

# Vote 15

## Higher Education and Training

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>49 188 279</b>	<b>49 188 279</b>	-	-
<b>of which:</b>				
Current payments	8 215 156	7 948 286	(266 870)	-
Transfers and subsidies	40 965 418	41 232 288	-	266 870
Payments for capital assets	7 705	7 705	-	-
<b>Direct charge against the National Revenue Fund</b>	<b>17 639 595</b>	<b>15 462 170</b>	<b>(2 177 425)</b>	-
Executive authority	Minister of Higher Education and Training			
Accounting officer	Director-General of Higher Education and Training			
Website address	www.dhet.gov.za			

### Vote purpose

*Develop and support a quality higher and vocational education sector. Promote access to higher education, vocational education and skills development training opportunities.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of students enrolled in higher education institutions per year	University Education	Outcome 5: A skilled and capable workforce to support an inclusive growth path	1 020 000	985 212 <sup>1</sup>	-
Proportion of higher education enrolments in science, engineering and technology; business; and the humanities	University Education		30:28:42	30:28:42 <sup>1</sup>	-
Number of doctoral graduates per year	University Education		2 200	2 530 <sup>1</sup>	-
Number of postgraduate graduates per year	University Education		51 100	51 051 <sup>1</sup>	-
Number of monitoring and evaluation reports on higher education produced and submitted for approval per year	University Education		12	1	-
Number of headcount enrolments in technical and vocational education and training colleges per year	Technical and Vocational Education and Training		950 000	580 719	-
Number of full time equivalents enrolled in technical and vocational education and training institutions per year	Technical and Vocational Education and Training		421 100	230 080	-
Number of teaching and learning support plans for technical and vocational education and training developed and approved per year	Technical and Vocational Education and Training		1	1	-

2016 Adjusted Estimates of National Expenditure

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Turnaround time for certificates issued to qualifying students after examinations <sup>2</sup>	Technical and Vocational Education and Training	Outcome 5: A skilled and capable workforce to support an inclusive growth path	3 months	0	-
Number of new artisans registered for training per year	Skills Development		30 750	12 102	-
Number of artisan learners competent per year	Skills Development		21 110	5 330	-
Number of work based learning opportunities created per year	Skills Development		120 000	24 369	-
Number of technical and vocational education and training colleges that entered into partnership agreements with sector education and training authorities per year	Skills Development		50	38	-
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		310 000	279 954	-
Certification rate in the general education and training certificate	Community Education and Training		35%	- <sup>3</sup>	-

1. Not verified. Audited data for the 2015 academic year will only be available from universities by the end of October 2016.

2. This was adopted to meet the specific, measurable, achievable, relevant and time bound criteria from government's 2014-2019 medium term strategic framework indicator: 'Certificates issued to qualifying students within 3 months after examinations'.

3. Data will only be available in the fourth quarter of the year.

### Mid-year progress

The targets for headcount and full-time equivalent enrolments at technical and vocational education and training colleges are unlikely to be achieved by the end of 2016/17, as the targets were set without commensurate funding being available to accommodate rapid increases in enrolments. The three-month timeframe for the release of certificates to qualifying students after the publication of examination results was not met due to persistent data processing errors, which the State Information Technology Agency is still unable to fix.

The department is on track to achieve the targets set for reports on monitoring and evaluation of higher education; the process of validating 11 reports – which will be delivered by the end of the year – is currently under way. The target for work based learning opportunities created is likely to be met within the remaining six months of the year, as higher numbers are recorded in the last two quarters of the year. Regarding new artisans registered for training and the number of artisan learners competent per year, the department is setting up processes for meeting the annual targets, such as integrating the data available at the national artisan moderating body for artisans with the data at the Indlela trade test centre, as it had previously been erroneously omitted.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Administration	373 667	-	-	(929)	-	-	(929)	372 738
Planning, Policy and Strategy	71 545	-	-	39	-	-	39	71 584
University Education	39 531 603	-	-	890	-	-	890	39 532 493
Technical and Vocational Education and Training	6 917 191	-	-	43 053	-	-	43 053	6 960 244
Skills Development	224 534	-	-	(43 091)	-	-	(43 091)	181 443
Community Education and Training	2 069 739	-	-	38	-	-	38	2 069 777
<b>Subtotal</b>	<b>49 188 279</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 188 279</b>

