

Estimates of Public Expenditure

2009

Education

**National Treasury
Republic of South Africa**



ISBN: 978-2-621-38384-3

RP: 01/2009

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Published by the National Treasury

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The *Estimates of National Expenditure 2009* as well as the *Estimates of Public Expenditure 2009* booklets are also available on www.treasury.gov.za

Printed by FormeSet Printers Cape (Pty) Ltd

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Vote 13

Education

Budget summary

R thousand	2009/10				2010/11	2011/12
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	225 902	223 072	183	2 647	244 136	258 139
System Planning and Monitoring	115 364	112 235	–	3 129	127 126	135 398
General Education	315 543	137 391	177 501	651	342 309	363 903
Further Education and Training	210 895	153 938	55 574	1 383	295 754	427 833
Social and School Enrichment	2 890 873	495 471	2 394 528	874	4 188 340	5 135 839
Higher Education	17 498 098	23 307	17 474 525	266	19 907 991	21 774 132
Auxiliary and Associated Services	30 496	18 543	11 812	141	32 238	33 934
Total expenditure estimates	21 287 171	1 163 957	20 114 123	9 091	25 137 894	28 129 178
Executive authority	Minister of Education					
Accounting officer	Director-General of Education					
Website address	www.education.gov.za					

Aim

The aim of the Department of Education is to develop, maintain and support a South African education and training system for the 21st century.

Programme purposes

Programme 1: Administration

Purpose: Policy formulation and the overall management of the department.

Programme 2: System Planning and Monitoring

Purpose: Provide strategic direction in the development, implementation and monitoring of education policies, programmes and projects.

Programme 3: General Education

Purpose: Develop, implement, monitor, evaluate and maintain national policy, programmes and systems for general education and quality assurance in support of and in cooperation with provincial education departments.

Programme 4: Further Education and Training

Purpose: Plan, develop, evaluate, monitor and maintain national policy, programmes and systems for further education and training, including national assessments and quality assurance systems in support of and in cooperation with provincial education departments.

Programme 5: Social and School Enrichment

Purpose: Provide strategic direction for the development of policies and programmes to ensure continuous improvement in the quality of learning in schools and for illiterate adults.

Programme 6: Higher Education

Purpose: Provide strategic direction, policy and regulatory frameworks for an effective and efficient higher education system so that it contributes to fulfilling South Africa's human resources, research and knowledge needs. Provide financial support to higher education institutions including funding the National Student Financial Aid Scheme.

Programme 7: Auxiliary and Associated Services

Purpose: Coordinate effective international relations and provide support and advice to provincial education departments.

Strategic overview: 2005/06 – 2011/12

Quality education for all South Africans is the department's key aim and will be achieved by ensuring the full and effective implementation of successful policies developed over the past decade, and by reviewing and refining those that have presented problems.

Legislative changes

Parliament's approval of the following pieces of legislation is likely to lead to changes in the education and training environment over the medium term: the National Qualifications Framework Bill, the Higher Education Amendment Bill, the General and Further Education and Training Quality Assurance Amendment Bill and the Skills Development Amendment Bill. The proposed amendments are aimed at clarifying the revised roles and responsibilities of institutions within the national qualifications framework, such as: Umalusi for the General and Further Education and Training Quality Assurance Amendment Bill; the Council for Higher Education for higher education; and the new Quality Council for Trade and Occupations for the Skills Development Bill. Quality assurance will no longer be the exclusive responsibility of the South African Qualifications Authority, as these entities will be responsible for quality assurance in their respective domains.

Core, scarce and critical skills development for accelerating economic growth will also be improved with the implementation of the revised human resource development strategy for South Africa during 2009/10.

Developments in higher education

The transformation process in the higher education sector, which was consolidated in 2005/06, has been the key focus over the past few years. As part of this process, the boards of the National Institute for Higher Education in Mpumalanga and Northern Cape were established in 2008. National Treasury and the department conducted a collaborative higher education funding review in 2008 to ensure that the sector is financially sustainable and to assist institutions to meet their equity and development goals. The review proposed funding options for block grants and financial aid for students and infrastructure. A new funding formula was devised for distributing funds to universities for clinical training in the health sciences, and determining the additional funds required if student enrolments in clinical training programmes increase.

Appropriate policies and criteria for research and teaching development grants for higher education institutions will be developed. The department will continue to assist institutions with capacity building and to support student leadership councils. A framework for the internationalisation of higher education systems, aimed at promoting student exchanges and collaboration between South Africa and global institutions on issues like research and the mobility of students between institutions, will be developed. The framework also provides for ongoing support to entities in producing quality graduates required for social and economic development.

Policy developments

Policy developments continue to build on the transformation successes of the past. These include programmes on the national curriculum statement, teacher development, inclusive education, literacy, recapitalisation of further education and training colleges, the national school nutrition programme, the education management information system, the integrated quality management system, no-fee schools and higher education reforms.

School infrastructure

In 2007, with technical support from the World Bank, the department developed a far reaching policy on an enabling physical teaching and learning environment. The policy provides guidelines on the equitable provision of school infrastructure and the efficient use of resources, and outlines clear roles and responsibilities for all role players in the provision of school infrastructure. Following Cabinet's approval of the policy in November 2008, the proposed norms and standards for school infrastructure were released for public comment.

Organisation for Economic Cooperation and Development policy review

While the policy review conducted by the Organisation for Economic Cooperation and Development in 2008 praised current policies, it also highlighted the need for enforcing reforms due to the implementation challenges encountered by officials, communities, enterprises, educators, parents and students under changing and diverse conditions. A set of key recommendations relating to governance and management, the curriculum, vocational education and its links to the labour market, inclusive education, teacher education and higher education were presented for consideration by the education sector.

Pro-poor funding policy and no-fee schools

School funding norms have improved equity in inputs into schooling and strengthened the pro-poor emphasis in the funding of schools. The no-fee schools policy aims to improve the resourcing of the country's poorest schools to increase access and reduce marginalisation. This policy will also extend government's anti-poverty drive by reducing pressure on poor households to pay school fees. Over the medium term, quintile 3 schools will also become no-fee schools.

Focus over the medium term

Over the MTEF period, the department will continue to address poverty in schools, skills shortages, quality improvements, health in education, institutional development, and higher education. The department is strengthening the educator based appraisal system as part of the integrated quality management system.

A national education evaluation unit will be established to evaluate all schools and teachers over a particular period. Evaluations will be conducted by independent evaluators, and learner performance will be an important indicator. A project to recapitalise 100 technical schools by providing them with infrastructure, new equipment and workshops to support quality curriculum delivery will be introduced during 2009/10. The main emphasis of this project will be on completing frameworks and plans, with the recapitalisation of technical schools set to begin in 2010/11.

The national school nutrition programme will be extended to all secondary schools in quintiles 1 to 3 over the medium term, starting with those in quintile 1 in 2009/10.

Selected performance and operations indicators

Table 13.1 Education

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Total number of students enrolled in higher education institutions	Higher Education	735 000	741 000	761 100	783 900	800 000	816 400	836 810
Proportion of higher education enrolments in science, engineering and technology: business: humanities	Higher Education	29:29:42	29:30:41	28:30:42	30:31:39	30:32:38	30:33:37	30:33:37
Number of higher education graduates per year	Higher Education	120 000	124 000	126 900	133 000	137 000	141 900	147 576
Number of new learners enrolled in the Kha Ri Gude mass literacy campaign per year	Social and School Enrichment	-	-	-	360 000	352 000	356 000	360 000

Table 13.1 Education (continued)

Indicator	Programme	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of learners who completed the Kha Ri Gude course per year	Social and School Enrichment	–	–	–	342 000	334 400	338 200	342 000
Number of primary school learners fed a meal each school day per year	Social and School Enrichment	5 million	6 million	6 million	6.1 million	7.4 million	7.6 million	7.8 million
Percentage of matric maths higher grade (or equivalent) passes at the Dinaledi schools per year ¹	Further Education and Training	64.2% (6 000)	57.3% (6 124)	52.3% (6 105)	50.1% (15 184)	52.65% –	55.28% –	58.04% –
Percentage of matric science higher grade (or equivalent) passes at the Dinaledi schools per year ¹	Further Education and Training	51.4% (6 725)	50.8% (6 936)	43.8% (6 397)	30% (8 289)	31.5% –	33.1% –	34.8% –
Total number of learners captured by the learner unit record information tracking system	System Planning and Monitoring	–	–	–	4.2 million	8.7 million	12.5 million	All learners
Total number of public ordinary schools interacting with learner unit record information tracking system regularly to update learner data	System Planning and Monitoring	–	–	–	7 400	20 000	27 000	All schools
Number of public ordinary schools moderated through school based integrated quality management system evaluations per year	System Planning and Monitoring	–	–	–	–	7 500	8 500	9 500

1. There is no differentiation between higher and standard grade in the national curriculum statement, for which the first Grade 12 exams were written in 2008. A pass percentage of 50 per cent and above in the national curriculum statement is considered an equivalent to higher grade.

Expenditure estimates

Table 13.2 Education

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
1. Administration	132 473	147 160	162 590	198 135	198 135	225 902	244 136	258 139
2. System Planning and Monitoring	34 202	36 430	51 950	118 473	108 995	115 364	127 126	135 398
3. General Education	224 482	228 257	258 253	357 695	323 079	315 543	342 309	363 903
4. Further Education and Training	238 461	710 891	1 131 717	1 051 755	1 094 687	210 895	295 754	427 833
5. Social and School Enrichment	1 144 521	1 141 481	1 280 649	2 433 028	2 429 872	2 890 873	4 188 340	5 135 839
6. Higher Education	10 646 832	11 956 879	13 322 936	15 561 659	15 559 977	17 498 098	19 907 991	21 774 132
7. Auxiliary and Associated Services	15 836	28 707	33 231	28 625	28 625	30 496	32 238	33 934
Total	12 436 807	14 249 805	16 241 326	19 749 370	19 743 370	21 287 171	25 137 894	28 129 178
Change to 2008 Budget estimate				891 824	885 824	1 092 774	2 048 388	3 664 423

Economic classification

	480 548	535 624	857 728	1 222 625	1 219 125	1 163 957	1 241 430	1 316 558
Current payments								
Compensation of employees	188 818	207 019	249 739	308 141	308 141	345 978	366 797	384 560
Goods and services	281 233	307 835	576 431	914 484	910 984	817 979	874 633	931 998
<i>of which:</i>								
Administrative fees	889	1 007	1 985	1 176	1 176	30 201	32 076	34 073
Advertising	5 155	13 789	40 386	15 789	27 276	12 816	13 370	14 066
Assets less than R5 000	1 933	2 683	3 373	2 022	2 022	1 369	1 339	1 465
Audit costs: External	4 002	2 713	3 161	4 610	4 610	4 042	4 384	4 549
Bursaries: Employees	238	285	241	270	270	390	400	420
Catering: Departmental activities	182	2 369	1 275	4 850	4 336	3 455	3 403	3 912
Communication	5 421	6 229	6 411	6 683	6 968	7 311	7 965	8 414
Computer services	61 380	35 622	47 118	46 230	46 230	47 579	49 585	52 977
Consultants and professional services:	9 489	9 236	2 178	49 736	2 509	33 067	37 892	41 703
Business and advisory services	–	–	3	500	40 171	1 500	900	50
Consultants and professional services:								
Infrastructure and planning	625	620	867	1 375	1 375	1 465	1 145	1 155
Legal costs								
Contractors	2 401	2 382	14 390	2 275	2 275	5 428	4 036	4 625

Table 13.2 Education (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Economic classification								
Current payments	480 548	535 624	857 728	1 222 625	1 219 125	1 163 957	1 241 430	1 316 558
Agency and support / outsourced services	35 270	45 662	39 037	91 880	83 952	237 129	263 674	277 688
Entertainment	531	246	332	385	385	288	392	434
Government motor transport: Trading account	93	2 849	1 749	1 876	1 876	1 622	1 694	1 839
Inventory: Learner and teacher support material	19 229	15 552	2 397	7 920	23 135	3 253	1 414	3 943
Inventory: Materials and supplies	228	377	62	131	131	89	2 326	10
Inventory: Medical supplies	1	4	22	5	5	–	–	–
Inventory: Other consumables	516	1 223	568	663	663	490	505	477
Inventory: Stationery and printing	11 829	14 149	22 784	239 941	140 975	175 180	176 948	189 298
Lease payments	20 533	24 528	25 084	24 836	5 732	81 177	94 540	101 345
Owned and leasehold property expenditure	1 791	2 104	1 511	3 419	20 107	4 176	4 566	4 467
Travel and subsistence	63 966	66 359	72 159	80 078	87 887	67 833	70 244	75 092
Training and development	1 673	14 678	25 612	37 796	71 114	24 505	25 886	27 586
Operating expenditure	24 441	30 246	251 947	272 427	318 193	56 357	57 827	61 714
Venues and facilities	9 417	12 923	11 779	17 611	17 611	17 257	18 122	20 696
Financial transactions in assets and liabilities	10 497	20 770	31 558	–	–	–	–	–
Transfers and subsidies	11 942 150	13 708 722	15 375 687	18 518 251	18 512 251	20 114 123	23 887 477	26 803 462
Provinces and municipalities	1 249 019	1 712 656	2 007 950	2 915 407	2 909 407	2 571 929	3 931 371	4 978 080
Departmental agencies and accounts	943 091	995 861	1 412 699	1 787 340	1 787 340	2 233 036	2 426 731	2 809 274
Universities and technikons	9 740 336	10 985 688	11 941 539	13 803 413	13 803 413	15 297 196	17 516 740	19 002 723
Foreign governments and international organisations	9 413	8 971	11 016	11 455	11 455	11 912	12 585	13 335
Non-profit institutions	–	–	50	50	50	50	50	50
Households	291	5 546	2 433	586	586	–	–	–
Payments for capital assets	14 109	5 459	7 911	8 494	11 994	9 091	8 987	9 158
Machinery and equipment	13 830	5 447	7 632	8 321	9 994	9 008	8 943	9 065
Software and other intangible assets	279	12	279	173	2 000	83	44	93
Total	12 436 807	14 249 805	16 241 326	19 749 370	19 743 370	21 287 171	25 137 894	28 129 178

Expenditure trends

Expenditure increased from R12.4 billion in 2005/06 to R19.7 billion in 2008/09 at an average annual rate of 16.7 per cent, and is expected to grow at an average annual rate of 12.5 per cent over the medium term to reach R28.1 billion in 2011/12. Increases for both periods are mainly due to increases in the national school nutrition programme, the higher education subsidy and the mass literacy campaign.

Spending is dominated by the *Higher Education* programme, which comprises an average of 81 per cent of total expenditure annually. This programme consists mainly of transfers to higher education institutions and the National Student Financial Aid Scheme. The decrease in provincial transfers from R2.9 billion in 2008/09 to R2.6 billion in 2009/10 is because the conditional grant for further education and training recapitalisation ended in 2008/09, after which the allocation is phased into the provincial equitable share. This also explains the expected decline in the *Further Education and Training* programme in that year. However, the additional allocations provided for the technical schools recapitalisation conditional grant (R80 million in 2010/11 and R200 million in 2011/12) increase expenditure in the *Further Education and Training* programme to R427.8 million in 2011/12.

Expenditure on goods and services fluctuates over the seven-year period. The 87.3 per cent increase in 2007/08 was due to the additional allocation for the recovery plan after the teacher strike in 2007, and the 58.6 per cent increase in 2008/09 is due mainly to an additional allocation of R107 million for the mass literacy project in the 2008 adjusted Budget. These once-off allocations also explain the fluctuating trend in inventory: stationery and printing and operating expenditure, as well as the more moderate projected growth of 0.6 per cent in goods and services over the medium term.

Expenditure in the *General Education* programme declines by 11.8 per cent in 2009/10. This is due mainly to the once-off increase of R50 million in 2008/09 for the department to conduct a systemic evaluation of schools for grades 1 to 6.

The rapid increase in expenditure over the medium term in the *Social and School Enrichment* programme, at an average annual rate of 28.3 per cent, is due to the provision for the mass literacy campaign and increases in the national school nutrition programme.

