader imperative of providing access to education and training of the highest quality that leads to significantly improved learning outcomes.

Over the medium term, the council will continue to focus on promoting and supporting skills development by managing 240 occupational qualifications sub-frameworks; certifying occupational qualifications; and intensifying its quality assurance functions on occupational qualifications by evaluating, assessing and verifying the qualifications provided by registered providers.

As the work of the council is labour intensive, spending on compensation of employees accounts for an estimated 55.3 per cent (R225.6 million) of the council's total budget of R408.1million over the medium term. The number of personnel in the council is set to increase from 92 in 2019/20 to 116 in 2022/23 as contract appointments are converted into permanent posts, leading to an increase in spending on compensation of employees from R59.7 million in 2019/20 to R81.6 million in 2022/23 at an average annual rate of 11 per cent.

The council is expected to derive 21.2 per cent (R86.4 million) of its revenue over the medium term through transfers from the department and 78.8 per cent (R321.7 million) through transfers from the administration costs for SETAs in exchange for assuring the quality of their skills and training programmes. Transfers from the department are expected to increase at an average annual rate of 4.8 per cent, from R26.1 million in 2019/20 to R30 million in 2022/23. The council's total revenue is expected to increase at an average annual rate of 2.9 per cent, from R135.6 million in 2019/20 to R147.6 million in 2022/23.

## Programmes/Objectives/Activities

**Table 17.39 Quality Council for Trades and Occupations expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	29.8	21.6	36.2	72.3	34.4%	40.4%	51.6	56.2	61.1	-5.5%	45.6%
Occupational qualifications management	14.6	19.5	24.9	29.0	25.7%	23.5%	32.5	35.5	38.5	9.9%	25.6%
Occupational quality assurance	32.1	33.2	31.5	29.0	-3.3%	35.6%	32.5	35.5	38.5	9.9%	25.6%
Research analysis and quality assurance	-	-	-	2.7	-	0.5%	4.3	4.7	5.1	23.8%	3.2%
<b>Total</b>	<b>76.5</b>	<b>74.3</b>	<b>92.6</b>	<b>133.1</b>	<b>20.2%</b>	<b>100.0%</b>	<b>121.0</b>	<b>131.9</b>	<b>143.3</b>	<b>2.5%</b>	<b>100.0%</b>

## Statements of historical financial performance, cash flow and financial position

**Table 17.40 Quality Council for Trades and Occupations statements of historical financial performance**

Statement of financial performance									
R million	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20		
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>8.0</b>	<b>3.9</b>	-	<b>4.8</b>	<b>30.4</b>	<b>9.0</b>	-	<b>19.2</b>	<b>96.2%</b>
Sale of goods and services other than capital assets	-	2.1	-	2.2	-	2.6	-	-	-
<i>of which:</i>									
Administrative fees	-	2.1	-	2.2	-	2.6	-	-	-
Other non-tax revenue	8.0	1.9	-	2.6	30.4	6.4	-	19.2	78.2%
<b>Transfers received</b>	<b>83.8</b>	<b>83.7</b>	<b>95.3</b>	<b>95.3</b>	<b>114.1</b>	<b>114.1</b>	<b>116.4</b>	<b>116.4</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>91.8</b>	<b>87.7</b>	<b>95.3</b>	<b>100.1</b>	<b>144.5</b>	<b>123.1</b>	<b>116.4</b>	<b>135.6</b>	<b>99.7%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>88.1</b>	<b>76.5</b>	<b>95.3</b>	<b>74.3</b>	<b>144.5</b>	<b>92.6</b>	<b>116.4</b>	<b>133.1</b>	<b>84.7%</b>
Compensation of employees	44.6	43.0	52.7	42.1	63.1	49.7	63.1	59.7	87.0%
Goods and services	43.5	33.5	42.6	32.2	81.4	42.9	53.3	73.4	82.4%
<b>Total expenses</b>	<b>88.1</b>	<b>76.5</b>	<b>95.3</b>	<b>74.3</b>	<b>144.5</b>	<b>92.6</b>	<b>116.4</b>	<b>133.1</b>	<b>84.7%</b>
<b>Surplus/(Deficit)</b>	<b>3.6</b>	<b>11.2</b>	<b>-</b>	<b>25.8</b>	<b>-</b>	<b>30.5</b>	<b>-</b>	<b>2.5</b>	