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Direct charge against the National Revenue Fund</b>	<b>17 639 595</b>	–	–	–	–	(2 177 425)	(2 177 425)	<b>15 462 170</b>	
Sector education and training authorities	14 112 453	–	–	–	–	(1 741 940)	(1 741 940)	12 370 513	
National Skills Fund	3 527 142	–	–	–	–	(435 485)	(435 485)	3 091 657	
<b>Total</b>	<b>66 827 874</b>	–	–	–	–	(2 177 425)	(2 177 425)	<b>64 650 449</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>8 215 156</b>	–	–	(266 870)	–	–	(266 870)	<b>7 948 286</b>	
Compensation of employees	7 839 886	–	–	(266 174)	–	–	(266 174)	7 573 712	
Goods and services	375 270	–	–	(696)	–	–	(696)	374 574	
<b>Transfers and subsidies</b>	<b>58 605 013</b>	–	–	<b>266 870</b>	–	(2 177 425)	(1 910 555)	<b>56 694 458</b>	
Departmental agencies and accounts	29 255 650	–	–	(330)	–	(2 177 425)	(2 177 755)	27 077 895	
Higher education institutions	27 964 818	–	–	–	–	–	–	27 964 818	
Foreign governments and international organisations	3 323	–	–	(427)	–	–	(427)	2 896	
Non-profit institutions	1 381 222	–	–	260 000	–	–	260 000	1 641 222	
Households	–	–	–	7 627	–	–	7 627	7 627	
<b>Payments for capital assets</b>	<b>7 705</b>	–	–	–	–	–	–	<b>7 705</b>	
Machinery and equipment	7 705	–	–	–	–	–	–	7 705	
<b>Total</b>	<b>66 827 874</b>	–	–	–	–	(2 177 425)	(2 177 425)	<b>64 650 449</b>	

**Programme 1: Administration**

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Subprogramme</b>									
Ministry	28 665	–	–	4 595	–	–	4 595	33 260	
Department Management	46 703	–	–	224	–	–	224	46 927	
Corporate Services	150 870	–	–	(2 203)	–	–	(2 203)	148 667	
Office of the Chief Financial Officer	84 789	–	–	(3 545)	–	–	(3 545)	81 244	
Internal Audit	9 233	–	–	–	–	–	–	9 233	
Office Accommodation	53 407	–	–	–	–	–	–	53 407	
<b>Total</b>	<b>373 667</b>	–	–	(929)	–	–	(929)	<b>372 738</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>368 393</b>	–	–	(1 048)	–	–	(1 048)	<b>367 345</b>	
Compensation of employees	203 398	–	–	–	–	–	–	203 398	
Goods and services	164 995	–	–	(1 048)	–	–	(1 048)	163 947	
<b>Transfers and subsidies</b>	<b>330</b>	–	–	(191)	–	–	(191)	<b>139</b>	
Departmental agencies and accounts	330	–	–	(330)	–	–	(330)	–	
Households	–	–	–	139	–	–	139	139	
<b>Payments for capital assets</b>	<b>4 944</b>	–	–	<b>310</b>	–	–	<b>310</b>	<b>5 254</b>	
Machinery and equipment	4 944	–	–	310	–	–	310	5 254	
<b>Total</b>	<b>373 667</b>	–	–	(929)	–	–	(929)	<b>372 738</b>	

**Programme 2: Planning, Policy and Strategy**

R thousand	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
<b>Subprogramme</b>									
Programme Management: Planning, Policy and Strategy	3 283	–	–	–	–	–	–	3 283	
Human Resource Development, Strategic Planning and Coordination	16 910	–	–	104	–	–	104	17 014	
Planning, Information, Monitoring and Evaluation Coordination	17 862	–	–	(21)	–	–	(21)	17 841	
International Relations	13 705	–	–	(400)	–	–	(400)	13 305	
Legal and Legislative Services	14 539	–	–	–	–	–	–	14 539	
Social Inclusion in Education	5 246	–	–	356	–	–	356	5 602	
<b>Total</b>	<b>71 545</b>	–	–	<b>39</b>	–	–	<b>39</b>	<b>71 584</b>	