The 2009 Budget provides additional allocations over the MTEF period of R1.1 billion (2009/10), R2.1 billion (2010/11) and R3.7 billion (2011/12), mainly for:

- the national school nutrition programme conditional grant (R577.3 million, R1.3 billion and R2.1 billion)
- monitoring the national school nutrition programme (R6 million, R6.6 million and R7.3 million)
- higher education institutions (R480.2 million, R583 million and R1.1 billion)
- the National Student Financial Aid Scheme (R63 million, R101 million and R344 million)
- the national education evaluation unit (R6 million, R12 million and R13 million)
- technical secondary schools recapitalisation (R5 million, R80 million and R200 million)
- personnel inflation adjustments (R7.4 million, R6.6 million and R6.9 million)
- capital inflation adjustments (R263 000, R437 000 and R560 000).

Savings and reprioritisation

Efficiency savings of R159 million over the MTEF period have been identified in all programmes:

- R151.9 million on goods and services
- R2.6 million on transfers to departmental agencies and accounts
- R4.6 million on capital assets.

Under goods and services, cuts will mainly be made in travel and subsistence, printing and publications, and consultancy fees.

Departmental receipts

Departmental receipts are not significant and arise mainly from the repayment of government loans by higher education institutions and fees for technical examinations. In 2005/06, there was an increase in income from administration fees, mainly from examination fees.

Table 13.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Departmental receipts	13 429	6 761	8 738	7 231	7 914	7 767	7 987	8 200
Sales of goods and services produced by department	2 607	876	1 095	1 015	1 257	1 330	1 401	1 466
Sales of scrap, waste, arms and other used current goods	16	5	–	61	91	150	102	108
Transfers received	627	43	193	13	45	–	–	–
Interest, dividends and rent on land	4 300	4 158	4 050	4 110	4 110	4 192	4 276	4 286
Sales of capital assets	–	236	32	50	50	–	–	–
Financial transactions in assets and liabilities	5 879	1 443	3 368	1 982	2 361	2 095	2 208	2 340
Total	13 429	6 761	8 738	7 231	7 914	7 767	7 987	8 200

Programme 1: Administration

Expenditure estimates

Table 13.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Minister ¹	998	1 050	1 131	1 243	1 709	1 811	1 913
Deputy Minister ¹	772	816	951	996	1 407	1 492	1 575
Management	37 492	44 327	54 134	52 861	59 168	62 342	65 246
Corporate Services	76 485	82 541	87 710	121 975	140 412	152 940	162 289
Property Management	16 726	18 426	18 664	21 060	23 206	25 551	27 116
Total	132 473	147 160	162 590	198 135	225 902	244 136	258 139
Change to 2008 Budget estimate				(4 548)	6 505	4 721	3 569

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

	127 047	142 537	157 501	196 149	223 072	241 439	255 390
Current payments							
Compensation of employees	50 527	54 253	63 611	77 838	85 776	89 743	93 801
Goods and services	66 098	77 647	76 329	118 311	137 296	151 696	161 589
of which:							
Administrative fees	146	78	256	613	1 076	1 164	1 220
Advertising	1 993	5 565	6 032	3 820	3 243	3 469	3 634
Assets less than R5 000	581	1 133	954	514	299	317	356
Audit costs: External	4 002	2 713	3 161	3 760	3 665	4 003	4 148
Bursaries: Employees	238	285	241	270	390	400	420
Catering: Departmental activities	182	126	222	228	317	130	137
Communication	2 561	2 700	2 872	2 947	2 780	2 858	2 990
Computer services	10 211	14 200	15 098	14 747	16 322	18 903	20 421
Consultants and professional services: Business and advisory services	2 722	8 385	1 555	43 392	699	257	269
Consultants and professional services: Infrastructure and planning	–	–	–	500	1 500	900	50
Consultants and professional services: Legal costs	–	1	–	–	500	50	50
Contractors	1 316	997	1 910	603	1 727	270	308
Agency and support / outsourced services	2 412	618	1 192	2 162	646	1 149	163
Entertainment	531	246	332	385	288	392	434
Government motor transport: Trading account	41	1 468	1 137	1 043	711	816	847
Inventory: Learner and teacher support material	1	441	1 028	258	289	295	304
Inventory: Materials and supplies	155	219	16	62	60	62	–
Inventory: Medical supplies	–	–	1	5	–	–	–
Inventory: Other consumables	415	303	429	606	461	487	454
Inventory: Stationery and printing	2 381	2 825	1 907	3 392	2 753	2 782	2 977
Lease payments	16 726	19 086	18 576	20 102	76 819	90 059	96 356
Owned and leasehold property expenditure	1 781	1 742	1 408	3 375	3 633	3 967	3 763
Travel and subsistence	12 754	10 597	14 071	11 933	14 922	14 993	17 218
Training and development	363	951	857	447	485	525	510
Operating expenditure	4 163	2 811	2 231	2 796	2 360	2 551	2 620
Venues and facilities	423	157	843	351	1 351	897	1 940
Financial transactions in assets and liabilities	10 422	10 637	17 561	–	–	–	–
Transfers and subsidies	358	1 624	2 024	457	183	191	200
Provinces and municipalities	154	44	–	–	–	–	–
Departmental agencies and accounts	128	141	159	147	133	141	150
Non-profit institutions	–	–	–	50	50	50	50
Households	76	1 439	1 865	260	–	–	–

Table 13.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Payments for capital assets	5 068	2 999	3 065	1 529	2 647	2 506	2 549
Machinery and equipment	5 001	2 987	3 005	1 477	2 608	2 476	2 510
Software and other intangible assets	67	12	60	52	39	30	39
Total	132 473	147 160	162 590	198 135	225 902	244 136	258 139
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	154	44	-	-	-	-	-
Regional Services Council levies	154	44	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	128	141	159	147	133	141	150
Claims against the state	27	33	45	-	-	-	-
Education, Training and Development Practices Sector Education and Training Authority	101	108	114	147	133	141	150
Non-profit institutions							
Current	-	-	-	50	50	50	50
Childline South Africa	-	-	-	50	50	50	50
Households							
Social benefits							
Current	76	1 439	1 865	260	-	-	-
Employee social benefits	76	1 439	1 865	-	-	-	-
Leave gratuity	-	-	-	260	-	-	-

Expenditure trends

Expenditure increased at an average annual rate of 14.4 per cent, from R132.5 million in 2005/06 to R198.1 million in 2008/09. It will increase further over the medium term at an average annual rate of 9.2 per cent, reaching R258.1 million in 2011/12. The increase for both periods, evident in the *Corporate Services* subprogramme, can be attributed to the construction of a new head office building for the department, which began in 2007. This also explains the high consultancy fees in 2006/07 and in 2008/09 the rapid increase in lease payments over the MTEF period.

Cost containment measures over the medium term have been identified within this programme, totalling R6.9 million in goods and services.

Programme 2: System Planning and Monitoring

- *Education Human Resources Management* manages human resources, and develops college and school educators, and educator labour relations. Funding is mainly used for the integrated quality management system project.
- *Information Monitoring and Evaluation* develops information systems for the education and training sector, and monitors and evaluates the performance of the education system. Funding is mainly used for the education management information system project.
- *Financial and Physical Planning and Analysis* focuses on cross-cutting aspects, such as financial and physical resource planning and coordination with provinces for implementing national policy. It also provides support to provinces on budgetary matters. Funding is mainly used for salaries, and other personnel related costs.

- *Legal and Legislative Services* manages the legal and legislative service for the department, and monitors and supports provincial education departments in legal and legislative matters. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Improve infrastructure planning and monitoring by providing up to date information for the fourth quarter of 2008/09 to provinces by March 2010.
- Improve planning and monitoring of the equitable distribution of education funding in support of education policies by:
 - producing 2 monitoring reports by June and December each year
 - ensuring that the norms and standards, including for inclusive education and special schools, are implemented over the next 3 years.
- Improve optimal budgeting processes by producing final sector priority papers by August each year.
- Ensure coordination and integration of short, medium and long term provision of core, scarce and critical skills by establishing an interdepartmental committee to implement the revised human resource development strategy for South Africa 2009 to 2014, and completing the stakeholder consultation in 2009/10.
- Improve monitoring and evaluation of education by developing a monitoring and evaluation framework using macro and service delivery indicators by March 2010.
- Ensure the availability of critical system information by collecting data according to the education management and information system standards and producing a database and reports every year.
- Develop a human resource management system and implement it at 50 per cent of office based institutions in the education sector by March 2010.
- Monitor the implementation of signed collective agreements on conditions of service for educators and analyse the implications by producing a report annually.

Service delivery and spending focus

The revised human resource development strategy was approved by Cabinet for consultation with social partners. A draft rollout plan was developed and discussed among all stakeholders in 2008. The mapping of existing human resource systems onto the draft human resource development strategy began in-house and was released to stakeholders for comment in 2008.

A draft simplified integrated quality management system was developed. A ministerial committee for the national education evaluation unit was established.

The national education information management system server was moved from the service provider to the South African State Information Technology Agency to allow departmental officials to have direct access and thus generate reports more quickly.

The development of the learner unit record information tracking system was completed and implementation was rolled out in all provinces. Learner data is being uploaded onto the system daily, using the South African schools administration management system school software package.

A service provider was appointed to evaluate the implementation of the school funding norms and standards and to develop a longer term monitoring strategy for the national funding norms. Revised further education and training funding norms were also developed.

The main focus of this programme over the MTEF period is to establish a national education evaluation unit to evaluate all schools and teachers over a particular period. Evaluations will be conducted by independent evaluators, and learner performance will be an important indicator in these evaluations. In addition, the integrated quality management system unit will be expanded over the medium term to strengthen the educator based appraisal system.

Expenditure estimates

Table 13.5 System Planning and Monitoring

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Education Human Resources Management	5 879	6 480	7 848	36 298	55 041	63 380	67 420
<i>Education Human Resources Planning, Provisioning and Monitoring</i>	3 914	3 933	3 145	7 195	12 088	12 695	13 554
<i>National Education Evaluation and Development Unit</i>	–	–	–	–	5 522	11 031	11 947
<i>Educator Performance and Management Development</i>	–	97	1 248	2 851	2 838	3 009	3 152
<i>Integrated Quality Management System</i>	–	–	1 089	23 600	31 438	33 296	35 259
<i>Education Labour Relations and Conditions of Service</i>	1 965	2 450	2 366	2 652	3 155	3 349	3 508
Information Monitoring and Evaluation	17 034	10 690	31 422	42 516	40 444	42 695	45 898
<i>Education Management Information Systems</i>	7 970	4 323	9 987	13 919	10 442	10 985	12 359
<i>National Human Resources Development</i>	354	867	1 709	2 667	3 135	3 302	3 500
<i>Research Coordination, Monitoring and Evaluation</i>	1 201	2 065	3 032	3 239	3 414	3 571	3 753
<i>Education Management Systems</i>	–	–	1 066	2 261	2 485	2 634	2 759
<i>Education Management Information Systems Improvement</i>	7 509	3 435	15 628	20 430	20 968	22 203	23 527
Financial and Physical Planning and Analysis	7 522	15 507	7 931	33 255	12 520	13 263	13 921
Legal and Legislative Services	3 767	3 753	4 749	6 404	7 359	7 788	8 159
Total	34 202	36 430	51 950	118 473	115 364	127 126	135 398
Change to 2008 Budget estimate				20 357	5 773	11 403	8 541
Economic classification							
Current payments	33 827	33 383	50 805	92 620	112 235	124 009	132 250
Compensation of employees	17 274	18 578	22 057	46 065	62 227	65 744	68 803
Goods and services	16 552	14 802	28 746	46 555	50 008	58 265	63 447
<i>of which:</i>							
<i>Administrative fees</i>	28	21	14	28	21	22	22
<i>Advertising</i>	1	268	1 485	1 489	421	534	539
<i>Assets less than R5 000</i>	174	153	136	129	95	87	99
<i>Catering: Departmental activities</i>	–	31	85	80	526	593	653
<i>Communication</i>	269	336	342	433	786	1 065	1 136
<i>Computer services</i>	3 309	1 207	10 831	15 716	17 363	18 452	19 620
<i>Consultants and professional services: Business and advisory services</i>	3	81	–	3 394	17 102	19 039	21 512
<i>Consultants and professional services: Legal costs</i>	625	619	867	1 375	965	995	1 025
<i>Contractors</i>	74	240	2 298	51	4	4	4
<i>Agency and support / outsourced services</i>	5 769	8 673	8 135	16 464	260	233	243
<i>Government motor transport: Trading account</i>	4	15	20	26	41	47	52
<i>Inventory: Learner and teacher support material</i>	–	3	88	11	3	3	3
<i>Inventory: Materials and supplies</i>	4	5	–	7	–	–	–
<i>Inventory: Other consumables</i>	1	1	1	1	2	2	1
<i>Inventory: Stationery and printing</i>	423	391	349	1 167	2 518	3 176	3 459
<i>Lease payments</i>	17	62	41	51	–	–	–
<i>Owned and leasehold property expenditure</i>	–	9	–	–	–	–	–
<i>Travel and subsistence</i>	4 581	1 419	1 849	4 613	8 490	12 011	12 946
<i>Training and development</i>	7	18	10	–	471	922	998
<i>Operating expenditure</i>	397	775	1 570	1 014	270	276	282
<i>Venues and facilities</i>	866	475	625	506	670	804	853
Financial transactions in assets and liabilities	1	3	2	–	–	–	–
Transfers and subsidies	70	2 666	–	22 003	–	–	–
Provinces and municipalities	51	15	–	22 002	–	–	–
Departmental agencies and accounts	19	7	–	–	–	–	–
Households	–	2 644	–	1	–	–	–
Payments for capital assets	305	381	1 145	3 850	3 129	3 117	3 148
Machinery and equipment	216	381	1 057	3 739	3 129	3 117	3 148
Software and other intangible assets	89	–	88	111	–	–	–
Total	34 202	36 430	51 950	118 473	115 364	127 126	135 398

Table 13.5 System Planning and Monitoring (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	-	-	-	22 002	-	-	-
Disaster management grant	-	-	-	22 002	-	-	-
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	51	15	-	-	-	-	-
Regional Services Council levies	51	15	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	19	7	-	-	-	-	-
Claims against the state	19	7	-	-	-	-	-
Households							
Social benefits							
Current	-	2 644	-	1	-	-	-
Employee social benefits	-	2 644	-	-	-	-	-
Leave gratuity	-	-	-	1	-	-	-

Expenditure trends

Expenditure increased at an average annual rate of 51.3 per cent, from R34.2 million in 2005/06 to R118.5 million in 2008/09. Expenditure is expected to increase more slowly over the medium term, at an average annual rate of 4.6 per cent, reaching R135.4 million in 2011/12. The increases over both periods are evident in the *Education Human Resources Management* and *Information Monitoring and Evaluation* subprogrammes. The increases are due mainly to additional funding for the integrated quality management system introduced in 2007/08, improvements to the education management information system and for the national education evaluation unit to be introduced in 2009/10. These projects also account for the high consultancy fees over the MTEF period.

An additional once-off allocation of R22 million made in the 2008 adjusted Budget to rebuild and repair schools affected by storms in Mpumalanga and KwaZulu-Natal accounts for the increase in transfers to provinces in 2008/09.

Spending on compensation of employees increased rapidly in 2008/09 due to the provision for additional posts for the integrated quality management system.

The department has identified cost containment measures over the medium term within this programme totalling R11.8 million in goods and services.

Public entity

Education Labour Relations Council

Strategic overview: 2005/06 – 2011/2012

The Education Labour Relations Council is a statutory bargaining council in the public education sector established in terms of the Labour Relations Act (1995). The council's core business is to promote the maintenance of good labour relations in public education through dispute prevention and resolution processes. The council also concludes collective agreements on issues of mutual interest as provided for in its constitution.

It also researches, analyses and surveys education nationally and internationally, and keeps abreast of international developments and trends.

In 2008/09, the council extended the scope of its constitution to include bargaining and dispute resolution for the further education and training sector.