**Statements of estimates of financial performance, cash flow and financial position****Table 17.41 Quality Council for Trades and Occupations statements of estimates financial performance**

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	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
<b>Revenue</b>								
Non-tax revenue	19.2	69.4%	7.7%	-	-	-	-100.0%	3.5%
Other non-tax revenue	19.2	117.5%	6.0%	-	-	-	-100.0%	3.5%
Transfers received	116.4	11.6%	92.3%	124.6	135.9	147.6	8.2%	96.5%
<b>Total revenue</b>	<b>135.6</b>	<b>15.6%</b>	<b>100.0%</b>	<b>124.6</b>	<b>135.9</b>	<b>147.6</b>	<b>2.9%</b>	<b>100.0%</b>
<b>Current expenses</b>								
Compensation of employees	59.7	11.5%	52.9%	68.9	75.1	81.6	11.0%	53.9%
Goods and services	73.4	29.8%	47.1%	52.1	56.7	61.7	-5.6%	46.1%
<b>Total expenses</b>	<b>133.1</b>	<b>20.2%</b>	<b>100.0%</b>	<b>121.0</b>	<b>131.9</b>	<b>143.3</b>	<b>2.5%</b>	<b>100.0%</b>
Surplus/(Deficit)	2.5			3.7	4.0	4.4		

**Personnel information****Table 17.42 Quality Council for Trades and Occupations personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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						2019/20 - 2022/23	Average growth rate (%)	Average: Salary level/ Total (%)			
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost				2022/23		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	2019/20 - 2022/23		
Salary level	115	130	89	49.7	0.6	92	59.7	0.6	100	68.9	0.7	109	75.1	0.7	116	81.6	0.7	11.0%	100.0%
1-6	19	29	16	3.1	0.2	19	3.9	0.2	21	4.6	0.2	28	6.3	0.2	33	7.6	0.2	25.1%	23.9%
7-10	61	66	58	35.0	0.6	44	26.6	0.6	50	33.8	0.7	51	35.5	0.7	53	38.9	0.7	13.6%	47.6%
11-12	9	9	9	3.9	0.4	9	9.7	1.1	9	10.2	1.1	9	10.8	1.2	9	11.3	1.3	5.1%	8.7%
13-16	26	26	6	7.7	1.3	20	19.5	1.0	20	20.4	1.0	21	22.6	1.1	21	23.7	1.1	6.8%	19.8%

1. Rand million.

**South African Qualifications Authority****Selected performance indicators****Table 17.43 South African Qualifications Authority 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
Percentage of new qualifications and part qualifications received, recorded and registered on the national qualifications framework per year	Recognition and registration of qualifications and part qualifications	Priority 2: Education, skills and health	100% (361)	100% (385)	100% (358)	100%	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Percentage of professional bodies applications received and recognised on the national qualifications framework per year	Recognition and registration of qualifications and part qualifications		100% (8)	100% (13)	100% (10)	100%	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Percentage of applications received and completed for verifications of qualifications per year	National learners records database		100% (81 833)	100% (79 931)	100% (63 634)	100%	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Percentage completeness of learner achievement data from professional bodies on the national learners records database per year	National learners records database		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	100%	100%	100%
Number of updated registers of misrepresented and fraudulent qualifications per year	National learners records database		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	4	4	4

**Table 17.43 South African Qualifications Authority 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
Percentage of applications received and processed for foreign evaluation and advisory services per year	Foreign qualifications evaluation and advisory services		100% (25 395)	100% (25 216)	100% (20 636)	100%	- <sup>2</sup>	- <sup>2</sup>	- <sup>2</sup>
Number of initiatives to promote the regional and global standing of the national qualifications framework per year	International liaison	Priority 2: Education, skills and health	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	2	2	2
Number of initiatives to share international best practice per year	International liaison		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	2	2	2

1. No historical data available.

2. Indicator discontinued.

### Entity overview

The South African Qualifications Authority is a statutory body established in terms of the South African Qualifications Authority Act (1995). Its mandate and goals are to 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.