**Programme 2: Planning, Policy and Strategy (continued)**

Economic classification	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
<b>Current payments</b>	<b>68 012</b>	–	–	<b>189</b>	–	–	<b>189</b>	<b>68 201</b>
Compensation of employees	58 256	–	–	–	–	–	–	58 256
Goods and services	9 756	–	–	189	–	–	189	9 945
<b>Transfers and subsidies</b>	<b>3 323</b>	–	–	<b>(421)</b>	–	–	<b>(421)</b>	<b>2 902</b>
Foreign governments and international organisations	3 323	–	–	(427)	–	–	(427)	2 896
Households	–	–	–	6	–	–	6	6
<b>Payments for capital assets</b>	<b>210</b>	–	–	<b>271</b>	–	–	<b>271</b>	<b>481</b>
Machinery and equipment	210	–	–	271	–	–	271	481
<b>Total</b>	<b>71 545</b>	–	–	<b>39</b>	–	–	<b>39</b>	<b>71 584</b>

**Programme 3: University Education**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: University Education	4 699	–	–	(29)	–	–	(29)	4 670
University - Academic Planning and Management	11 507 448	–	–	1 049	–	–	1 049	11 508 497
University - Financial Planning and Information Systems	12 724	–	–	(130)	–	–	(130)	12 594
University - Policy and Development	27 627	–	–	–	–	–	–	27 627
Teacher Education	14 287	–	–	–	–	–	–	14 287
University Subsidies	27 964 818	–	–	–	–	–	–	27 964 818
<b>Total</b>	<b>39 531 603</b>	–	–	<b>890</b>	–	–	<b>890</b>	<b>39 532 493</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>67 817</b>	–	–	<b>818</b>	–	–	<b>818</b>	<b>68 635</b>
Compensation of employees	61 094	–	–	–	–	–	–	61 094
Goods and services	6 723	–	–	818	–	–	818	7 541
<b>Transfers and subsidies</b>	<b>39 463 487</b>	–	–	–	–	–	–	<b>39 463 487</b>
Departmental agencies and accounts	11 490 497	–	–	–	–	–	–	11 490 497
Higher education institutions	27 964 818	–	–	–	–	–	–	27 964 818
Non-profit institutions	8 172	–	–	–	–	–	–	8 172
<b>Payments for capital assets</b>	<b>299</b>	–	–	<b>72</b>	–	–	<b>72</b>	<b>371</b>
Machinery and equipment	299	–	–	72	–	–	72	371
<b>Total</b>	<b>39 531 603</b>	–	–	<b>890</b>	–	–	<b>890</b>	<b>39 532 493</b>

**Programme 4: Technical and Vocational Education and Training**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Technical and Vocational Education and Training	9 665	–	–	(5 900)	–	–	(5 900)	3 765
Technical and Vocational Education and Training System Planning and Institutional Support	6 614 734	–	–	47 662	–	–	47 662	6 662 396
Programmes and Qualifications	11 765	–	–	(1 209)	–	–	(1 209)	10 556
National Examination and Assessment	276 046	–	–	2 500	–	–	2 500	278 546
Financial Planning	4 981	–	–	–	–	–	–	4 981
<b>Total</b>	<b>6 917 191</b>	–	–	<b>43 053</b>	–	–	<b>43 053</b>	<b>6 960 244</b>
<b>Economic Classification</b>								
<b>Current payments</b>	<b>5 639 232</b>	–	–	<b>(266 391)</b>	–	–	<b>(266 391)</b>	<b>5 372 841</b>
Compensation of employees	5 520 998	–	–	(266 174)	–	–	(266 174)	5 254 824
Goods and services	118 234	–	–	(217)	–	–	(217)	118 017
<b>Transfers and subsidies</b>	<b>1 277 365</b>	–	–	<b>309 237</b>	–	–	<b>309 237</b>	<b>1 586 602</b>
Departmental agencies and accounts	2 517	–	–	43 053	–	–	43 053	45 570
Non-profit institutions	1 274 848	–	–	260 000	–	–	260 000	1 534 848
Households	–	–	–	6 184	–	–	6 184	6 184
<b>Payments for capital assets</b>	<b>594</b>	–	–	<b>207</b>	–	–	<b>207</b>	<b>801</b>
Machinery and equipment	594	–	–	207	–	–	207	801
<b>Total</b>	<b>6 917 191</b>	–	–	<b>43 053</b>	–	–	<b>43 053</b>	<b>6 960 244</b>