Selected performance and operations indicators

Table 13.6 Education Labour Relations Council

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of collective agreements concluded each year	5	2	6	5	5	4	3
Number of disputes resolved each year	397	327	382	190	220	250	230
Number of dispute resolution practitioners trained each year	290	240	135	250	250	160	180

Service delivery and spending focus

In the first half of 2008/09, 281 disputes were referred to the council and enrolled for conciliation and arbitration. Some were withdrawn due to a lack of jurisdiction or dismissed for non-attendance. The remaining disputes were processed, and settled at conciliation and arbitration.

Expenditure estimates

Table 13.7 Education Labour Relations Council: Financial information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
Statement of financial performance	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Revenue							
Non-tax revenue	14 835	14 704	36 792	44 400	44 400	44 400	44 400
Sale of goods and services other than capital assets	13 662	13 869	35 903	44 400	44 400	44 400	44 400
<i>of which:</i>							
<i>Administrative fees</i>	13 662	13 869	35 903	44 400	44 400	44 400	44 400
<i>Other non-tax revenue</i>	1 173	835	889	–	–	–	–
Total revenue	14 835	14 704	36 792	44 400	44 400	44 400	44 400
Expenses							
Current expense	21 897	21 822	27 588	44 220	44 207	44 192	44 182
Compensation of employees	6 294	7 153	7 372	9 538	9 991	10 461	9 548
Goods and services	14 290	13 455	19 061	33 432	32 966	32 454	33 357
Depreciation	1 313	1 214	1 155	1 250	1 250	1 277	1 277
Transfers and subsidies	184	161	133	180	193	208	218
Total expenses	22 081	21 983	27 721	44 400	44 400	44 400	44 400
Surplus / (Deficit)	(7 246)	(7 279)	9 071	–	0	(0)	0

Expenditure trends

The Education Labour Relations Council does not receive transfers from the department, but earns revenue through levies on employees and employers, and interest on investments. This revenue is reflected as administrative fees. The council does not project any growth in revenue over the medium term.

Programme 3: General Education

- *General Education and Training, Curriculum and Assessment* develops and implements the curriculum and related programmes and systems for general education, and for evaluating and maintaining policy initiatives. Funding is mainly used for the transfer payment of the HIV and AIDS conditional grant to provincial education departments, which are divided among the provinces using the education component of the equitable share formula (as explained in Annexure W1 to the Budget Review).

- *Institutional Development* develops policies and programmes to promote district development and management, and governance capacity in education. Funding is mainly used for salaries, and other personnel related costs.
- *Teacher Education* develops policies and programmes to promote the development of educators, and evaluates qualifications for employment in education. Funding is mainly used for the teacher development: mathematics and science project.
- *Quality Promotion and Assurance* strengthens the understanding of the performance of learners and institutions across the education system, and increases the levels of accountability for educational outcomes at all levels of the system. Funding is mainly used for the systemic evaluation project.

Objectives and measures:

- Improve education outcomes by increasing the number of 5-year old learners enrolled in publicly funded Grade R classes in public primary schools and community based early childhood development sites from the current 701 740 to 800 000 by January 2010.
- Improve service delivery of education districts by:
 - conducting an audit of education district capacities and developing a plan for the resourcing of these over the next 3 years
 - developing an implementation plan for the rollout of the policy on the organisation, roles and responsibilities of districts by March 2010.
- Improve school management by March 2010 by:
 - supporting the monitoring and evaluation of the national management of school programmes
 - developing national school management programmes and guidelines
 - setting up a database of trained school managers
 - conducting an impact study on the advanced certificate in education: school leadership
 - developing guidelines for representative councils of learners.
- Improve the teacher provisioning model by developing systems to capture up to date data on teacher provision over the next 3 years.
- Attract more people to become teachers through a recruitment campaign in nationally defined priority areas in 2009/10.
- Coordinate and monitor the delivery of accredited continuing professional development programmes.
- Align and update the policy documents on norms and standards for educators and the criteria for the recognition and evaluation of qualifications for employment in education over the next 3 years.
- Ensure that all teacher qualifications are of an appropriate standard by evaluating and approving qualifications and new or revised programmes for teacher education for purposes of employment in education and relative education qualification values recognition in accordance with relevant policy.
- Strengthen assessment at school level by providing assessment exemplars in the intermediate phase in language and mathematics and national assessment tests for grades 1 to 6 over the next 3 years.
- Strengthen internal school and external school evaluations by training school management teams and whole school evaluation supervisors on how to conduct evaluations over the next 3 years.

Service delivery and spending focus

A diagnostic study of the Grade R sector across provinces was conducted in 2008. The findings of the study will give guidance on how to strengthen national, provincial and district capacity to achieve the 2010 Grade R target of universal Grade R enrolment.

During 2008, an assessment items bank for the foundation phase and the numeracy strategy was finalised. Concept maps for technology, natural sciences and education management systems were developed. A foundation phase conference was held to showcase good teaching practice in literacy and numeracy.

A sample of Grade 3 learners was tested in literacy and numeracy in 2007. Guides and templates to help schools conduct internal evaluations and school improvement plans to address areas of underperformance were developed and distributed to all schools in January 2009.

A successful print and broadcast media advertising campaign for recruiting trainee educators was conducted in 2008, and drew more applications for admission into teacher education programmes in 2009 than in previous years. In 2008, 5 428 full cost bursaries from the Funza Lushaka bursary programme were awarded to initial teacher education students in 23 higher education institutions across the country. 1 058 students graduated at the end of 2008, and will be placed in public schools in all provinces.

Over the medium term, one of the key focus areas will be to strengthen and build the management capacity of schools. The department will be supporting the monitoring and evaluation of the national management of school programmes, developing national school management programmes and guidelines, setting up a database of trained school managers, conducting an impact study on the advanced certificate in education: school leadership, and developing guidelines for representative councils of learners. A further focus is the development of teacher competence by ensuring that teacher qualifications and continuing professional development programmes are of an acceptable standard.

Expenditure estimates

Table 13.8 General Education

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
General Education and Training Curriculum and Assessment	180 155	189 333	195 966	233 472	234 018	256 522	272 650
<i>Early Childhood Development</i>	7 792	8 556	4 841	7 399	6 182	6 552	6 862
<i>HIV and AIDS Provincial</i>	136 293	144 471	157 571	171 126	177 401	188 045	199 328
<i>Early Childhood Development Integrated Plan</i>	–	–	806	9 465	10 051	14 176	15 252
<i>General Education and Training Schools</i>	28 073	31 523	28 090	35 006	28 551	30 019	32 152
<i>Children and Youth Literacy</i>	4 766	1 512	1 882	3 769	2 953	3 115	3 387
<i>Inclusive Education</i>	3 231	3 271	2 776	6 707	8 880	14 615	15 669
Institutional Development	13 626	12 399	12 004	17 498	15 550	16 150	17 069
Teacher Education	22 789	19 360	32 660	42 873	33 988	35 661	38 195
<i>Continuing Professional Teacher Development</i>	22 789	19 360	31 814	41 351	31 418	32 936	35 342
<i>Initial Teacher Education</i>	–	–	846	1 522	2 570	2 725	2 853
Quality Promotion and Assurance	7 911	7 165	17 623	63 852	31 987	33 976	35 989
<i>Systemic Evaluation</i>	4 298	4 666	13 859	56 077	24 736	26 302	27 950
<i>Quality Improvement, Development, Support and Upliftment Programme</i>	–	–	603	3 724	1 832	1 942	2 034
<i>Whole School Evaluation</i>	3 613	2 499	3 161	4 051	5 419	5 732	6 005
Total	224 481	228 257	258 253	357 695	315 543	342 309	363 903
Change to 2008 Budget estimate				9 529	(15 063)	(16 583)	(6 717)

Economic classification

	84 584	82 525	97 900	186 035	137 391	153 528	163 829
Current payments							
Compensation of employees	25 634	26 165	29 918	37 096	41 095	43 599	45 673
Goods and services	58 929	56 315	67 855	148 939	96 296	109 929	118 156
<i>of which:</i>							
<i>Administrative fees</i>	583	91	8	92	1 076	1 186	1 290
<i>Advertising</i>	1 165	4 102	3 410	2 612	962	1 010	1 102
<i>Assets less than R5 000</i>	254	223	282	373	313	264	275
<i>Catering: Departmental activities</i>	–	123	135	252	939	1 172	1 246
<i>Communication</i>	590	719	726	865	809	887	927
<i>Computer services</i>	8	–	73	23	317	314	356
<i>Consultants and professional services: Business and advisory services</i>	3 945	467	265	432	8 059	13 267	14 266
<i>Consultants and professional services: Infrastructure and planning</i>	–	–	3	–	–	–	–
<i>Contractors</i>	96	169	524	232	912	1 947	2 422
<i>Agency and support / outsourced services</i>	6 169	6 006	4 643	34 854	8 428	9 792	9 705
<i>Government motor transport: Trading account</i>	39	377	125	266	221	199	248
<i>Inventory: Learner and teacher support material</i>	19 215	13 573	227	1 161	–	9	9
<i>Inventory: Materials and supplies</i>	22	16	4	7	26	5	5
<i>Inventory: Other consumables</i>	25	142	5	11	16	5	8

Table 13.8 General Education (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	84 584	82 525	97 900	186 035	137 391	153 528	163 829
<i>Inventory: Stationery and printing</i>	3 194	1 487	2 585	42 629	33 320	37 621	40 834
<i>Lease payments</i>	95	279	672	106	40	34	30
<i>Owned and leasehold property expenditure</i>	–	7	30	1	6	–	6
<i>Travel and subsistence</i>	10 803	5 682	7 624	17 472	8 239	8 924	9 645
<i>Training and development</i>	1 121	8 961	22 468	31 231	22 687	23 653	25 266
<i>Operating expenditure</i>	10 189	13 106	23 052	12 442	5 999	4 827	4 991
<i>Venues and facilities</i>	1 416	785	994	3 878	3 927	4 813	5 525
Financial transactions in assets and liabilities	21	45	127	–	–	–	–
Transfers and subsidies	139 063	145 355	159 801	171 202	177 501	188 145	199 428
Provinces and municipalities	136 362	144 490	157 571	171 126	177 401	188 045	199 328
Departmental agencies and accounts	2 513	8	2 002	–	–	–	–
Foreign governments and international organisations	61	77	228	76	100	100	100
Households	127	780	–	–	–	–	–
Payments for capital assets	835	377	552	458	651	636	646
Machinery and equipment	720	377	552	458	651	636	646
Software and other intangible assets	115	–	–	–	–	–	–
Total	224 482	228 257	258 253	357 695	315 543	342 309	363 903
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	136 293	144 471	157 571	171 126	177 401	188 045	199 328
HIV and Aids (Life skills education) grant	136 293	144 471	157 571	171 126	177 401	188 045	199 328
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	69	19	–	–	–	–	–
Regional Services Council levies	69	19	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	2 513	8	2 002	–	–	–	–
Claims against the state	13	8	2	–	–	–	–
Education, Training and Development Practice Sector education and Training Authority	2 500	–	–	–	–	–	–
South African Council for Educators	–	–	2 000	–	–	–	–
Foreign governments and international organisations							
Current	61	77	228	76	100	100	100
International Review of Curriculum and Assessment Framework	–	–	150	–	–	–	–
Guidance, Counselling and Youth Development Centre for Africa: Malawi	61	77	78	76	100	100	100
Households							
Social benefits							
Current	127	780	–	–	–	–	–
Donations and gifts	127	780	–	–	–	–	–

Expenditure trends

Expenditure increased at an average annual rate of 16.8 per cent, from R224.5 million in 2005/06 to R357.7 million in 2008/09. This increase was due to additional funds provided to support the expansion of Grade R and early childhood development, the expansion of inclusive education and the increased allocation for the system wide evaluation focusing on grades 1 to 6 across all provinces in 2008/09. This also explains the

fluctuating trend in goods and services. Expenditure is set to decrease in 2009/10 due to the increased allocation for systemic evaluation in 2008/09 and then increase slowly at an average annual rate of 0.6 per cent, reaching R363.9 million in 2011/12.

Cost containment measures over the medium term have been identified within this programme, totalling R12 million in goods and services.

Public entity

South African Council for Educators

Strategic overview: 2005/06 – 2011/2012

The South African Council for Educators was established in terms of the South African Council for Educators Act (2000). It is responsible for the registration, promotion and professional development of educators, and for setting, maintaining and protecting their ethical and professional standards. The council is in the process of developing a continuous professional teacher development system to facilitate the ongoing professional development of teachers. The council runs ongoing awareness campaigns about the code of professional conduct and makes interventions in professional conduct complaints. It also provides a professional development programme. Not all practising educators are registered with the South African Council for Educators. The council is thus embarking on a three-year campaign to reach all practising educators as well as to register all newly qualifying educators, estimated at 3 000 a year.

Service delivery and spending focus

In 2008/09, the continuing professional teacher development unit was established to coordinate the continuing professional development of teachers. 30 professional development portfolio workshops, benefiting 2 000 educators, were conducted. Interventions were made in 378 professional conduct complaints. The council registered 23 618 educators in 2008.

Expenditure estimates

Table 13.9 South African Council for Educators: Financial information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Statement of financial performance							
Revenue							
Non-tax revenue	10 903	11 416	26 480	25 975	25 775	25 775	25 775
Sale of goods and services other than capital assets	10 334	10 836	25 330	25 485	25 485	25 485	25 485
<i>of which:</i>							
Administrative fees	10 334	10 836	25 330	25 485	25 485	25 485	25 485
Other non-tax revenue	569	580	1 150	490	290	290	290
Transfers received	-	-	858	-	-	-	-
Total revenue	10 903	11 416	27 338	25 975	25 775	25 775	25 775
Expenses							
Current expense	11 447	10 636	18 208	19 255	25 375	25 375	25 435
Compensation of employees	6 107	6 018	7 137	8 325	9 325	10 325	12 000
Goods and services	5 218	4 422	10 786	10 580	15 700	14 700	13 085
Depreciation	122	187	268	350	350	350	350
Interest, dividends and rent on land	-	9	17	-	-	-	-
Transfers and subsidies	127	125	116	300	400	400	340
Total expenses	11 574	10 761	18 324	19 555	25 775	25 775	25 775
Surplus / (Deficit)	(671)	655	9 014	6 420	-	-	-

Expenditure trends

The South African Council for Educators does not receive transfers from the department, and relies on membership fees from educators in public and private institutions and interest on investments. This revenue is reflected as administrative fees. The council does not project any growth in this revenue over the medium term.

Spending on compensation of employees is expected to grow by 13 per cent over the MTEF period as the council's role in continuous professional teacher development is expanded.

Programme 4: Further Education and Training

- *Educational Measurement, Assessment and Public Examinations* promotes the integrity of national assessments and the existence of quality assurance systems in further education and training. Funding is mainly used for the payment of examiners and moderators.
- *Further Education and Training: Schools* manages national policy, programmes and systems for further education and training, and is also responsible for curriculum enrichment, focusing on improving mathematics, science and technology and ICT training in schools, and youth development programmes. Funding is mainly used for transfer payments to Umalusi and the South African Qualification Authority, as well as the technical schools recapitalisation conditional grant that will be introduced in 2010/11.
- *Further Education and Training College Programmes, Qualifications and Institutional Support* provides the framework, coordination and support for further education and training colleges. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Monitor and support implementation of the national curriculum statement in all public schools over the next 3 years.
- Improve the quality of maths, science and technology education by providing support to and monitoring the performance and participation of 500 Dinaledi schools in these subjects in 2009/10 to increase the pass rates.
- Ensure quality practices in setting, moderating and administering Grade 12, further education and training college and adult basic education and training examinations by monitoring and supporting provinces in 2009/10.
- Reduce the number of underperforming schools by 10 per cent in all the provinces in 2009/10 by monitoring the implementation of a national strategy for learner attainment.
- Offer the national certificate (vocational) programmes effectively and efficiently by providing policy advice, monitoring and support to colleges and provinces over the medium term.
- Improve delivery of further education and training college programmes by monitoring and supporting the implementation of the further education and training college sector plan and the Further Education and Training Colleges Act (1996) over the next 3 years.
- Increase youth access to further education and training colleges and improve retention and throughput rates to 800 000 by 2014 by strengthening student support services and providing bursaries.
- Support the expansion and use of ICT in teaching and learning at schools and further education and training colleges in 2009/10 by developing enabling policies.
- Improve access to educational support material by maintaining and expanding the curriculum portal, Thutong, in 2009/10.