Over the MTEF period, the authority will focus on registering qualifications on the national qualifications framework, recognising professional bodies, registering professional designations, verifying national and foreign qualifications, establishing the national qualifications framework academy, reporting on misrepresented qualifications, and introducing peer monitoring for professional bodies.

As the registration and verification of qualifications or part qualifications is labour intensive, spending on compensation of employees accounts for an estimated 63.7 per cent (R331.1 million) of the authority's total budget of R527.5 million over the medium term. This spending is set to increase at an average annual rate of 6.8 per cent, from R94.9 million in 2019/20 to R115.6 million in 2022/23, in line with an expected increase in the number of personnel from 194 in 2019/20 to 197 in 2022/23. To enhance operational efficiency through automation and investments in modernised IT infrastructure, as well as to refurbish the authority's office building, spending on goods and services is set to increase at an average annual rate of 12.8 per cent, from R47.2 million in 2019/20 to R67.7 million in 2022/23.

The authority is expected to derive 45.3 per cent (R232.7 million) of its revenue through transfers from the department and 51.4 per cent (R277.8 million) through services rendered in terms of the National Qualifications Framework Act (2008). Total revenue is expected to increase at an average annual rate of 8.9 per cent, from R143 million in 2019/20 to R184.5 million in 2022/23, mainly driven by an increase in fees for evaluating foreign qualifications and an anticipated decrease in turnaround times.

### Programmes/Objectives/Activities

**Table 17.44 South African Qualifications Authority expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average: Expenditure/ Total (%)		Medium-term expenditure estimate			Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	
Administration	53.6	54.6	56.0	73.2	10.9%	49.2%	81.8	85.9	90.5	7.4%	49.5%
Registration and recognition	8.5	9.2	9.5	10.3	6.6%	7.8%	11.5	12.1	12.7	7.1%	7.0%
National learners records database	13.8	14.7	16.8	18.8	10.7%	13.3%	29.2	30.6	32.1	19.6%	16.4%
Foreign qualifications evaluation and advisory services	26.0	28.4	29.3	31.8	6.9%	24.1%	34.8	36.5	38.2	6.3%	21.1%
Research	4.2	4.2	3.7	5.8	11.9%	3.7%	6.8	7.1	7.5	8.7%	4.1%
International liaison	1.9	1.5	2.3	3.1	17.6%	1.8%	3.2	3.4	3.5	4.4%	2.0%
<b>Total</b>	<b>108.0</b>	<b>112.7</b>	<b>117.4</b>	<b>143.0</b>	<b>9.8%</b>	<b>100.0%</b>	<b>167.4</b>	<b>175.6</b>	<b>184.5</b>	<b>8.9%</b>	<b>100.0%</b>