**Programme 5: Skills Development**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Skills Development	2 057	-	-	150	-	-	150	2 207
SETA Coordination	190 843	-	-	(43 083)	-	-	(43 083)	147 760
National Skills Development Services	8 496	-	-	(158)	-	-	(158)	8 338
Quality Development and Promotion	23 138	-	-	-	-	-	-	23 138
<b>Total</b>	<b>224 534</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>181 443</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>102 248</b>	<b>-</b>	<b>-</b>	<b>(56)</b>	<b>-</b>	<b>-</b>	<b>(56)</b>	<b>102 192</b>
Compensation of employees	90 347	-	-	-	-	-	-	90 347
Goods and services	11 901	-	-	(56)	-	-	(56)	11 845
<b>Transfers and subsidies</b>	<b>121 956</b>	<b>-</b>	<b>-</b>	<b>(42 995)</b>	<b>-</b>	<b>-</b>	<b>(42 995)</b>	<b>78 961</b>
Departmental agencies and accounts	121 956	-	-	(43 091)	-	-	(43 091)	78 865
Households	-	-	-	96	-	-	96	96
<b>Payments for capital assets</b>	<b>330</b>	<b>-</b>	<b>-</b>	<b>(40)</b>	<b>-</b>	<b>-</b>	<b>(40)</b>	<b>290</b>
Machinery and equipment	330	-	-	(40)	-	-	(40)	290
<b>Total</b>	<b>224 534</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>181 443</b>

**Programme 6: Community Education and Training**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Programme Management: Community Education and Training	2 863	-	-	10	-	-	10	2 873
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 883 545	-	-	10	-	-	10	1 883 555
Financial Planning	166 297	-	-	3	-	-	3	166 300
Education and Training and Development Support	17 034	-	-	15	-	-	15	17 049
<b>Total</b>	<b>2 069 739</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>2 069 777</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 969 454</b>	<b>-</b>	<b>-</b>	<b>(382)</b>	<b>-</b>	<b>-</b>	<b>(382)</b>	<b>1 969 072</b>
Compensation of employees	1 905 793	-	-	-	-	-	-	1 905 793
Goods and services	63 661	-	-	(382)	-	-	(382)	63 279
<b>Transfers and subsidies</b>	<b>98 957</b>	<b>-</b>	<b>-</b>	<b>1 240</b>	<b>-</b>	<b>-</b>	<b>1 240</b>	<b>100 197</b>
Departmental agencies and accounts	755	-	-	-	-	-	-	755
Non-profit institutions	98 202	-	-	-	-	-	-	98 202
Households	-	-	-	1 240	-	-	1 240	1 240
<b>Payments for capital assets</b>	<b>1 328</b>	<b>-</b>	<b>-</b>	<b>(820)</b>	<b>-</b>	<b>-</b>	<b>(820)</b>	<b>508</b>
Machinery and equipment	1 328	-	-	(820)	-	-	(820)	508
<b>Total</b>	<b>2 069 739</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>2 069 777</b>

**Direct charge against the National Revenue Fund**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Sector education and training authorities	14 112 453	-	-	-	-	(1 741 940)	(1 741 940)	12 370 513
National Skills Fund	3 527 142	-	-	-	-	(435 485)	(435 485)	3 091 657
<b>Total</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
<b>Economic classification</b>								
<b>Transfers and subsidies</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
Departmental agencies and accounts	17 639 595	-	-	-	-	(2 177 425)	(2 177 425)	15 462 170
<b>Total</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>

## Details of adjustments to the Estimates of National Expenditure 2016

### Virements and shifts within votes

#### Programmes

1. Administration
2. Planning, Policy and Strategy
3. University Education
4. Technical and Vocational Education and Training
5. Skills Development
6. Community Education and Training