Service delivery and spending focus

As 2008 was the first year that Grade 12 students would write the national senior certificate examinations based on the national curriculum statement, the state of readiness of all schools, further education and training colleges and adult basic education and training centres for hosting the examinations was closely monitored. To assist with the 2008 matriculation examinations, exemplar question papers were set and uploaded on the South African education portal, Thutong, and the department's website. The department's Study Mate guides for grades 11 and 12 students were distributed to schools, learner support material supplements were published in newspapers and Maths 911 workbooks, study guides and textbooks were provided to schools. (Maths 911 is a joint initiative between a number of private companies and the department, which distributes workbooks that cover the maths curriculum for grades 11 and 12 students across the country.)

Heads of departments for maths and science in 467 Dinaledi schools were trained by subject specialists on curriculum management and planning. A project to place additional tutors at schools for 50 hours of supplementary maths tutoring began in September 2008, in preparation for the 2008 national senior certificate examination for Grade 12. Teacher training manuals for science and maths were sent to 28 Dinaledi schools.

A career guidance catalogue was developed and distributed to further education and training colleges, provincial education departments and other stakeholders. A promotional campaign on further education and training colleges and their programmes and bursaries was also conducted in all provinces. Monitoring was done on the implementation of the student support services framework, and bursary workshops and student support service capacity building workshops were run at all 50 further education and training colleges.

The focus of the programme over the medium term is to continue to provide support for the implementation of the national curriculum statement by providing exemplar examination papers and setting examination papers in all subjects for grades 10 to 12. The department will also be providing ongoing support to further education and training colleges to improve the management of these colleges and their outputs.

Expenditure estimates

Table 13.10 Further Education and Training

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Education Measurement, Assessment and Public Examinations	86 878	111 040	188 739	147 263	108 499	112 548	118 318
<i>Examination Administration Support and Information Technology System</i>	48 737	58 990	57 724	24 962	25 015	26 173	27 464
<i>Further Education and Training Examinations and Assessment Colleges and Adult Basic Education and Training</i>	30 395	36 019	45 498	59 640	61 019	66 498	70 053
<i>Further Education and Training Examinations and Assessment: Schools</i>	7 746	16 031	15 299	23 661	22 465	19 877	20 801
<i>National curriculum statement examinations</i>	–	–	70 218	39 000	–	–	–
Further Education and Training Schools	90 988	74 854	284 867	92 260	89 710	169 720	295 379
<i>Curriculum Innovation</i>	15 855	8 290	14 083	13 375	8 960	9 430	10 164
<i>Technical Secondary Schools Recapitalisation</i>	–	–	–	–	4 602	80 000	200 000
<i>School Curriculum</i>	25 447	25 141	27 152	25 275	20 574	21 605	23 009
<i>Recovery Plan</i>	–	–	195 089	–	–	–	–
<i>Umalusi Council for Quality Assurance in General and Further Education and Training</i>	11 119	7 432	12 852	16 044	16 494	17 350	18 391
<i>South African Qualifications Authority</i>	38 567	33 991	35 691	37 566	39 080	41 335	43 815
Further Education and Training College Programmes, Qualifications and Institutional Support	60 596	524 997	658 111	812 232	12 686	13 486	14 136
Total	238 462	710 891	1 131 717	1 051 755	210 895	295 754	427 833
Change to 2008 Budget estimate				28 402	7 761	84 620	206 485
Economic classification							
Current payments	182 545	197 697	449 238	200 797	153 938	155 616	164 124
Compensation of employees	66 046	72 199	90 280	92 405	92 083	99 079	104 220
Goods and services	116 451	115 432	345 143	108 392	61 855	56 537	59 904
<i>of which:</i>							
<i>Administrative fees</i>	36	566	1 670	9	1 322	1 423	1 524
<i>Advertising</i>	985	1 983	24 740	964	863	899	933
<i>Assets less than R5 000</i>	625	604	1 578	849	349	381	413
<i>Catering: Departmental activities</i>	–	690	387	1 020	1 341	1 134	1 470
<i>Communication</i>	1 306	1 714	1 675	1 337	1 665	1 753	1 844
<i>Computer services</i>	47 632	19 759	21 108	11 964	12 289	11 542	12 175
<i>Consultants and professional services: Business and advisory services</i>	2 819	299	271	551	1 815	835	902
<i>Contractors</i>	365	847	9 309	1 140	1 071	77	84

Table 13.10 Further Education and Training (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	182 545	197 697	449 238	200 797	153 938	155 616	164 124
<i>Agency and support / outsourced services</i>	20 537	27 440	17 371	13 100	1 129	987	949
<i>Government motor transport: Trading account</i>	–	485	226	239	251	205	231
<i>Inventory: Learner and teacher support material</i>	12	1 378	992	6 481	2 959	1 105	3 625
<i>Inventory: Materials and supplies</i>	–	33	42	54	–	2 256	–
<i>Inventory: Other consumables</i>	16	39	17	33	5	5	7
<i>Inventory: Stationery and printing</i>	4 428	3 621	16 708	6 833	2 772	3 028	4 888
<i>Lease payments</i>	3 599	4 109	4 412	4 435	4 212	4 330	4 558
<i>Owned and leasehold property expenditure</i>	7	305	26	19	7	6	8
<i>Travel and subsistence</i>	22 207	33 503	31 661	28 760	17 467	14 738	14 965
<i>Training and development</i>	50	3 832	2 118	6 088	534	439	454
<i>Operating expenditure</i>	6 514	9 004	207 007	18 556	5 788	5 381	3 829
<i>Venues and facilities</i>	5 313	5 221	3 825	5 960	6 016	6 013	7 045
Financial transactions in assets and liabilities	48	10 066	13 815	–	–	–	–
Transfers and subsidies	49 986	512 093	680 202	849 105	55 574	138 685	262 206
Provinces and municipalities	212	470 044	631 090	795 170	–	80 000	200 000
Departmental agencies and accounts	49 690	41 423	48 544	53 610	55 574	58 685	62 206
Households	84	626	568	325	–	–	–
Payments for capital assets	5 930	1 101	2 277	1 853	1 383	1 453	1 503
Machinery and equipment	5 922	1 101	2 189	1 843	1 353	1 453	1 463
Software and other intangible assets	8	–	88	10	30	–	40
Total	238 461	710 891	1 131 717	1 051 755	210 895	295 754	427 833
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	–	470 000	631 090	795 170	–	80 000	200 000
Further education and training college sector recapitalisation grant	–	470 000	631 090	795 170	–	–	–
Technical secondary schools recapitalisation	–	–	–	–	–	80 000	200 000
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	212	44	–	–	–	–	–
Regional Services Council levies	212	44	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	49 690	41 423	48 544	53 610	55 574	58 685	62 206
Claims against the state	4	–	1	–	–	–	–
South African Qualifications Authority	38 567	33 991	35 691	37 566	39 080	41 335	43 815
Umalusi Council for Quality Assurance in General and Further Education and Training	11 119	7 432	12 852	16 044	16 494	17 350	18 391
Households							
Social benefits							
Current	84	626	568	325	–	–	–
Employee social benefits	84	626	568	325	–	–	–

Expenditure trends

Expenditure grew at an average annual rate of 64.0 per cent, from R238.5 million in 2005/06 to R1.1 billion in 2008/09. The increase in expenditure of 59.2 per cent in 2007/08 was due to an additional allocation for the implementation of the national curriculum statement examinations for 2007/08 and 2008/09, which also explains the high personnel costs in this period. In addition, there was a once-off allocation, mainly for printing

and publishing learner support materials as part of the national recovery plan after the June 2007 educator strike action, which accounts for the 199 per cent growth in goods and services expenditure in 2007/08.

Expenditure decreases by 79.9 per cent in 2009/10 as the further education and training college recapitalisation conditional grant becomes part of the provincial equitable share in 2009/10. However, the additional allocations provided for the technical schools recapitalisation conditional grant (R80 million in 2010/11 and R200 million in 2011/12) results in projected expenditure rising by 40.2 per cent in 2010/11 and 44.7 per cent in 2011/12.

Cost containment measures over the medium term have been identified within this programme, totalling R6.2 million in goods and services, transfers and subsidies, and capital assets.

Public entities

South African Qualifications Authority

Strategic overview: 2005/06 – 2011/2012

The South African Qualifications Authority is a statutory body established in terms of the South African Qualifications Authority Act (1995) and is well recognised nationally and internationally. In terms of the proposed new National Qualifications Framework Bill, expected to replace the South African Qualifications Authority Act shortly, the authority will continue to focus on upholding the principles of the national qualifications framework, including ensuring access, quality, redress and development for all learners through an integrated national framework of learning achievements.

In terms of the bill, the main deliverables of the South African Qualifications Authority will include registering qualifications and part qualifications on the national qualifications framework, and maintaining and further developing the national learners' records database as the key national source of information for human resource and skills development. However, Umalusi and the Council for Higher Education will take over the responsibility for standards generation and the management of qualifications within their respective sectors – Umalusi for the general and further education sector, and the council for the higher education sector. The Department of Labour will establish a new quality council for trades and occupations to oversee the trades and occupations sector. The South African Qualifications Authority will initiate and drive a coordinated communication strategy to assist providers, learners and the public to understand the new national qualifications framework system and the implications of the changes.

Selected performance and operations indicators

Table 13.11 South African Qualifications Authority

Indicator	Past			Current	Projections		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of qualifications received for evaluation each year	8 420	14 382	29 849	25 000	20 000	20 000	20 000
Number of new qualifications registered on the national learners' records database each year	112	126	118	112	*	*	*
Number of new unit standards registered on the national learners' records database each year	1 193	401	713	800	*	*	*

*The South African Qualifications Authority cannot provide projections from 2009/10, as these functions will be taken over by the quality councils in the new national qualifications framework dispensation.

Service delivery and spending focus

In 2008/09, the South African Qualifications Authority focused on the more efficient evaluation of the increasing number of foreign qualifications. The authority completed the first round of performance auditing of education and training quality assurance bodies in preparation for the new national qualifications framework system. The national learners' records database has been acknowledged as a national skills data set, and the authority has used it to provide important higher education trends information to decision makers.

In the period ahead, the South African Qualifications Authority will focus on supporting the objectives of the National Qualifications Framework Bill.

Expenditure estimates

Table 13.12 South African Qualifications Authority: Financial information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Statement of financial performance							
Revenue							
Non-tax revenue	6 801	12 958	20 211	20 905	19 680	20 225	20 775
Sale of goods and services other than capital assets	4 283	8 876	15 955	17 600	17 950	18 600	18 950
<i>of which:</i>							
<i>Administrative fees</i>	2 881	7 490	14 196	16 000	16 000	17 000	16 750
<i>Sales by market establishments</i>	1 402	1 386	1 759	1 600	1 950	1 600	2 200
<i>Other non-tax revenue</i>	2 518	4 082	4 256	3 305	1 730	1 625	1 825
Transfers received	62 065	50 759	42 906	44 874	44 330	46 335	47 815
Total revenue	68 866	63 717	63 117	65 779	64 010	66 560	68 590
Expenses							
Current expense	54 822	60 090	64 478	68 899	66 325	70 103	70 926
Compensation of employees	18 811	24 465	27 064	30 645	33 710	36 069	38 233
Goods and services	30 700	29 329	32 404	32 765	27 576	29 136	29 677
Depreciation	5 311	6 296	5 010	5 489	5 039	4 898	3 016
Total expenses	54 822	60 090	64 478	68 899	66 325	70 103	70 926
Surplus / (Deficit)	14 044	3 627	(1 361)	(3 120)	(2 315)	(3 543)	(2 336)

Expenditure trends

The South African Qualifications Authority receives transfers of R39 million, R41.3 million and R43.8 million from the Department of Education over the MTEF period. Other revenue comprises donor funds, fees for processing private higher education institutions' applications, and interest on investments. The higher than usual transfers received in 2005/06 are mainly as a result of a once-off allocation of R16.8 million from the National Skills Fund, used to deliver standards setting and quality assurance related services to the 25 sector education and training authorities and the Department of Labour. This, with the termination of European Union funds in 2005/06, accounts for the decline in revenue in 2006/07. The R14 million surplus in 2005/06 is mainly because the authority was reluctant to embark on new projects while awaiting the outcome of the national qualifications framework review. Some of these deferred projects were carried out in 2006/07 and 2007/08, which accounts for the deficit in 2007/08. The deficit from 2008/09 to 2011/12 is mainly as a result of the planned construction of a parking garage and repairs to the West Arcade of the authority's building. The deficit is offset by the accumulated surplus.

Umalusi Council for Quality Assurance in General and Further Education and Training

Strategic overview: 2005/06 – 2011/2012

The Umalusi Council for Quality Assurance in General and Further Education and Training (Umalusi) was established in terms of the General and Further Education and Training Quality Assurance Act (2001). Its major functions include: ensuring continuous quality improvements in the delivery and outcomes of the general and further education and training sectors of the national education and training system by monitoring the suitability and adequacy of standards and qualifications; accrediting private providers and monitoring and reporting on public providers; assuring the quality of learner assessments at exit points; issuing certificates; and promoting quality among providers of education, training and assessment.

In 2009/10, Umalusi will be responsible for:

- improving and maintaining the existing system for quality, assuring exit point assessment and developing new quality assurance processes for the three new qualifications: national senior certificate, national certificate (vocational) and general education and training certificate (schools)
- improving and extending a system for evaluating and accrediting adult education centres, independent schools and private further education and training providers, and assessment bodies
- establishing and further piloting the quality assurance of qualifications and curriculums

- conducting research on a number of topics on the standard of curriculums and assessments in the general education and training and further education and training bands
- maintaining and improving the IT system and existing certification functions, while developing new regulations and systems for the certification of new qualifications.

Selected performance and operations indicators

Table 13.13 Umalusi Council for Quality Assurance in General and Further Education and Training

Indicator	Activity / Objective / Programme / Project	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of certificates issued each year	Quality assurance of assessment	1 140 795	922 702	750 836	760 000	775 000	800 000	810 000
Number of providers accredited each year	Evaluation and accreditation	185	282	435	546	600	650	700

Service delivery and spending focus

All examination processes for qualifications offered by schools, adult basic education and training centres and further education and training colleges in 2008 were quality assured. Accreditation, monitoring and visiting the sites of private providers of education and training has continued across schools, adult basic education and training centres and further education and training colleges. Existing assessment bodies (both public and private) have been monitored, and new applications for accreditation have been processed. Systems and instruments for evaluating qualifications and curricula have been established and implemented, and the certification of learner attainments for 2008 was completed across all the qualifications that Umalusi quality assures.

Expenditure estimates

Table 13.14 Umalusi Council for Quality Assurance in General and Further Education and Training: Financial information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
Statement of financial performance	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Revenue							
Non-tax revenue	20 914	22 686	23 361	27 897	24 150	25 689	44 874
Sale of goods and services other than capital assets of which:	18 432	20 189	21 682	22 198	23 600	25 189	41 374
Administrative fees	18 432	20 189	21 682	22 198	23 600	25 189	41 374
Other non-tax revenue	2 482	2 497	1 679	5 699	550	500	3 500
Transfers received	7 690	10 286	12 652	16 044	16 494	17 350	18 391
Total revenue	28 604	32 972	36 013	43 941	40 644	43 039	63 265
Expenses							
Current expense	21 268	28 001	30 767	43 653	40 313	42 659	62 828
Compensation of employees	9 810	12 072	14 473	18 740	18 101	20 817	31 117
Goods and services	10 783	15 436	15 494	23 965	21 339	21 166	31 038
Depreciation	675	493	800	948	873	676	673
Transfers and subsidies	62	23	120	288	331	380	437
Total expenses	21 330	28 024	30 887	43 941	40 644	43 039	63 265
Surplus / (Deficit)	7 274	4 948	5 126	-	-	-	-

Expenditure trends

The Department of Education will transfer R16.5 million, R17.4 million and R18.4 million to Umalusi over the MTEF period. Transfers received grew by 26.8 per cent from R12.7 million in 2007/08 to R16 million in 2008/09, to enable Umalusi to carry out additional responsibilities, including accrediting private further education and training colleges, and moderating the common task for assessment for Grade 9. Other sources of revenue include fees for issuing certificates and accrediting service providers, and interest on investments.