**Statements of historical financial performance, cash flow and financial position****Table 17.45 South African Qualifications Authority 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
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>55.9</b>	<b>39.8</b>	<b>53.8</b>	<b>55.6</b>	<b>68.7</b>	<b>56.6</b>	<b>73.0</b>	<b>73.1</b>	<b>89.5%</b>
Sale of goods and services other than capital assets	42.0	32.4	42.5	47.3	63.0	50.2	68.1	68.1	91.9%
of which:									
Administrative fees	42.0	32.4	42.5	47.3	63.0	50.2	68.1	68.1	91.9%
Other non-tax revenue	13.9	7.4	11.3	8.2	5.7	6.4	4.8	4.9	75.4%
<b>Transfers received</b>	<b>56.9</b>	<b>56.9</b>	<b>64.9</b>	<b>64.9</b>	<b>66.7</b>	<b>66.7</b>	<b>69.9</b>	<b>69.9</b>	<b>100.0%</b>
<b>Total revenue</b>	<b>112.8</b>	<b>96.7</b>	<b>118.7</b>	<b>120.5</b>	<b>135.4</b>	<b>123.3</b>	<b>142.9</b>	<b>143.0</b>	<b>94.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>115.7</b>	<b>108.0</b>	<b>121.9</b>	<b>111.8</b>	<b>137.9</b>	<b>116.6</b>	<b>145.4</b>	<b>142.1</b>	<b>91.9%</b>
Compensation of employees	77.3	73.7	84.5	79.3	88.3	86.3	94.9	94.9	96.9%
Goods and services	35.5	31.4	34.3	30.1	46.3	27.1	47.1	47.2	83.3%
Depreciation	2.9	2.9	3.1	2.4	3.3	3.2	3.5	-	65.9%
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>150.5%</b>
<b>Total expenses</b>	<b>115.7</b>	<b>108.0</b>	<b>121.9</b>	<b>112.7</b>	<b>138.7</b>	<b>117.4</b>	<b>146.4</b>	<b>143.0</b>	<b>92.1%</b>
<b>Surplus/(Deficit)</b>	<b>(2.9)</b>	<b>(11.3)</b>	<b>(3.1)</b>	<b>7.8</b>	<b>(3.3)</b>	<b>5.9</b>	<b>(3.5)</b>	<b>-</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>(9.2)</b>	<b>0.0</b>	<b>(7.3)</b>	<b>3.3</b>	<b>7.7</b>	<b>7.6</b>	<b>2.9</b>	<b>0.6</b>	<b>-198.3%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>44.4</b>	<b>39.9</b>	<b>44.5</b>	<b>45.8</b>	<b>70.8</b>	<b>55.6</b>	<b>68.3</b>	<b>64.3</b>	<b>90.2%</b>
Sales of goods and services other than capital assets	42.5	37.7	42.5	44.0	69.0	53.7	66.0	62.0	89.7%
Administrative fees	42.5	37.7	42.5	44.0	69.0	53.7	66.0	62.0	89.7%
Other tax receipts	1.9	2.2	2.0	1.8	1.8	1.9	2.3	2.3	102.8%
<b>Transfers received</b>	<b>56.9</b>	<b>60.7</b>	<b>64.9</b>	<b>68.6</b>	<b>66.7</b>	<b>68.4</b>	<b>69.9</b>	<b>71.6</b>	<b>104.2%</b>
<b>Total receipts</b>	<b>101.3</b>	<b>100.6</b>	<b>109.4</b>	<b>114.4</b>	<b>137.6</b>	<b>124.0</b>	<b>138.2</b>	<b>135.9</b>	<b>97.6%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>110.5</b>	<b>100.6</b>	<b>116.7</b>	<b>111.1</b>	<b>129.8</b>	<b>116.4</b>	<b>135.3</b>	<b>135.3</b>	<b>94.1%</b>
Compensation of employees	77.6	72.5	84.7	79.6	89.8	85.6	94.2	94.2	95.8%
Goods and services	32.9	28.0	32.0	31.5	40.1	30.8	41.1	41.1	90.0%
<b>Total payments</b>	<b>110.5</b>	<b>100.6</b>	<b>116.7</b>	<b>111.1</b>	<b>129.8</b>	<b>116.4</b>	<b>135.3</b>	<b>135.3</b>	<b>94.1%</b>
<b>Net cash flow from investing activities</b>	<b>(2.7)</b>	<b>(3.4)</b>	<b>(2.4)</b>	<b>(2.6)</b>	<b>(6.7)</b>	<b>(4.6)</b>	<b>(3.9)</b>	<b>(3.9)</b>	<b>92.1%</b>
Acquisition of property, plant, equipment and intangible assets	(2.3)	(2.3)	(2.0)	(1.7)	(5.7)	(3.8)	(3.4)	(3.4)	83.3%
Acquisition of software and other intangible assets	(0.4)	(1.1)	(0.4)	(1.0)	(1.0)	(0.8)	(0.5)	(0.5)	147.5%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.0	-	0.0	-	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(11.8)</b>	<b>(3.4)</b>	<b>(9.7)</b>	<b>0.7</b>	<b>1.0</b>	<b>3.0</b>	<b>(1.0)</b>	<b>(3.2)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	25.8	24.0	26.6	25.1	28.2	26.5	29.7	29.7	95.4%
Acquisition of assets	(2.3)	(2.3)	(2.0)	(1.7)	(5.7)	(3.8)	(3.4)	(3.4)	83.3%
Investments	-	-	-	0.0	-	0.0	-	-	-
Inventory	0.3	0.5	0.2	0.5	0.3	0.5	0.3	0.3	176.1%
Receivables and prepayments	4.3	6.2	4.3	7.1	4.5	7.6	4.8	4.8	143.9%
Cash and cash equivalents	25.0	21.8	25.0	22.5	23.3	25.5	22.3	22.3	96.3%
<b>Total assets</b>	<b>55.3</b>	<b>52.5</b>	<b>56.2</b>	<b>55.2</b>	<b>56.2</b>	<b>60.1</b>	<b>57.1</b>	<b>57.1</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	30.1	20.3	32.0	29.0	30.6	34.9	30.1	30.1	93.0%
Deferred income	15.5	22.4	14.0	13.9	14.8	11.4	15.6	15.6	105.7%
Trade and other payables	9.7	8.7	10.2	9.6	10.8	12.0	11.4	11.4	99.0%
Taxation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	89.6%
Provisions	-	1.2	-	2.6	-	1.8	-	-	-
<b>Total equity and liabilities</b>	<b>55.3</b>	<b>52.5</b>	<b>56.2</b>	<b>55.2</b>	<b>56.2</b>	<b>60.1</b>	<b>57.1</b>	<b>57.1</b>	<b>100.0%</b>