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(1 762)</b>	<b>Programme 1</b>		<b>476</b>
Goods and services	Cost containment measures effected on items such as computer services, advertising, travel and subsistence, and stationery	(337)	Machinery and equipment	New office furniture and equipment, and the upgrading of office space due to higher personnel numbers	337
	Cost containment measures effected on computer services, advertising, travel and subsistence, and stationery	(139)	Households	Social benefits	139
	Cost containment measures effected on computer services, stationery, travel and subsistence	(39)	<b>Programme 2</b>		<b>39</b>
	Cost containment measures effected on computer services, stationery, advertising, and travel and subsistence	(890)	Machinery and equipment	Upgrading of old computer equipment	39
			<b>Programme 3</b>		<b>890</b>
			Goods and services	Agency support and outsourced services not originally budgeted for	890
Departmental agencies and accounts	Reallocation of the transfer payment to the Public Service Sector Education and Training Authority in line with National Treasury's instruction that departments no longer need to make the transfer payment <sup>1</sup>	(330)	<b>Programme 1</b>		<b>357</b>
			Goods and services	Consumable supplies, minor assets, agency support, and outsourced services not originally budgeted for	330
				Policy and procedure on incapacity and ill-health retirement	
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(27)	Goods and services	Minor assets not originally budgeted for	27
Shifts within the programme as a percentage of the programme budget		0.2%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			
<b>Programme 2</b>		<b>(660)</b>	<b>Programme 2</b>		<b>660</b>
Goods and services	Cost containment measures effected on communication, advertising, and travel and subsistence	(222)	Machinery and equipment	Upgrading of old computer equipment	222
	Cost containment measures effected on communication	(6)	Households	Social benefits	6
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(5)	Goods and services	Minor assets, and consumable supplies not originally budgeted for	5
Foreign governments and international organisations	Reduced spending on the India-Brazil,-South Africa higher education exchange programme as no claims were received <sup>1</sup>	(15)	Machinery and equipment	Upgrading of old computer equipment	15
	Reduced spending on the India-Brazil-South Africa higher education exchange programme as no claims were received <sup>1</sup>	(412)	Goods and services	Venues and facilities, stationery, printing and office supplies, catering, and travel and subsistence not originally budgeted for	412
Shifts within the programme as a percentage of the programme budget		0.9%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(72)</b>	<b>Programme 3</b>		<b>72</b>
Goods and services	Cost containment measures effected on catering, venues and facilities, advertising, and lease and operating payments	(72)	Machinery and equipment	Upgrading of old computer equipment	72
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 4</b>		<b>(266 461)</b>	<b>Programme 4</b>		<b>266 461</b>
Goods and services	Cost containment measures effected on consultants, catering, communication, venues and facilities, operating payments, and travel and subsistence	(242)	Machinery and equipment	Purchasing of new office furniture and equipment for newly appointed staff, and the upgrading of old computer equipment	242
	Cost containment measures effected on items such as stationery and printing papers, venues and facilities, and travel and subsistence	(10)	Households	Social benefits	10
Machinery and equipment	Cost containment measures on equipment <sup>1</sup>	(35)	Goods and services	Travel and subsistence for oversight visits at technical and vocational education and training colleges Stationery and printing paper for examinations not originally budgeted for	35
Compensation of employees	Vacant posts <sup>1</sup>	(6 174)	Households	Social benefits	6 174
	Remaining funds from approximately 81% of the total technical and vocational education and training budget for compensation of employees <sup>2</sup>	(260 000)	Non-profit institutions	Supplementing the original top slice of subsidies for technical and vocational education and training colleges	260 000
Shifts within the programme as a percentage of the programme budget		3.9%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 5</b>		<b>(43 187)</b>	<b>Programme 5</b>		<b>56</b>
Goods and services	Cost containment measures effected on communication, and travel and subsistence	(56)	Households	Social benefits	56
Departmental agencies and accounts	Reallocation of incorrectly allocated funds	(43 053)	<b>Programme 4</b>		<b>43 053</b>
	Reallocation of funds to the community education and training sector	(38)	Departmental agencies and accounts	Reallocation of funds to the technical and vocational education and training sector	43 053
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(40)	<b>Programme 6</b>		<b>38</b>
			Departmental agencies and accounts	Reallocation of funds to the community education and training sector	38
			<b>Programme 5</b>		<b>40</b>
			Households	Social benefits	40
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		19.2% <sup>2</sup>			
<b>Programme 6</b>		<b>(1 202)</b>	<b>Programme 6</b>		<b>1 202</b>
Goods and services	Cost containment measures effected on venues and facilities, consultants, and travel and subsistence	(382)	Households	Social benefits	382
Machinery and equipment	Cost containment measures effected on equipment <sup>1</sup>	(820)	Households	Social benefits	820
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(313 344)</b>			<b>313 344</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16 Audited outcome					2016/17 Actual expenditure			
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
R thousand									
Administration	359 519	175 200	48.7	346 819	96.5	372 738	0.6	336 477	90.3
Planning, Policy and Strategy	58 253	27 662	47.5	52 019	89.3	71 584	0.1	27 982	39.1
University Education	32 902 234	25 497 894	77.5	32 898 593	100.0	39 532 493	61.1	28 915 521	73.1
Technical and Vocational Education and Training	6 642 393	2 713 090	40.8	6 592 979	99.3	6 960 244	10.8	3 279 676	47.1
Skills Development	206 474	259 512	125.7	216 741	105.0	181 443	0.3	90 178	49.7
Community Education and Training	1 859 897	818 064	44.0	1 836 210	98.7	2 069 777	3.2	858 394	41.5
<b>Subtotal</b>	<b>42 028 770</b>	<b>29 491 422</b>	<b>70.2</b>	<b>41 943 361</b>	<b>99.8</b>	<b>49 188 279</b>	<b>76.1</b>	<b>33 508 228</b>	<b>68.1</b>
<b>Direct charge against the National Revenue Fund</b>	<b>15 800 000</b>	<b>7 502 166</b>	<b>47.5</b>	<b>15 156 433</b>	<b>95.9</b>	<b>15 462 170</b>	<b>23.9</b>	<b>7 127 910</b>	<b>46.1</b>
Sector education and training authorities	12 640 707	6 001 793	47.5	12 125 894	95.9	12 370 513	19.1	5 919 020	47.8
National Skills Fund	3 159 293	1 500 373	47.5	3 030 539	95.9	3 091 657	4.8	1 208 890	39.1
<b>Total</b>	<b>57 828 770</b>	<b>36 993 588</b>	<b>64.0</b>	<b>57 099 794</b>	<b>98.7</b>	<b>64 650 449</b>	<b>100.0</b>	<b>40 636 138</b>	<b>62.9</b>
<b>Economic classification</b>	<b>7 696 183</b>	<b>3 396 160</b>	<b>44.1</b>	<b>7 531 298</b>	<b>97.9</b>	<b>7 948 286</b>	<b>12.3</b>	<b>3 857 338</b>	<b>48.5</b>
<b>Current payments</b>	<b>7 317 155</b>	<b>3 238 811</b>	<b>44.3</b>	<b>7 166 395</b>	<b>97.9</b>	<b>7 573 712</b>	<b>11.7</b>	<b>3 688 540</b>	<b>48.7</b>
Compensation of employees	379 028	157 349	41.5	364 903	96.3	374 574	0.6	168 798	45.1
Goods and services	50 122 232	33 593 556	67.0	49 506 407	98.8	56 694 458	87.7	36 773 907	64.9
<b>Transfers and subsidies</b>	<b>22 505 692</b>	<b>12 608 479</b>	<b>56.0</b>	<b>21 839 390</b>	<b>97.0</b>	<b>27 077 895</b>	<b>41.9</b>	<b>15 599 770</b>	<b>57.6</b>
Departmental agencies and accounts	26 298 016	20 391 795	77.5	26 297 074	100.0	27 964 818	43.3	20 466 723	73.2
Higher education institutions	3 156	2 588	82.0	2 588	82.0	2 896	-	2 648	91.4
Foreign governments and international organisations	1 314 971	590 113	44.9	1 362 040	103.6	1 641 222	2.5	693 825	42.3
Non-profit institutions	397	581	146.3	5 315	1338.8	7 627	-	10 941	143.5
Households	10 355	3 872	37.4	10 187	98.4	7 705	-	4 893	63.5
<b>Payments for capital assets</b>	<b>32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	10 323	3 848	37.3	10 075	97.6	7 705	-	4 893	63.5
Machinery and equipment	-	24	-	112	-	-	-	-	-
Software and other intangible assets	-	-	-	51 902	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>57 828 770</b>	<b>36 993 588</b>	<b>64.0</b>	<b>57 099 794</b>	<b>98.7</b>	<b>64 650 449</b>	<b>100.0</b>	<b>40 636 138</b>	<b>62.9</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 98.7 per cent of the adjusted appropriation. Expenditure in the first six months of 2016/17 was R40.6 billion or 62.9 per cent of the adjusted appropriation of R64.7 billion for the year. In comparison, mid-year expenditure in 2015/16 was R37 billion or 64 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R3.6 billion, or 9.8 per cent.