Expenditure on goods and services grew by an average annual rate of 30.5 per cent, from 2005/06 to 2008/09, and compensation of employees by 24.1 per cent over the same period. The increases are due to Umalusi's

additional responsibilities, and are reflected in the additional allocations over the same period. Expenditure is expected to grow more moderately, at an average annual 12.9 per cent over the medium term.

Programme 5: Social and School Enrichment

- *Social Inclusion in Education* manages policy, programmes and systems for adult education and school enrichment. It ensures quality access to and promotes increased participation by all learners in the curriculum and school enrichment programmes. It collaborates with relevant departments and stakeholders to create safe and caring schools, safety nets for orphaned and vulnerable children, and quality adult basic education training and literacy programmes for adult learners. Funding is mainly used for the Kha Ri Gude mass literacy campaign, paying stipends to volunteer educators, producing learner and teacher support materials and conducting assessments.
- *Health in Education* manages policies related to the overall wellness of educators and learners, and manages and monitors the national school nutrition programme. Funding is mainly used for transfer payments related to the national school nutrition programme to provincial education departments, divided among the provinces on the basis of the number of learners in quintile 1 to 3 schools.
- *Equity in Education* develops policies and programmes for promoting gender equity, non-racialism, non-sexism, democratic values in education, and moral regeneration in public schools. It promotes quality education programmes in rural and farm schools, and schools in the presidential nodal areas (areas that have been identified by the Presidency for special attention). Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Improve communication on the measures for the prevention and management of learner pregnancy and the guidelines for the prevention and management of sexual violence and harassment in public schools in 2009/10 by:
 - hosting advocacy sessions with school governing body forums and other school communities
 - conducting workshops on implementing the measures and the guidelines
 - running a media campaign via the South African Broadcasting Corporation.
- Strengthen the girls and boys education movements by conducting road shows and encouraging new clubs in 2009/10.
- Improve learning capacity through the national school nutrition programme by ensuring that:
 - all quintile 1 to 3 primary school learners receive appropriate meals on all school days
 - the programme is phased into quintile 1 to 3 secondary schools over the MTEF period.
- Reduce the number of illiterate adults in South Africa by half by 2012 through the Kha Ri Gude mass literacy campaign.
- Provide specialised literacy tuition for disabled illiterate adults, including the blind and deaf, over the next 3 years.
- Develop guidelines for implementing levels 3 and 4 learning programmes for adult basic education and training by March 2010.

Service delivery and spending focus

The Kha Ri Gude mass literacy campaign was launched in April 2008. Its initial target to train 300 000 illiterate adults and to employ and train 20 000 volunteer educators was exceeded by 60 000 illiterate adults and 8 000 volunteer educators. Stipends were paid to more than 28 000 campaign volunteers drawn from among the poorest South Africans, 93 per cent of whom were unemployed. 90 per cent of the learners and educators were supplied with stationery packs and mother-tongue literacy and numeracy books. A train-the-trainer workshop for 77 blind educators and 80 deaf educators was held in August 2008 to ensure increased participation by blind and deaf learners in the campaign. Assessment portfolios or test books for numeracy and literacy were completed in all 11 official languages and approved by the South African Qualifications Authority. Outcomes based assessment instruments aligned with the adult basic education and training level 1 unit standards were

administered to enable successful learners to progress to adult basic education and training level 2 in the public adult learning centres in 2009. The Kha Ri Gude mass literacy campaign remains a key focus over the MTEF period.

By the end of the pilot project for the United Nations Children's Fund Sport for Development programme, 126 schools had been reached through interschool tournaments, with about 5 000 learners participating. A physical education implementation plan was compiled and costing was completed.

4 provinces held Lethimpilo campaigns during 2008 in which 14 453 learners were screened for minor ailments and social security needs, and directed for treatment if necessary. Those identified with health problems were either treated on site for minor ailments, or referred to the appropriate health facilities for further treatment, management and care.

6 238 489 learners in 18 297 schools were fed an adequate meal during 2008. 6 503 school food gardens were planted and sustained. Capacity building workshops were conducted on the implementation guidelines, food production and nutrition education to national school nutrition programme officials, educators and parents. Monitoring and support to provinces for the implementation and extension of the national school nutrition programme to secondary schools remains a key focus area over the medium term.

CD and hard copy versions of the measures for the prevention and management of learner pregnancy and the guidelines on the prevention and management of sexual violence and harassment were sent to each district in 2008.

Expenditure estimates

Table 13.15 Social and School Enrichment

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Social Inclusion in Education	12 860	14 249	29 061	471 325	456 429	482 568	511 771
<i>School Safety and Enrichment Programmes and Social Issues</i>							
<i>School Safety and Enrichment Programmes and Social Issues</i>	8 329	8 547	8 497	8 163	7 635	8 185	9 112
<i>Adult Basic Education and Training</i>	4 531	5 702	3 457	6 162	5 600	5 132	5 422
<i>Kha Ri Gude Mass Literacy Campaign</i>	–	–	17 106	457 000	443 194	469 251	497 237
Health in Education	1 125 758	1 114 271	1 232 559	1 947 585	2 420 848	3 691 281	4 608 603
<i>Health Promotion</i>	6 778	8 547	7 044	10 501	10 076	10 530	11 231
<i>National School Nutrition Programme</i>	1 118 980	1 105 724	1 225 515	1 937 084	2 410 772	3 680 751	4 597 372
Equity in Education	5 903	12 961	19 030	14 118	13 596	14 491	15 465
Total	1 144 521	1 141 481	1 280 649	2 433 028	2 890 873	4 188 340	5 135 839
Change to 2008 Budget estimate				452 564	543 707	1 279 109	2 056 030

Economic classification

	30 692	43 221	60 873	505 469	495 471	524 138	556 180
Current payments							
Compensation of employees	14 071	15 182	20 702	26 465	34 121	36 088	37 973
Goods and services	16 620	28 033	40 131	479 004	461 350	488 050	518 207
<i>of which:</i>							
<i>Administrative fees</i>	43	25	26	411	26 672	28 246	29 980
<i>Advertising</i>	692	854	3 982	5 838	6 981	7 095	7 520
<i>Assets less than R5 000</i>	183	95	255	116	162	131	163
<i>Audit costs: External</i>	–	–	–	850	377	381	401
<i>Catering: Departmental activities</i>	–	1 107	334	3 185	241	278	302
<i>Communication</i>	320	322	347	464	550	648	726
<i>Computer services</i>	–	24	5	3 034	15	20	25
<i>Consultants and professional services: Business and advisory services</i>	–	4	56	1 370	3 919	3 456	3 652
<i>Consultants and professional services: Legal costs</i>	–	–	–	–	–	100	80
<i>Contractors</i>	522	82	51	215	1 666	1 687	1 756
<i>Agency and support / outsourced services</i>	311	1 367	6 032	24 105	226 615	251 461	266 574
<i>Government motor transport: Trading account</i>	9	385	182	231	293	318	360
<i>Inventory: Learner and teacher support material</i>	–	157	60	–	–	–	–

Table 13.15 Social and School Enrichment (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Economic classification							
Current payments	30 692	43 221	60 873	505 469	495 471	524 138	556 180
<i>Inventory: Materials and supplies</i>	11	38	–	1	1	1	3
<i>Inventory: Medical supplies</i>	1	–	21	–	–	–	–
<i>Inventory: Other consumables</i>	50	727	64	11	6	6	7
<i>Inventory: Stationery and printing</i>	1 049	5 359	793	185 251	133 063	129 557	136 282
<i>Lease payments</i>	41	512	153	67	56	65	76
<i>Owned and leasehold property expenditure</i>	–	34	24	23	514	576	671
<i>Travel and subsistence</i>	9 607	9 713	7 461	10 101	13 205	13 858	14 537
<i>Training and development</i>	132	916	159	12	315	333	344
<i>Operating expenditure</i>	2 578	3 913	17 334	237 258	41 596	44 434	49 620
<i>Venues and facilities</i>	1 071	2 399	2 792	6 461	5 103	5 399	5 128
Financial transactions in assets and liabilities	1	6	40	–	–	–	–
Transfers and subsidies	1 112 198	1 098 050	1 219 289	1 927 109	2 394 528	3 663 326	4 578 752
Provinces and municipalities	1 112 194	1 098 048	1 219 289	1 927 109	2 394 528	3 663 326	4 578 752
Departmental agencies and accounts	1	2	–	–	–	–	–
Households	3	–	–	–	–	–	–
Payments for capital assets	1 631	210	487	450	874	876	907
Machinery and equipment	1 631	210	444	450	874	876	907
Software and other intangible assets	–	–	43	–	–	–	–
Total	1 144 521	1 141 481	1 280 649	2 433 028	2 890 873	4 188 340	5 135 839
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 112 151	1 098 036	1 219 289	1 927 109	2 394 528	3 663 326	4 578 752
National school nutrition programme grant	1 112 151	1 098 036	1 219 289	1 927 109	2 394 528	3 663 326	4 578 752
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	43	12	–	–	–	–	–
Regional Services Council levies	43	12	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	1	2	–	–	–	–	–
Claims against the state	1	2	–	–	–	–	–
Households							
Social benefits							
Current	3	–	–	–	–	–	–
Employee social benefits	3	–	–	–	–	–	–

Expenditure trends

The growth in expenditure over the seven-year period, at an average annual rate of 28.4 per cent, is mainly due to increased allocations for expanding the national school nutrition programme to secondary schools. Over the MTEF period, expenditure is set to increase from R2.4 billion in 2008/09 to R5.1 billion in 2011/12, at an average annual rate of 28.3 per cent. The increase from 2008/09 onwards is also due to additional allocations for the mass literacy campaign, which accounts for the growth of 1093.6 per cent in goods and services in 2008/09, the first year of the Kha Ri Gude mass literacy campaign. This also explains the increase in operating expenditure in 2008/09, which was mainly for the payment of stipends for the mass literacy educators. Over the medium term, these stipends will be paid by the agency that has been contracted to manage and administer the campaign. Together, these account for the projected increased expenditure in agency and outsourced services over this period.

Expenditure on payments for capital assets was high in 2005/06 because vehicles for the national schools nutrition programme in provinces were purchased in that year.

Expenditure in the *Equity in Education* subprogramme fluctuates, depending on the number of projects and campaigns undertaken in each year.

Cost containment measures over the medium term have been identified within this programme, totalling R120.4 million in goods and services, mainly from outsourced services, and stationery and printing.

Programme 6: Higher Education

- *Higher Education Planning and Management* provides management support services to the higher education system. Funding is mainly used for transfer payments to the National Student Financial Aid Scheme and the Council on Higher Education.
- *Higher Education Policy* registers private higher education institutions and liaises with constituencies in higher education. Funding is mainly used for salaries, and other personnel related costs.
- *Higher Education Subsidies*, formerly part of the *Higher Education Planning and Management* subprogramme, transfers payments to higher education institutions. These consist of allocations for: block grants; ad hoc purposes; foundation and bridging programmes; infrastructure grants; efficiency improvements; and interest and redemption relating to loans taken by higher education institutions. Funding is mainly used for unconditional block grants transfers, which are divided among the 23 higher education institutions based on research outputs, teaching inputs and outputs, and contextual factors like the number of disadvantaged students enrolled.

Objectives and measures

- Improve the performance and output of the higher education system through ongoing monitoring and evaluation.
- Improve the teaching and research outputs of the higher education sector by finalising and implementing the review of the teaching and research development grants by March 2010.
- Improve the governance of higher education institutions through ongoing support to higher education councils and other higher education constituencies through the assessment of annual reports.
- Extend and improve higher education to meet high level human resources needs and promote research and knowledge generation by overseeing the implementation of policy for development grants for teaching and research and the enrolment and success of students in science, technology and engineering.
- Promote access to higher education opportunities by providing bursaries and loans annually to students through the National Student Financial Aid Scheme and coordinating programmes by the national institutes for higher education in Mpumalanga and Northern Cape.

Service delivery and spending focus

As part of the higher education management information system, the revised manual for classifying educational subject matter was approved by the minister. Institutions have given their inputs on the amendment of the new building space reporting system, which will be used to finalise the building space norms manual.

The year-on-year cohort study that tracks undergraduates entering higher education institutions tracked 138 000 first time entering undergraduate students from 2002. Results of this study indicate that after 5 years of study, 46 200 students (34 per cent) of these undergraduate students had graduated, 71 200 (51 per cent) had dropped out and 20 600 (15 per cent) were still studying. It is expected that most of the 20 600 will eventually graduate. Further analysis of dropouts, retention and throughputs by qualification, gender and age, is being reviewed and checked for accuracy before publication.

A committee was established by the department to look into the performance of institutions by reviewing teaching and research outputs, and drafting a report on the current situation.

The Council on Higher Education requires all higher education institutions to establish an institutional forum to advise the council on a variety of issues, including the progress being made on transformation. A review of the efficacy of these institutional forums was finalised in 2008/09. As a result of some of the findings of this review, workshops were held in 2008/09 for some of the student representative councils to improve the effectiveness of student governance at their higher education institutions.

Funding over the medium term is aimed at continued support for higher education institutions. The focus will also be on infrastructure development, for which funds have been earmarked. Support for providing student loans to needy and deserving students through the National Student Financial Aid Scheme also remains a priority.

Expenditure estimates

Table 13.16 Higher Education

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
Higher Education Planning and Management	899 177	964 122	1 372 912	1 745 792	2 189 029	2 378 742	2 758 276
Higher Education Policy and Development	7 319	7 069	8 485	12 454	11 873	12 509	13 133
Higher Education Subsidies	9 740 336	10 985 688	11 941 539	13 803 413	15 297 196	17 516 740	19 002 723
Total	10 646 832	11 956 879	13 322 936	15 561 659	17 498 098	19 907 991	21 774 132
Change to 2008 Budget estimate				383 470	541 951	682 937	1 396 684
Economic classification							
Current payments	13 769	16 721	19 160	24 499	23 307	23 071	24 204
Compensation of employees	9 815	12 674	13 261	15 624	15 939	16 910	17 713
Goods and services	3 952	4 043	5 899	8 875	7 368	6 161	6 491
<i>of which:</i>							
<i>Administrative fees</i>	50	1	2	23	33	34	36
<i>Advertising</i>	230	395	416	1 066	346	363	338
<i>Assets less than R5 000</i>	90	153	92	34	43	47	49
<i>Catering: Departmental activities</i>	–	35	48	21	29	31	35
<i>Communication</i>	220	254	235	400	385	400	420
<i>Computer services</i>	220	363	3	745	1 273	354	380
<i>Consultants and professional services: Business and advisory services</i>	–	–	3	597	1 271	836	900
<i>Contractors</i>	6	8	85	11	–	–	–
<i>Agency and support / outsourced services</i>	48	469	1 227	1 088	44	44	46
<i>Government motor transport: Trading account</i>	–	90	39	29	24	25	14
<i>Inventory: Learner and teacher support material</i>	–	–	2	–	2	2	2
<i>Inventory: Materials and supplies</i>	3	20	–	–	–	–	–
<i>Inventory: Other consumables</i>	2	7	16	1	–	–	–
<i>Inventory: Stationery and printing</i>	234	224	175	504	458	474	541
<i>Lease payments</i>	53	90	20	51	50	52	54
<i>Owned and leasehold property expenditure</i>	–	2	11	1	3	3	3
<i>Travel and subsistence</i>	1 970	1 746	2 574	3 542	2 904	2 974	3 128
<i>Training and development</i>	–	–	–	18	10	10	10
<i>Operating expenditure</i>	590	51	686	342	322	335	349
<i>Venues and facilities</i>	236	135	265	402	171	177	186
Financial transactions in assets and liabilities	2	4	–	–	–	–	–
Transfers and subsidies	10 632 860	11 939 978	13 303 533	15 536 996	17 474 525	19 884 645	21 749 641
Provinces and municipalities	31	10	–	–	–	–	–
Departmental agencies and accounts	890 740	954 280	1 361 994	1 733 583	2 177 329	2 367 905	2 746 918
Universities and technikons	9 740 336	10 985 688	11 941 539	13 803 413	15 297 196	17 516 740	19 002 723
Foreign governments and international organisations	1 753	–	–	–	–	–	–
Payments for capital assets	203	180	243	164	266	275	287
Machinery and equipment	203	180	243	164	252	261	273
Software and other intangible assets	–	–	–	–	14	14	14
Total	10 646 832	11 956 879	13 322 936	15 561 659	17 498 098	19 907 991	21 774 132

Table 13.16 Higher Education (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	31	10	-	-	-	-	-
Regional Services Council levies	31	10	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	890 740	954 280	1 361 994	1 733 583	2 177 329	2 367 905	2 746 918
Council on Higher Education	26 648	27 902	29 297	31 208	32 661	34 546	36 619
National Student Financial Aid Scheme	864 092	926 378	1 332 697	1 702 375	2 144 668	2 333 359	2 710 299
Universities and technikons							
Current	9 616 122	10 895 152	11 864 016	13 737 008	15 229 196	17 448 740	18 934 723
Higher Education institutions	9 616 122	10 895 152	11 864 016	13 737 008	15 229 196	17 448 740	18 934 723
Capital	124 214	90 536	77 523	66 405	68 000	68 000	68 000
Higher Education institutions	124 214	90 536	77 523	66 405	68 000	68 000	68 000
Foreign governments and international organisations							
Current	1 753	-	-	-	-	-	-
Fulbright Commission	1 753	-	-	-	-	-	-

Expenditure trends

Transfer payments to higher education institutions remain the programme's largest spending item, increasing at an average annual rate of 12.3 per cent between 2005/06 and 2008/09. This expenditure is projected to continue to increase at an average annual rate of 11.2 per cent over the medium term due to the additional allocations for subsidies to higher education institutions. The additions are specifically directed at infrastructure projects, earmarked allocations for institutions to improve their graduate outputs (particularly in scarce and critical skills areas such as engineering, science and technology) and to provide additions to the general block grant to institutions.

Transfers to the National Student Financial Aid Scheme (which currently constitute close to 10 per cent of total expenditure in this programme) are expected to rise at an average annual rate of 16.6 per cent over the medium term mainly due to additional allocations for specific bursaries such as the initial supply of teachers bursary and for students at further education and training colleges. More details on the National Student Financial Aid Scheme are provided in the section below.

Cost containment measures over the medium term have been identified within this programme, totalling R0.5 million in goods and services and R0.9 million in transfers and subsidies.

Public entities

National Student Financial Aid Scheme

Strategic overview: 2005/06 – 2011/12

The National Student Financial Aid Scheme, established in terms of the National Student Financial Aid Scheme Act (1999), is responsible for administering and allocating loans and bursaries to eligible students, developing criteria and conditions for granting loans and bursaries in consultation with the minister, raising funds, recovering loans, maintaining and analysing a database, and undertaking research for the better use of financial resources. The National Student Financial Aid Scheme also advises the minister on student financial aid in general, and performs other functions assigned to it by the minister.

During the MTEF period, the National Student Financial Aid Scheme aims to:

- comply with the requirements of the National Credit Act (2005) as it applies to the mandate of the National Student Financial Aid Scheme
- provide improved, specific and relevant services to students, debtors, institutions and donors
- establish an IT platform that enables the scheme to administer and manage significant increases in funding from the government and the corporate sector
- improve the visibility of the bursary awards for specific courses so that timely interventions can be initiated to reduce the rollover of unspent funds.

Selected performance indicators

Table 13.17 National Student Financial Aid Scheme

Indicator	Past			Current	Projected		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of students assisted in higher education per year ¹	106 852	108 416	113 616	120 000	130 000	140 000	150 000
Pass rate (number of courses passed by loan recipients) ²	74% (867 438)	73% (1 086 267)	75% (1 271 583)	75% (1 440 000)	76% (1 570 400)	76% (1 702 400)	77% (1 836 000)
Funds recovered from study loans	R329m	R390m	R479m	R501m	R526m	R578m	R608m
Number of new Funza Lushaka bursary recipients ³	0	0	3 842	5 447	8 715	9 240	9 795
Number of new further education and training bursary recipients	–	–	12 283	38 000	51 000	54 060	57 300

1. Recipients of awards from all sources of funding

2. The National Student Financial Aid Scheme pass rate is a reported figure from each higher education institutions, which provides a breakdown of the number of courses a student enrolled for in a particular year, and the number of courses passed in that year. It does not provide an indication of progression and does not correlate with progression rates, as students may pass more than 50 per cent of their courses, but these may not necessarily be credit bearing, weighted or major courses that contribute to progression to the next academic year.

3. Bursaries for students studying to become teachers

Service delivery and spending focus

The number of students assisted with National Student Financial Aid Scheme funding increased by 6.3 per cent from 106 852 in 2005/06 to 113 616 in 2007/08. There are 107 900 beneficiaries for the 2008 academic year, and this is expected to increase to 120 000, as institutions still need to submit all completed applications and loan agreement forms.

The value of student loans granted over the seven-year period increased at an average annual rate of 20.9 per cent, from R1.2 billion in 2005/06 to a planned R4 billion in 2011/12.

Funds recovered from the repayment of loans increased from R329 million in 2005/06 to R479 million in 2007/08, and to R501 million in 2008/09, due to the National Student Financial Aid Scheme expanding its debt recovery and collection strategy. This is a crucial element in the sustainability of the loans system, as success in this area will enable the institution to assist more students with fewer transfers from government. Going forward, the National Student Financial Aid Scheme aims to establish an IT platform that will streamline the administration and management of funds, and will enable it to manage significant increases in funding from both the government and the corporate sector.

Expenditure estimates

Table 13.18 National Student Financial Aid Scheme: Activity information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Student bursaries: Higher education institutions	376 260	407 764	612 415	948 413	1 521 984	1 660 161	1 866 770
Student bursaries: Further education and training colleges	–	–	65 340	224 214	300 000	318 000	337 080
Other activities	137 210	34 474	263 993	279 075	294 705	308 771	327 878
Total expense	513 470	442 238	941 748	1 451 702	2 116 689	2 286 932	2 531 728
Student loans: Higher education institutions	1 213 469	1 382 430	1 742 651	2 474 569	3 132 703	3 592 443	3 979 443

Table 13.19 National Student Financial Aid Scheme: Financial information

R thousand Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Revenue							
Non-tax revenue	268 525	332 126	411 242	516 623	580 647	665 469	730 504
<i>Other non-tax revenue</i>	268 525	332 126	411 242	516 623	580 647	665 469	730 504
Transfers received	969 287	1 052 359	1 507 051	1 902 358	2 453 283	2 660 479	3 042 153
Total revenue	1 237 812	1 384 485	1 918 293	2 418 981	3 033 930	3 325 948	3 772 657
Expenses							
Current expense	137 210	34 474	263 993	279 075	294 705	308 770	327 879
Compensation of employees	9 886	10 838	13 104	18 623	23 347	26 794	30 647
Goods and services	126 354	22 333	251 526	260 045	269 816	280 618	295 393
Depreciation	970	1 303	(637)	407	1 542	1 358	1 838
Transfers and subsidies	376 260	407 764	677 755	1 172 627	1 821 984	1 978 161	2 203 850
Total expenses	513 470	442 238	941 748	1 451 702	2 116 689	2 286 931	2 531 729
Surplus / (Deficit)	724 342	942 247	976 545	967 279	917 241	1 039 017	1 240 929
Acquisition of assets	1 888	1 462	921	626	1 567	1 223	4 014

Expenditure trends

Transfers from the department to the National Student Financial Aid Scheme will be R2.1 billion in 2009/10, R2.3 billion in 2010/11 and R2.7 billion in 2011/12. These transfers include allocations for Funza Lushaka bursaries (R400 million; R424 million and R449.4 million) and further education and training college bursaries (R300 million; R318 million and R337 million). The National Student Financial Aid Scheme administers bursaries for social workers on behalf of the Department of Social Development, which accounts for the additional transfers received over the MTEF period. Other revenue is generated from donor funds, the repayment of study loans, and interest on investments.

The dip in expenditure in goods and services in 2006/07 from R126.4 million to R22.3 million was due mainly to no provision being made for doubtful debt as well as a significant increase in irrecoverable debts in 2006/07. From 2007/08, the National Student Financial Aid Scheme started to improve its debt collection methods, which meant a reduction in irrecoverable debts. Furthermore, provision for doubtful debt was included from 2007/08, which explains the steady increase in goods and services over the medium term.

Council on Higher Education

Strategic overview: 2005/06 – 2011/2012

The Council on Higher Education was established in terms of the Higher Education Act (1997) and is responsible for:

- providing the Minister of Education with independent advice on all higher education policy matters
- executive responsibility for quality assurance in higher education and training institutions
- monitoring and evaluating the achievement of policy goals and objectives, including reporting on the state of South African higher education
- contributing to the development of higher education.

The recent work of the council's higher education quality assurance committee has resulted in the development and implementation of a national system of quality assurance that focuses on accrediting new and existing programmes, conducting institutional audits, promoting quality, and developing capacity – for both public and private higher education providers. Standard setting has recently been assigned to the council as a new core function, and new structures and regulations for this will be developed in 2009.

Selected performance and operations indicators

Table 13.20 Council on Higher Education

Indicator	Programme name	Past			Current	Projections		
		2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Number of auditors, national reviewers and programme evaluators trained each year to promote quality and develop quality related capacity in higher education	Quality promotion and capacity development	608	583	120**	170**	338	340	608
Number of new learning programmes accredited each year	Accreditation and national reviews	272	262	267	234	350	350	350
Number of institutional audits (public and private higher education institutions) conducted each year*	Quality promotion and capacity development	5	8	5	4	4	3	3

*The institutional audit is a cyclical event that takes place once every six years for each institution.

**During these financial years, there was no need to train more national review evaluators, as the group trained from 2004 to 2007 undertook the evaluation of teacher education programmes, which started in 2005 and was completed in 2008.

Service delivery and spending focus

The review of teacher education programmes was completed in 2008/09. The review included the advanced certificate in education programmes, mainly completed by in-service teachers wishing to upgrade their skills in a specific area, as well as the post-graduate certificate in education and bachelor and master of education programmes offered by universities. 41 programmes were reviewed in 2007/08, 3 of which had their accreditation withdrawn.

In 2007/08, institutional profiles of the University of Pretoria, the Durban University of Technology and the University of the Western Cape were produced. These profiles are analytical reports of the changes in the core functions of teaching and learning and research of institutions over a 10-year period. Producing these profiles is one of the council's ongoing activities, and by 2007/08, 12 had been produced.

A core responsibility of the council is to advise the Minister of Education on matters relating to higher education. In this regard, in 2007/08 the council advised the minister on stipulations regarding the entry requirements to higher education and the National Qualifications Framework Bill, among others.

Expenditure estimates

Table 13.21 Council on Higher Education: Financial information

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
Statement of financial performance	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Revenue							
Non-tax revenue	2 890	6 705	4 301	3 427	4 993	4 013	4 365
Sale of goods and services other than capital assets of which:	770	785	1 397	854	3 193	3 513	3 865
Sales by market establishments	770	785	1 397	854	3 193	3 513	3 865
Other non-tax revenue	2 120	5 920	2 904	2 573	1 800	500	500
Transfers received	31 765	30 696	30 691	31 886	32 661	34 546	36 619
Total revenue	34 655	37 401	34 992	35 313	37 654	38 559	40 984
Expenses							
Current expense	27 666	30 605	33 687	34 652	49 991	41 757	42 467
Compensation of employees	11 324	12 895	12 321	12 913	15 770	16 417	16 637
Goods and services	15 798	16 962	20 553	20 985	33 419	24 590	25 070
Depreciation	512	692	753	754	802	750	760
Interest, dividends and rent on land	32	56	60	-	-	-	-
Total expenses	27 666	30 605	33 687	34 652	49 991	41 757	42 467
Surplus / (Deficit)	6 989	6 796	1 305	661	(12 337)	(3 198)	(1 483)

Expenditure trends

The Council on Higher Education receives most of its revenue as transfers from the department, and over the medium term will receive R32.7 million, R34.5 million, and R36.6 million. Additional revenue is received for providing accreditation to private higher education institutions, from donors, and from interest on investments. Total revenue decreased in 2007/08 by 6.4 per cent, mainly due to the decrease in donor funding in 2007/08 and

its continued expected decrease over the medium term. There is also a drop in sales by the market establishments in 2008/09, as there have been few applications for accreditation from private institutions while the standard setting function of the council is being established. Applications are expected to increase once this function is fully operational, which is reflected in the projected average annual growth of 65.4 per cent in sales by the market establishment over the medium term.

Expenditure on goods and services is projected to increase by 59.3 per cent in 2009/10 as the Council on Higher Education establishes its newly assigned functions. Once the necessary structures have been set up, goods and services expenditure is expected to decrease in 2010/11, growing by 6.1 per cent over the MTEF period.

The council is projecting a deficit over the medium term, due to the planned purchase of a new office building and its additional functions. This deficit declines over the medium term and is offset by the council's accumulated surplus.

Programme 7: Auxiliary and Associated Services

- *International Relations and UNESCO* develops, promotes and cultivates international relations, and supports the United Nations Educational, Scientific and Cultural Organisation (UNESCO) projects in the education sector. Funding is mainly used for transfer payments to UNESCO.
- *Financial Support Services* monitors provincial budgets and cash flows, provides support and advice to provincial education departments for overall management, organisational structures and all aspects of corporate services, and manages, monitors and reports on donor and conditional grant funding. Funding is mainly used for salaries, and other personnel related costs.

Objectives and measures

- Monitor progress on implementing the African Union Second Decade of Education plan of action by compiling biannual progress reports.
- Improve research and postgraduate opportunities in strategic fields by implementing the India-Brazil-South Africa exchange programme for researchers and postgraduate students in the selected 6 thematic areas by March 2010.
- Ensure that provincial education departments' spending is in line with budget allocations and strategic plans by reviewing quarterly expenditure reports.
- Provide administrative support and advice to provincial education departments by conducting biannual monitoring visits.
- Ensure that spending is in line with budget allocations and business plans by monitoring and reporting on donor and conditional grant funding on a monthly basis.

Service delivery and spending focus

At the conference of the SADC ministers responsible for education and training held in Lusaka in July 2008, South Africa submitted detailed progress reports on the implementation of the Second Decade of Education for Africa plan. In October 2008, the Minister of Education chaired the Association for the Development of Education in Africa Bureau of Ministers meeting, and also played a key role in the steering committee meeting held in Tunis. These meetings ensure alignment of activities with the Second Decade of Education for Africa plan of action by all agencies working in education on the continent.

The six India-Brazil-South Africa working groups refined the broad thematic areas and suggested specific research questions that would be of interest to all three member countries. The department participated in the third India-Brazil-South Africa academic seminar in Brazil in August 2008 and the third summit held in India in October 2008.

Over the medium term, this programme will continue to improve the department's capacity to provide administrative support and advice to provincial education departments, and strengthen the department's international relations.

Expenditure estimates

Table 13.22 Auxiliary and Associated Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
R thousand							
International Relations and UNESCO	13 900	25 179	27 421	20 830	21 767	23 009	24 260
Financial Support Services	1 936	3 528	5 810	7 795	8 729	9 229	9 674
Total	15 836	28 707	33 231	28 625	30 496	32 238	33 934
Change to 2008 Budget estimate				2 050	2 140	2 181	(169)
Economic classification							
Current payments	8 084	19 540	22 251	17 056	18 543	19 629	20 581
Compensation of employees	5 451	7 968	9 910	12 648	14 737	15 634	16 377
Goods and services	2 631	11 563	12 328	4 408	3 806	3 995	4 204
<i>of which:</i>							
Administrative fees	3	225	9	–	1	1	1
Advertising	89	622	321	–	–	–	–
Assets less than R5 000	26	322	76	7	108	112	110
Catering: Departmental activities	–	257	64	64	62	65	69
Communication	155	184	214	237	336	354	371
Computer services	–	69	–	1	–	–	–
Consultants and professional services: Business and advisory services	–	–	28	–	202	202	202
Contractors	22	39	213	23	48	51	51
Agency and support / outsourced services	24	1 089	437	107	7	8	8
Government motor transport: Trading account	–	29	20	42	81	84	87
Inventory: Learner and teacher support material	1	–	–	9	–	–	–
Inventory: Materials and supplies	33	46	–	–	2	2	2
Inventory: Medical supplies	–	4	–	–	–	–	–
Inventory: Other consumables	7	4	36	–	–	–	–
Inventory: Stationery and printing	120	242	267	165	296	310	317
Lease payments	2	390	1 210	24	–	–	271
Owned and leasehold property expenditure	3	5	12	–	13	14	16
Travel and subsistence	2 044	3 699	6 919	3 657	2 606	2 746	2 653
Training and development	–	–	–	–	3	4	4
Operating expenditure	10	586	67	19	22	23	23
Venues and facilities	92	3 751	2 435	53	19	19	19
Financial transactions in assets and liabilities	2	9	13	–	–	–	–
Transfers and subsidies	7 615	8 956	10 838	11 379	11 812	12 485	13 235
Provinces and municipalities	15	5	–	–	–	–	–
Foreign governments and international organisations	7 599	8 894	10 788	11 379	11 812	12 485	13 235
Non-profit institutions	–	–	50	–	–	–	–
Households	1	57	–	–	–	–	–
Payments for capital assets	137	211	142	190	141	124	118
Machinery and equipment	137	211	142	190	141	124	118
Total	15 836	28 707	33 231	28 625	30 496	32 238	33 934
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	15	5	–	–	–	–	–
Regional Services Council levies	15	5	–	–	–	–	–
Foreign governments and international organisations							
Current	7 599	8 894	10 788	11 379	11 812	12 485	13 235
Association for the Development of Education in Africa	10	25	17	20	25	25	27
Commonwealth of Learning	1 669	1 818	1 779	1 866	1 819	1 901	2 015
United Nations Educational, Scientific and Cultural Organisation	5 610	6 741	7 666	9 103	9 558	10 131	10 739
India-Brazil-South Africa Trilateral Commission	310	310	350	390	410	428	454
Organisation for Economic Cooperation and Development	–	–	976	–	–	–	–

Table 13.22 Auxiliary and Associated Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Details of transfers and subsidies							
Non-profit institutions							
Current	-	-	50	-	-	-	-
Childline South Africa	-	-	50	-	-	-	-
Households							
Social benefits							
Current	1	57	-	-	-	-	-
Employee social benefits	1	57	-	-	-	-	-

Expenditure trends

The increase in expenditure from R15.8 million in 2005/06 to R28.7 million in 2006/07, reflecting growth of 81.3 per cent, was mainly due to the costs associated with the hosting of the sixteenth Conference of Commonwealth Education Ministers in December 2006. The increase to R33.2 million in 2007/08 was mainly due to the hosting of the third Conference of African Ministers of Education in August 2007.

Expenditure declines by 13.9 per cent in 2008/09, but increases at an annual average rate of 5.8 per cent over the MTEF period due to inflation increases. The department pays South Africa's membership fee to the United Nations Educational, Scientific and Cultural Organisation from this programme.

Cost containment measures over the medium term have been identified within this programme, totalling R0.3 million in goods and services.

Provincial expenditure

While the national Department of Education provides policy direction and oversight over education service delivery, provincial departments of education are responsible for actual service delivery of education at schools and further education and training colleges.

The aggregate provincial education budget increases by 9.2 per cent, from R108.6 billion in 2008/09 to R118.5 billion in 2009/10. It is expected to grow at an average annual rate of 9.8 per cent to R143.8 billion in 2011/12. This is slower than the average annual growth of 14.7 per cent between 2005/06 and 2008/09, which was mainly driven by the expansion of personnel budgets with the introduction of the occupation specific dispensation for educators in 2008, the introduction of no-fee schools in 2007, and the expansion of the infrastructure programme in all provinces over this period.

Expenditure by province

Table 13.23 Expenditure estimates by province

Provinces	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
Eastern Cape	11 523 158	12 872 743	14 475 134	17 920 776	17 788 988	19 447 507	21 886 987	23 771 110
Free State	4 916 135	5 345 739	5 797 303	6 721 166	7 068 907	7 383 261	8 123 917	8 734 429
Gauteng	10 406 370	11 622 696	13 829 368	16 677 714	17 127 669	18 987 053	20 944 719	23 147 152
KwaZulu-Natal	15 030 000	16 218 726	18 406 747	22 336 744	22 717 251	24 810 039	27 877 779	30 371 724
Limpopo	10 361 404	11 365 966	11 814 587	14 543 907	15 090 318	16 362 123	18 095 151	19 594 346
Mpumalanga	5 780 657	6 272 885	7 823 399	9 357 058	9 417 941	10 073 199	11 208 414	12 156 674
Northern Cape	1 563 461	1 642 659	2 287 517	2 681 162	2 935 223	2 979 208	3 308 798	3 620 618
North West	5 950 698	6 685 648	6 205 613	7 212 336	7 212 336	8 145 319	9 223 020	10 077 609
Western Cape	6 449 244	6 920 362	7 737 797	9 206 088	9 206 088	10 346 039	11 332 891	12 302 733
Total	71 981 127	78 947 424	88 377 465	106 656 951	108 564 721	118 533 748	132 001 676	143 776 396

Source: Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)

North West's education budget is expected to grow more strongly than other provinces' over the MTEF period, at an average annual rate of 11.8 per cent. This is after North West's budget decreased in 2007/08 because of a miscalculation of the number of learners and teachers lost due to demarcation changes. The miscalculation was corrected in 2008/09.

Budgets in Free State and Northern Cape are expected to grow at an average annual rate of 7.3 per cent and 7.2 per cent over the MTEF period respectively. These relatively low growth rates are underpinned by Free State's 4.4 per cent growth in 2009/10 and Northern Cape's 1.5 per cent in 2009/10. Free State's infrastructure budget drops by 31.2 per cent in 2009/10, which is mainly the reason for the relatively low growth in the overall budget in that year. However, this drop is a result of a major drive to speed up the delivery of school infrastructure in 2008/09, which saw the infrastructure budget grow by 89.1 per cent in that year. In Northern Cape, the relatively low growth is mainly due to decreases in the budgets for administration, further education and training colleges and adult basic education and training in 2008/09.

Expenditure by provincial programme

Table 13.24 Expenditure estimates by provincial programme

Provincial programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
1. Administration	5 050 004	5 269 076	6 364 119	7 394 669	7 746 583	8 326 026	8 838 941	9 198 506
2. Public Ordinary School Education	60 476 602	66 358 184	73 419 828	87 728 738	89 166 257	97 400 041	107 850 262	116 951 117
3. Independent School Subsidies	334 000	402 791	444 818	530 548	526 778	604 767	641 374	676 302
4. Public Special School Education	1 931 731	2 128 768	2 415 996	2 999 842	3 104 734	3 389 250	4 094 035	5 027 117
5. Further Education and Training	1 452 397	1 975 252	2 425 156	3 141 436	3 109 207	3 168 340	3 372 661	3 541 989
6. Adult Basic Education and Training	709 855	717 920	844 964	993 947	1 020 195	1 123 133	1 197 781	1 264 244
7. Early Childhood Development	440 117	545 898	691 206	1 429 117	1 389 643	1 995 697	3 174 449	3 591 219
8. Auxiliary and Associated Services	1 586 421	1 549 535	1 771 378	2 438 654	2 501 324	2 526 494	2 832 172	3 525 901
Total	71 981 127	78 947 424	88 377 465	106 656 951	108 564 721	118 533 748	132 001 676	143 776 396

Source: Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)

The *Public Ordinary School Education* programme dominates provincial education budgets representing an average of 82.6 per cent of total expenditure annually. Expenditure on the *Public Ordinary School Education* programme is expected to grow by 9.5 per cent over the medium term, closely matching overall growth in expenditure. One of the elements underpinning this growth is the planned expansion of no-fee schools to quintile 3 schools over the MTEF period.

Research has shown that learners who have been exposed to a quality early childhood development programme, especially at Grade R level, perform much better at school. The national and provincial education departments have thus prioritised early childhood development and Grade R and have set a target of universal Grade R enrolment by 2010. This is reflected in expenditure on the *Early Childhood Development* programme, which is projected to grow strongly over the medium term at an average annual rate of 37.2 per cent, after growing at 46.7 per cent from 2005/06 to 2008/09. This growth is also illustrated by the increase in expenditure from R440 million in 2005/06 to a projected R3.6 billion by 2011/12.

There is low growth or a decline in projected expenditure in the *Further Education and Training* programme in most provinces in 2009/10. With the conclusion of the further education and training recapitalisation conditional grant in 2008/09, funds that were previously allocated via the grant have been phased into the equitable share allocation to provinces. The low or declining growth in the *Further Education and Training* programme is thus mainly due to provinces redirecting these funds to other areas within and outside education in 2009/10. This accounts for the 1.9 per cent growth in aggregate expenditure in that year, and the average annual growth of 4.4 per cent over the medium term in this programme.

Expenditure in the *Auxiliary and Associated Services* programme only grows by 1 per cent in 2009/10. Examinations are funded from this programme and the special supplementary examination in 2008/09 for the failures under the old curriculum in 2007, account for the increase in this budget in that year.

Provincial expenditure by economic classification

Table 13.25 Expenditure estimates by economic classification

Economic classification	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand								
Current payments	65 380 438	70 562 572	78 815 571	93 939 481	95 665 468	104 421 371	115 211 150	124 921 483
Compensation of employees	58 174 513	62 596 718	69 712 232	81 530 343	83 719 341	90 522 941	98 425 765	106 117 169
Goods and services	7 187 779	7 908 849	9 005 099	12 405 069	11 929 868	13 732 994	16 631 230	18 796 110
Interest and rent on land	541	1 059	641	712	727	747	792	840
Financial transactions in assets and liabilities	17 605	55 946	97 599	3 357	15 532	3 886	4 405	4 096
Unauthorised expenditure	–	–	–	–	–	160 802	148 958	3 268
Transfers and subsidies	3 792 560	4 754 365	6 343 090	7 841 511	7 946 168	8 628 970	9 616 106	10 348 778
Provinces and municipalities	173 667	45 377	374	90	1 573	350	400	450
Departmental agencies and accounts	35 236	38 057	34 059	37 779	40 222	42 645	45 522	47 883
Universities and technikons	6 878	14 570	11 349	14 789	12 447	7 528	7 884	8 263
Public corporations and private enterprises	48	5	1	–	2 055	–	–	–
Non-profit institutions	3 323 247	4 358 942	5 993 850	7 410 900	7 529 501	8 197 705	9 145 228	9 845 512
Households	253 484	297 414	303 457	377 953	360 370	380 742	417 072	446 670
Payments for capital assets	2 808 129	3 630 487	3 218 804	4 875 959	4 953 085	5 483 407	7 174 420	8 506 135
Buildings and other fixed structures	2 453 423	3 301 032	2 943 420	4 387 461	4 550 634	4 958 576	6 521 134	7 786 042
Machinery and equipment	337 053	299 124	265 932	487 102	401 034	523 566	651 947	718 666
Cultivated assets	3 214	–	225	–	–	–	–	–
Software and other intangible assets	4 329	17 391	3 747	1 396	1 417	1 265	1 340	1 428
Land and subsoil assets	10 110	12 940	5 480	–	–	–	–	–
Total	71 981 127	78 947 424	88 377 465	106 656 951	108 564 721	118 533 748	132 001 676	143 776 396

Source: Estimates of Provincial Expenditure 2009 (2009 Provincial Budget Statements)

Compensation of teachers at public schools, mostly reflected in the *Public Ordinary School Education* programme, is projected to increase to R106.1 billion in 2011/12 at an average annual rate of 8.2 per cent over the medium term. Some of this growth is for additional teachers for quintile 1 schools. Compensation of employees represents an average of 77.2 per cent of total expenditure over the seven-year period under review. This is expected to decline to 73.8 per cent in 2011/12 as expenditure on goods and services and payments for capital assets increase as a share of total expenditure. The shift is due to the increased provision of resources to schools, reflected in the projected 16.4 per cent average annual growth in expenditure on goods and services over the MTEF period. The ongoing drive to improve the delivery of school infrastructure is reflected in the increase in buildings and other fixed structures to R7.8 billion in 2011/12, showing average annual growth of 19.6 per cent over the medium term. The increasing infrastructure budget is also intended to provide expanded Grade R facilities over the medium term and to upgrade facilities at public special schools.

The expected aggregate average annual growth of 9.8 per cent in provincial education budgets over the medium term reflects government's continued commitment to improving the delivery of quality education. There is particularly strong growth in priority areas like Grade R and infrastructure delivery. However, the quality of education does not only depend on the provision of appropriate and sufficient resources. Effective school management, a committed teacher corps and appropriate support for teachers and schools are key required elements.

National Department additional tables

Table 13.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2007/08		2007/08	2008/09			2008/09
1. Administration	197 203	161 372	162 590	202 733	(4 598)	198 135	198 135
2. System Planning and Monitoring	89 864	96 538	51 950	98 116	20 357	118 473	108 995
3. General Education	281 291	298 674	258 253	348 166	9 529	357 695	323 079
4. Further Education and Training	864 822	1 189 964	1 131 717	1 023 353	28 402	1 051 755	1 094 687
5. Social and School Enrichment	1 213 390	1 278 816	1 280 649	1 980 464	452 564	2 433 028	2 429 872
6. Higher Education	13 330 873	13 326 930	13 322 936	15 178 189	383 470	15 561 659	15 559 977
7. Auxiliary and Associated Services	23 480	34 458	33 231	26 525	2 100	28 625	28 625
Total	16 000 923	16 386 752	16 241 326	18 857 546	891 824	19 749 370	19 743 370

Economic classification							
Current payments	731 023	992 252	857 728	1 083 297	139 328	1 222 625	1 219 125
Compensation of employees	263 295	276 528	249 739	286 141	22 000	308 141	308 141
Goods and services	467 728	715 724	576 431	797 156	117 328	914 484	910 984
Financial transactions in assets and liabilities	–	–	31 558	–	–	–	–
Transfers and subsidies	15 265 892	15 386 303	15 375 687	17 765 521	752 730	18 518 251	18 512 251
Provinces and municipalities	1 905 633	2 016 773	2 007 950	2 546 008	369 399	2 915 407	2 909 407
Departmental agencies and accounts	1 405 487	1 412 451	1 412 699	1 651 408	135 932	1 787 340	1 787 340
Universities and technikons	11 944 151	11 942 751	11 941 539	13 556 618	246 795	13 803 413	13 803 413
Foreign governments and international organisations	10 621	11 778	11 016	11 437	18	11 455	11 455
Non-profit institutions	–	50	50	50	–	50	50
Households	–	2 500	2 433	–	586	586	586
Payments for capital assets	4 008	8 197	7 911	8 728	(234)	8 494	11 994
Machinery and equipment	3 573	8 197	7 632	8 154	167	8 321	9 994
Software and intangible assets	435	–	279	574	(401)	173	2 000
Total	16 000 923	16 386 752	16 241 326	18 857 546	891 824	19 749 370	19 743 370

Table 13.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Permanent and full time contract employees							
Compensation (R thousand)	138 117	170 438	200 519	255 237	287 967	304 244	318 753
Unit cost (R thousand)	209	222	242	296	309	327	342
Personnel numbers (head count)	660	768	829	862	931	931	931
Part time and temporary contract employees							
Compensation (R thousand)	48 613	33 533	44 703	51 115	56 222	60 764	64 018
Unit cost (R thousand)	273	222	246	252	306	330	348
Personnel numbers (head count)	178	151	182	203	184	184	184
Interns							
Compensation of interns (R thousand)	2 088	3 048	4 517	1 789	1 789	1 789	1 789
Unit cost (R thousand)	24	24	27	27	27	27	27
Number of interns	87	127	165	67	67	67	67
Total for department							
Compensation (R thousand)	188 818	207 019	249 739	308 141	345 978	366 797	384 560
Unit cost (R thousand)	204	198	212	272	293	310	325
Personnel numbers (head count)	925	1 046	1 176	1 132	1 182	1 182	1 182