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

**Table 17.46 South African Qualifications Authority 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	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>73.1</b>	<b>22.5%</b>	<b>46.1%</b>	<b>93.6</b>	<b>97.8</b>	<b>103.4</b>	<b>12.3%</b>	<b>54.7%</b>
Sale of goods and services other than capital assets	68.1	28.1%	40.3%	88.2	92.1	97.4	12.7%	51.4%
Administrative fees	68.1	28.1%	40.3%	88.2	92.1	97.4	12.7%	51.4%
Other non-tax revenue	4.9	-12.4%	5.8%	5.4	5.7	6.0	6.5%	3.3%
<b>Transfers received</b>	<b>69.9</b>	<b>7.1%</b>	<b>53.9%</b>	<b>73.7</b>	<b>77.8</b>	<b>81.2</b>	<b>5.1%</b>	<b>45.3%</b>
<b>Total revenue</b>	<b>143.0</b>	<b>13.9%</b>	<b>100.0%</b>	<b>167.4</b>	<b>175.6</b>	<b>184.5</b>	<b>8.9%</b>	<b>100.0%</b>
<b>Current expenses</b>								
Compensation of employees	94.9	8.8%	69.6%	105.1	110.4	115.6	6.8%	63.7%
Goods and services	47.2	14.5%	28.0%	61.3	64.2	67.7	12.8%	35.7%
Transfers and subsidies	0.9	-	0.5%	1.0	1.1	1.2	8.1%	0.6%
<b>Total expenses</b>	<b>143.0</b>	<b>9.8%</b>	<b>100.0%</b>	<b>167.4</b>	<b>175.6</b>	<b>184.5</b>	<b>8.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>0.6</b>	<b>257.8%</b>	<b>125.4%</b>	<b>8.5</b>	<b>6.7</b>	<b>8.8</b>	<b>46.7%</b>	<b>154.2%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>64.3</b>	<b>17.3%</b>	<b>43.0%</b>	<b>89.4</b>	<b>91.3</b>	<b>98.3</b>	<b>15.2%</b>	<b>52.3%</b>
Sales of goods and services other than capital assets	62.0	18.0%	41.2%	87.4	89.2	96.1	15.7%	51.0%
Administrative fees	62.0	18.0%	41.2%	87.4	89.2	96.1	15.7%	51.0%
Other tax receipts	2.3	1.8%	1.8%	2.0	2.1	2.2	-1.8%	1.3%
<b>Transfers received</b>	<b>71.6</b>	<b>5.7%</b>	<b>57.0%</b>	<b>75.6</b>	<b>79.7</b>	<b>82.7</b>	<b>4.9%</b>	<b>47.7%</b>
<b>Total receipts</b>	<b>135.9</b>	<b>10.6%</b>	<b>100.0%</b>	<b>165.0</b>	<b>171.0</b>	<b>181.0</b>	<b>10.0%</b>	<b>100.0%</b>
<b>Statement of financial performance</b>								
<b>Current payments</b>	<b>135.3</b>	<b>10.4%</b>	<b>96.3%</b>	<b>156.5</b>	<b>164.3</b>	<b>172.2</b>	<b>8.4%</b>	<b>100.0%</b>
Compensation of employees	94.2	9.1%	69.1%	105.1	110.4	115.6	7.1%	67.8%
Goods and services	41.1	13.6%	27.2%	51.4	53.9	56.5	11.2%	32.2%