This was mainly due to: increases in the allocations made to block grants to higher education institutions to compensate them for the loss of income resulting from the 2016 zero per cent fee increase; additional allocations to the National Student Financial Aid Scheme for historical debt relief and support to unfunded continuing and new students; increases in compensation of employees due to the filling of critical vacant positions; additional allocations received from the Department of Public Service and Administration for the transfer of the Public Service Sector Education and Training; and funding for medical students that shifted from the Department of Health to the Department of Higher Education and Training.



## Departmental receipts

	2015/16					2016/17				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15		Apr 15 - Mar 16		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	
Apr 15 - Sep 15		% of adjusted estimate	Apr 15 - Mar 16	% of adjusted estimate	Apr 16 - Sep 16				% of adjusted estimate	
R thousand										
<b>Departmental receipts</b>	<b>14 143</b>	<b>7 615</b>	<b>53.8</b>	<b>15 444</b>	<b>109.2</b>	<b>11 494</b>	<b>37 883</b>	<b>100.0</b>	<b>30 204</b>	<b>79.7</b>
Sales of goods and services produced by department	7 692	4 399	57.2	8 983	116.8	5 485	10 472	27.6	5 396	51.5
Sales of scrap, waste, arms and other used current goods	32	8	25.0	15	46.9	33	-	-	-	-
Interest, dividends and rent on land	3 859	1 930	50.0	4 783	123.9	4 503	2 538	6.7	1 269	50.0
Sales of capital assets	-	-	-	172	-	-	-	-	-	-
Transactions in financial assets and liabilities	2 560	1 278	49.9	1 491	58.2	1 473	24 873	65.7	23 539	94.6
<b>Total</b>	<b>14 143</b>	<b>7 615</b>	<b>53.8</b>	<b>15 444</b>	<b>109.2</b>	<b>11 494</b>	<b>37 883</b>	<b>100.0</b>	<b>30 204</b>	<b>79.7</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R30.2 million, or 79.7 percent of the adjusted revenue estimate of R37.9 million for the year. In comparison, mid-year revenue in 2015/16 was R7.6 million, or 53.8 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R22.6 million, or 296.6 per cent. This was driven mainly by a significant increase in the revenue on financial assets due to the absorption of debts related to the technical and vocational education and training function shift from the previous financial year, and an increase in the number of garnishee orders at technical and vocational education and training colleges, and at community education and training colleges.

## Changes to transfers and subsidies

### Summary of changes to transfers and subsidies per programme

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Administration</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>330</b>	-	-	<b>(330)</b>	-	-	<b>(330)</b>	
Education, Training and Development Practices Sector	330	-	-	(330)	-	-	(330)	
Education and Training Authority								
<b>Planning, Policy and Strategy</b>								
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>527</b>	-	-	<b>(427)</b>	-	-	<b>(427)</b>	
India-Brazil-South Africa Trilateral Commission	527	-	-	(427)	-	-	(427)	
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	-	-	<b>6</b>	-	-	<b>6</b>	
Human Resource Development, Strategic Planning and Co-ordination	-	-	-	6	-	-	6	
<b>Technical and Vocational Education and Training</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>2 517</b>	-	-	<b>43 053</b>	-	-	<b>43 053</b>	
Transfer to sector education and training authorities	2 517	-	-	43 053	-	-	43 053	

## Summary of changes to transfers and subsidies per programme

	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Non-profit institutions</b>								
<b>Current</b>	<b>1 274 848</b>	-	-	<b>260 000</b>	-	-	<b>260 000</b>	<b>1 534 848</b>
Technical and vocational education and training colleges	1 274 848	-	-	260 000	-	-	260 000	1 534 848
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 184</b>	<b>-</b>	<b>-</b>	<b>6 184</b>	<b>6 184</b>
Employee social benefits	-	-	-	6 174	-	-	6 174	6 174
Financial planning	-	-	-	10	-	-	10	10
<b>Skills Development</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>98 818</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>-</b>	<b>-</b>	<b>(43 091)</b>	<b>55 727</b>
Education, Training and Development Practices Sector Education and Training Authority	98 818	-	-	(43 091)	-	-	(43 091)	55 727
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>96</b>
Sector education and training authorities coordination	-	-	-	96	-	-	96	96
<b>Community Education and Training</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>755</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>793</b>
Sector education and training authorities	755	-	-	38	-	-	38	793
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 202</b>	<b>-</b>	<b>-</b>	<b>1 202</b>	<b>1 202</b>
Financial planning	-	-	-	1 202	-	-	1 202	1 202
<b>Direct charge against the National Revenue Fund</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>17 639 595</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 177 425)</b>	<b>(2 177 425)</b>	<b>15 462 170</b>
Sector education and training authorities	14 112 453	-	-	-	-	(1 741 940)	(1 741 940)	12 370 513
National Skills Fund	3 527 142	-	-	-	-	(435 485)	(435 485)	3 091 657