Table 13.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Compensation of employees (R thousand)	188 818	207 019	249 739	286 141	345 978	366 797	384 560
Training expenditure (R thousand)	1 910	14 964	25 853	7 070	2 344	2 649	2 756
Training as percentage of compensation	1.0%	7.2%	10.4%	2.5%	0.7%	0.7%	0.7%
Total number trained in department (head count)	252	616	606	527			
<i>of which:</i>							
Employees receiving bursaries (head count)	22	44	44	40			
Internships trained (head count)	87	127	165	67			
Households receiving bursaries (R thousand)	-	-	220 000	380 000	700 000	742 000	786 520
Households receiving bursaries (head count)	-	-	21 410	43 428			

Table 13.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Conditional grants to provinces							
2. System Planning and Monitoring							
Disaster management grant	-	-	-	22 002	-	-	-
3. General Education							
HIV and Aids (life skills education) grant	136 293	144 471	157 571	171 126	177 401	188 045	199 328
4. Further Education and Training							
Further education and training college sector recapitalisation grant	-	470 000	631 090	795 170	-	-	-
Technical secondary schools recapitalisation grant	-	-	-	-	-	80 000	200 000
5. Social and School Enrichment							
National school nutrition programme grant	1 112 151	1 098 036	1 219 289	1 927 109	2 394 528	3 663 326	4 578 752
Total	1 248 444	1 712 507	2 007 950	2 915 407	2 571 929	3 931 371	4 978 080

1. Detail provided in the Division of Revenue Act (2009)

Table 13.E Summary of departmental public private partnership projects

Project description: Sethekggo Consortium	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2008/09	2009/10	2010/11	2011/12
R thousand					
Projects signed in terms of Treasury Regulation 16	-	52 643	57 102	66 742	70 747
PPP unitary charge	-	50 643	55 102	66 742	70 747
Advisory fees	-	2 000	2 000	-	-
Total	-	52 643	57 102	66 742	70 747

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	New Head Office Building
Brief description	Finance, design, construction, operation and maintenance of new serviced accommodation
Date PPP agreement was signed	2007/04/20
Duration of PPP agreement	27 years (2 years construction, 25 years service)
Escalation index for unitary fee	CPIX
Net present value of all payment obligations discounted at appropriate duration government bond yield	R1 576 044 149
Variations/amendments to PPP agreement	Variation 1: Enlargement of building approved on 18 Jan 2008. Variation 2: Upgrading of certain facilities not yet approved.
Cost implications of variations/amendments	Financial close: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R71 350 877 VO1: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R76 710 526 VO2: Real annual unitary payment base date 1 Oct 2006 (excl VAT) R95 614 035
Significant contingent fiscal obligations including termination payments, guarantees, warranties and indemnities and maximum estimated value of such liabilities	Maximum exposure on termination for default by the department of R678 918 702.38 in March 2011 and for default by the private party of R964 690 866.24 in March 2023

Table 13.F Summary of financial assistance to higher education institutions, 2008/09

Higher education institutions	Block grant	Interest and redemption	Ad hoc	Foundation provision	Infra-structure	Efficiency improvements	NSFAS		Total
							General allocation	Teacher training	
R thousand									
Cape Peninsula University of Technology	512 989	6 922	9 207	10 521	75 000	–	59 615	5 846	680 100
University of Cape Town	635 172	2 813	–	4 633	30 000	2 000	32 001	411	707 030
Central University of Technology, Free State	191 249	2 181	1 523	2 270	30 000	–	31 518	2 614	261 355
Durban Institute of Technology	399 739	3 980	13 604	2 920	10 000	15 000	69 635	2 614	517 492
University of Fort Hare	154 076	58	9 744	6 203	30 000	–	18 324	1 046	219 451
University of Free State	497 452	2 575	5 912	7 887	–	–	32 946	2 011	548 783
University of KwaZulu-Natal	869 517	6 500	10 665	7 731	–	30 000	76 363	11 369	1 012 145
Mangosuthu Technikon	140 642	421	7 062	2 493	10 000	–	31 158	–	191 776
Nelson Mandela Metropolitan University	427 461	3 229	1 260	8 963	80 000	–	39 123	250	560 286
North West University	626 472	2 520	2 725	7 452	–	–	35 387	5 645	680 201
University of Pretoria	1 067 160	495	–	3 276	60 000	1 000	48 175	4 705	1 184 811
Rhodes University	172 760	609	–	1 359	20 000	–	6 101	61	200 890
University of Stellenbosch	621 795	3 331	–	1 545	10 000	4 000	9 698	150	650 519
Tshwane University of Technology	842 170	4 214	23 119	9 738	55 000	19 000	127 893	3 450	1 084 584
University of South Africa	943 672	8 494	227 573	–	–	–	50 904	684	1 231 327
University of Johannesburg	760 464	4 776	9 623	16 063	60 000	10 000	89 910	1 300	952 136
University of Limpopo	378 888	2 081	38 739	4 430	70 000	60 000	53 087	5 558	612 783
Vaal University of Technology	266 396	1 881	18 207	3 953	–	–	53 809	–	344 246
University of Venda	148 926	3 200	24 657	4 596	60 000	14 000	33 846	5 080	294 305
Walter Sisulu University of Science and Technology, Eastern Cape	338 165	3 479	38 530	7 226	90 000	50 000	64 351	5 242	596 993
University of the Western Cape	340 935	–	16 389	6 452	80 000	–	35 146	1 176	480 098
Witwatersrand University	678 909	4 721	14 373	1 580	67 000	3 000	44 772	2 404	816 759
University of Zululand	183 715	1 520	10 066	2 434	50 000	–	27 255	7 384	282 374
Unallocated	110 721	–	233 195	7 275	–	–	30 447	–	381 638
NSFAS: FET Bursaries	–	–	–	–	–	–	–	–	200 000
NSFAS: Teacher Development and Initial Supply (Bursaries)	–	–	–	–	–	–	–	–	180 000
NSFAS: SA Institute for Chartered Accountants	–	–	–	–	–	–	–	–	16 000
Higher education restructuring	–	–	–	–	–	–	–	–	235 000
Total	11 309 445	70 000	716 173	131 000	887 000	208 000	1 101 464	69 000	15 123 082

Table 13.G Summary of financial assistance to higher education institutions, 2009/10

Higher education institutions	Block grant	Interest and redemption	Infra-structure and efficiency funds	Development funds	Ad hoc	NSFAS			Total
						General allocation	Teacher training	Students with disabilities	
R thousand									
Cape Peninsula University of Technology	589 726	4 785	–	21 476	–	70 669	7 257	1 065	694 978
University of Cape Town	740 708	1 578	82 000	4 830	35 410	37 799	474	752	903 551
Central University of Technology, Free State	213 032	2 181	30 000	4 006	–	36 356	3 019	1 065	289 659
Durban Institute of Technology	454 578	1 772	45 000	13 611	–	82 857	3 523	1 065	602 406
University of Fort Hare	171 629	58	30 000	22 124	–	23 009	1 208	1 003	249 031
University of Free State	559 097	1 709	40 000	24 529	23 550	40 481	2 324	3 509	695 199
University of KwaZulu-Natal	958 015	2 938	60 000	30 470	45 190	85 710	13 636	4 198	1 200 157
Mangosuthu Technikon	164 463	–	20 000	10 408	–	36 062	–	1 190	232 123
Nelson Mandela Metropolitan University	481 637	2 473	10 000	11 911	390	46 416	289	1 253	554 369
North West University	737 326	2 013	–	10 080	1 100	41 183	6 521	1 504	799 727
University of Pretoria	1 201 242	232	81 000	11 223	44 310	56 059	5 434	1 566	1 401 066
Rhodes University	199 371	446	50 000	1 693	400	7 450	71	1 065	260 496
University of Stellenbosch	693 093	2 520	23 000	1 906	34 010	11 864	789	9 900	777 082
Tshwane University of Technology	930 603	3 274	153 000	28 078	–	152 049	174	815	1 267 993
University of South Africa	1 092 130	2 072	–	273 054	–	60 357	4 490	3 571	1 435 674
University of Johannesburg	840 420	3 639	210 000	30 501	–	106 765	1 501	3 697	1 196 523
University of Limpopo	445 968	1 120	70 000	38 891	36 760	62 225	7 910	1 316	664 190
Vaal University of Technology	312 531	1 196	30 000	17 156	–	62 724	–	940	424 547
University of Venda	175 935	2 092	108 000	31 744	–	42 744	5 867	6 140	372 522
Walter Sisulu University of Science and Technology, Eastern Cape	385 258	–	180 000	55 689	12 290	76 791	6 560	1 441	718 029
University of the Western Cape	395 137	–	80 000	24 230	14 980	40 645	1 358	1 441	557 791
Witwatersrand University	796 720	3 623	100 000	6 539	51 610	54 534	2 777	815	1 016 618
University of Zululand	209 599	879	60 000	11 920	–	30 704	10 317	689	324 108
Unallocated	19 149	–	–	2 760	38 400	25 716	–	–	86 025
NSFAS: FET Bursaries	–	–	–	–	–	–	–	–	300 000
NSFAS: Teacher Development and Initial Supply (Bursaries)	–	–	–	–	–	–	–	–	400 000
NSFAS: SA Institute for Chartered Accountants	–	–	–	–	–	–	–	–	18 000
Total	12 767 367	40 600	1 462 000	688 829	338 400	1 291 169	85 499	50 000	17 441 864

Table 13.H Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate				
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
R thousand													
Foreign													
In cash													
African Union Commission	Management	Administration	193	Goods and services	Travel and accommodation expenses for African Union related conferences	-	-	193	-	-	-	-	-
Belgium-Flanders	Whole school development	Social and School Enrichment	1 941	Goods and services	Whole school development	-	650	-	-	-	-	-	-
Cameroon Education Department	Management	Administration	3	Goods and services	Donation received from Minister Gadama to assist in South African education programmes	3	-	-	-	-	-	-	-
Danish Cooperation for Environment and Development	National environmental education programme: Coordinator salaries and KwaZulu-Natal literacy programme	Social and School Enrichment	3 076	Goods and services	Salaries for the coordination of the national environmental education programme for the piloting of Curriculum 2005	-	791	-	-	-	-	-	-
United Kingdom Department for International Development	Salary of skills development project coordinator, education support project, phase 2: Life skills, mergers of higher education institutions	Higher Education	1 603	Goods and services	Development of learning and teaching support materials for implementation of religious education in the curriculum	350	17	-	-	-	-	-	-
European Union	Eastern Cape schools reconstruction, implementation of South African Schools Act, South African Qualifications Authority, the National Student Financial Aid Scheme, school infrastructure, library books to higher education and technical support	System Planning and Monitoring	148 590	Goods and services	Upgrading, building and refurbishing schools in Limpopo, Eastern Cape and KwaZulu-Natal	4 061	11 411	31 322	-	-	-	-	-
European Union	Higher education HIV and AIDS programme	Higher Education	256 000	Goods and services	Provision of grant support to 21 higher education institutions towards reducing HIV and AIDS	-	5 385	22 017	-	-	-	-	-
European Union	Sector infrastructure support programme	System Planning and Monitoring	67 640	Goods and services	27 schools built or refurbished in Limpopo, Eastern Cape and KwaZulu-Natal	-	2 010	60 674	-	-	-	-	-
Finland	Special needs education	General Education	42 165	Goods and services	2 full service schools completed in 2008, 8 to be completed by July 2009. Provinces started with the conversion of 12 full service schools to be fully accessible structurally	3 576	5 661	2 271	-	-	-	-	-
France	Student and youth science, technology, engineering and mathematics and training of education executives. Grade 6: systematic evaluation	General Education	16 924	Goods and services	2 400 teachers trained in maths and science content and 238 subject advisors to support teachers	-	11 756	108	-	-	-	-	-

Table 13.H Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate			Medium-term expenditure estimate			
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12			
R thousand															
Foreign															
In cash															
Japan	Management	Administration	113	Goods and services	Accommodation and travel expenses for an official visit by the Minister of Education to Cuba and Japan	113	-	-	-	-	-	-	-	-	-
The Netherlands	Sectoral budget support programme and reconstruction of schools in Limpopo	Auxiliary and Associated Services	433 489	Goods and services	Audit of provincial education facilities, support on the implementation of the national curriculum statement, provision of storybooks to schools and support to teacher development	57 454	130 653	74 815	74 694	-	-	-	-	-	-
Sweden	Special needs education-inclusive education	General Education	19 471	Goods and services	Full service schools completed and special schools converted. Provinces are converting 12 full service schools to be fully accessible structurally	-	5 772	4 898	-	-	-	-	-	-	-
Taiwan	Alternatives to corporal punishment, distribution of national curriculum statement documents, national curriculum statement advocacy and communication and further education and training	General Education	16 911	Goods and services	Promotion, communication and distribution of the national curriculum statement for further education and training	12 941	2 682	259	-	-	-	-	-	-	-
United States Agency for International Development	National working group for higher education, Grade 6 systemic evaluation, school improvement, HIV and AIDS emergency guidelines for educators	System Planning and Monitoring	-	Goods and services	Assistance to the national education department on finance, education economics, human resource and information policy, planning and monitoring matters	195	69	15	-	-	-	-	-	-	-
In kind															
Carnegie Corporation	South African undergraduates scholarships	General Education	-	Goods and services	Scholarships to female undergraduates	8 003	6 828	11 391	-	-	-	-	-	-	-
United Kingdom Department for International Development	Education support project phase 2	General Education	13 989	Goods and services	Creation of capacity to implement new policies in relation to HIV and AIDS, teacher and curriculum development, further education and training, and higher education	-	9 063	9 535	1 362	-	-	-	-	-	-
Finland	Direct-merger expenditure restructuring	Higher Education	39 000		Implementation of the restructuring of the South African higher education system and merger of institutions	11 015	21 253	-	-	-	-	-	-	-	-

Table 13.H Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome				Estimate			
						2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
R thousand													
Foreign													
In kind													
United States Agency for International Development	Strategic objective grant agreement	General Education	143 086	Goods and services	Technical assistance on finance, education economics, human resources and information policy, planning and monitoring matters	-	3 534	-	-	-	-	-	-
Norway	Higher education policy	Higher Education	248 846	Goods and services	Technical assistance on higher education	19 809	15 971	8 722	-	-	-	-	-
Local													
In cash													
Investec Security Ltd	Various	Auxiliary and Associated Services	500	Goods and services	Purchasing of reading books for the buses donated by Nissan and sponsoring of 23 learners who attended the international science exposition in Mexico	500	-	-	-	-	-	-	-
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) and InWent	WDR conference, Germany	Auxiliary and Associated Services	11	Goods and services	Conference fees for the world development report	11	-	-	-	-	-	-	-
Intel Corporation	Management	Administration	31	Goods and services	Accommodation and travel expenses for a conference on global public private partnerships in education in Washington DC	-	31	-	-	-	-	-	-
Nuffic	Management	Administration	13	Goods and services	Accommodation and travel expenses for workshops in the Netherlands on Dutch technical assistance programme to higher, further education, and cross-border higher education	-	13	-	-	-	-	-	-
In kind													
Vodacom	National teacher awards	General Education	16	Goods and services	Gifts at the national teacher awards	-	-	16	-	-	-	-	-
Intel and Mercer	National teacher awards	General Education	54	Goods and services	Gifts at the national teacher awards	-	-	54	-	-	-	-	-
Old Mutual	National teacher awards	General Education	32	Goods and services	Books and cash prizes at the national teacher awards	-	32	-	-	-	-	-	-
MTN	National teacher awards	General Education	300	Goods and services	Gifts at the national teacher awards	-	300	-	-	-	-	-	-
Oxford University Press	National teacher awards	General Education	30	Goods and services	Books and cash prizes at the national teacher awards	-	30	-	-	-	-	-	-
Total			1 454 027			118 031	233 912	226 290	76 056	-	-	-	-