<b>Total payment</b>	<b>135.3</b>	<b>10.4%</b>	<b>100.0%</b>	<b>156.5</b>	<b>164.3</b>	<b>172.2</b>	<b>8.4%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(3.9)</b>	<b>4.6%</b>	<b>100.0%</b>	<b>(8.3)</b>	<b>(7.8)</b>	<b>(7.5)</b>	<b>24.4%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(3.4)	14.6%	75.8%	(7.9)	(7.3)	(7.0)	26.8%	92.6%
Acquisition of software and other intangible assets	(0.5)	-26.5%	24.6%	(0.5)	(0.5)	(0.5)	2.4%	7.4%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3.2)</b>	<b>-1.4%</b>	<b>100.0%</b>	<b>0.2</b>	<b>(1.1)</b>	<b>1.4</b>	<b>-174.7%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	29.7	7.4%	46.8%	31.4	33.1	34.7	5.3%	52.5%
Acquisition of assets	(3.4)	14.6%	-4.9%	(7.9)	(7.3)	(7.0)	26.8%	-10.3%
Inventory	0.3	-20.6%	0.8%	0.3	0.3	0.3	5.3%	0.5%
Receivables and prepayments	4.8	-8.2%	11.5%	7.0	7.3	7.7	16.9%	10.9%
Cash and cash equivalents	22.3	0.8%	40.9%	22.4	21.4	22.7	0.6%	36.2%
<b>Total assets</b>	<b>57.1</b>	<b>2.8%</b>	<b>100.0%</b>	<b>61.1</b>	<b>62.1</b>	<b>65.4</b>	<b>4.6%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	30.1	14.0%	50.5%	34.9	34.9	34.9	5.1%	54.8%
Deferred income	15.6	-11.3%	28.5%	14.2	14.5	15.2	-0.9%	24.3%
Trade and other payables	11.4	9.5%	18.4%	12.0	12.7	15.3	10.3%	20.8%
Taxation	0.0	13.6%	0.0%	0.0	0.0	0.0	4.6%	0.0%
<b>Total equity and liabilities</b>	<b>57.1</b>	<b>2.8%</b>	<b>100.0%</b>	<b>61.1</b>	<b>62.1</b>	<b>65.4</b>	<b>4.6%</b>	<b>100.0%</b>

## Personnel information

**Table 17.47 South African Qualifications Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost <sup>1</sup> 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 (%)						
			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		
South African Qualifications Authority																			
Salary level	194	194	179	86.3	0.5	194	94.9	0.5	197	105.1	0.5	197	110.4	0.6	197	115.6	0.6	6.8%	100.0%
1 – 6	45	45	40	10.4	0.3	45	12.1	0.3	46	13.5	0.3	46	14.2	0.3	46	14.9	0.3	7.3%	23.3%
7 – 10	115	115	107	47.3	0.4	115	52.6	0.5	116	58.3	0.5	116	61.3	0.5	116	64.2	0.6	6.9%	59.0%
11 – 12	20	20	18	12.5	0.7	20	14.3	0.7	21	16.2	0.8	21	17.0	0.8	21	17.8	0.8	7.8%	10.6%
13 – 16	14	14	14	16.1	1.2	14	15.9	1.1	14	17.1	1.2	14	17.8	1.3	14	18.7	1.3	5.5%	7.1%

1. Rand million.



◀ 2020 ▶  
**BUDGET**

ESTIMATES OF NATIONAL  
EXPENDITURE



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA