



# VOTE 15

HIGHER EDUCATION  
AND TRAINING



# BUDGET 2017

ESTIMATES  
OF NATIONAL  
EXPENDITURE



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA





# **Estimates of National Expenditure**

## **2017**

**National Treasury**

**Republic of South Africa**

22 February 2017



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The Estimates of National Expenditure 2017 is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

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

# Foreword

The 2017 Budget is presented at a time when indications are that the global economy could grow moderately better than the last forecast. Global GDP is expected to grow at 3.4 per cent in 2017, 0.3 percentage points higher than 2016. But uncertainty persists. The trade policies that the United States of America will pursue are unclear. The exact nature of Britain's exit from the European Union and economic impact are unknown. There is also evidence that globalisation is losing favour in some parts of the world and protectionism is growing. The global economy could be very different in future, depending on how these trends evolve.

Given the uncertainty, we have revised down South Africa's GDP growth projections and expect that tax revenue will be lower over the MTEF period as a result. We have also reduced the expenditure ceiling by R10.3 billion in 2017/18 and R15.9 billion in 2018/19, in line with government's fiscal objective of reducing the deficit, achieving a primary surplus and stabilising debt. Since its introduction in 2012, the expenditure ceiling in each financial year has never been breached.

Government is committed to delivering on its priorities despite the lowered revenue forecast and expenditure ceiling. It is critical that we allocate our limited resources wisely and use them effectively. In the 2017 Budget process, measures were taken to free-up resources and baselines were reduced across all departments by R7.5 billion in 2017/18, R7 billion in 2018/19 and R6.7 billion in 2019/20. The contingency reserve was also drawn down, and provisionally reserved funds were reallocated. However, the bulk of the funds allocated to priority areas within and across functions were reprioritised from lower-priority budget areas.

To ensure that funding remains focused on frontline service delivery, efforts have been intensified to improve efficiency in expenditure. Budget limits on compensation of employees introduced in the 2016 Appropriation Act are carried over to 2017. Departments will manage personnel headcount and employee earnings in line with these budget allocations.

Overall non-interest expenditure is still set to grow by an annual average of 1.4 per cent in real terms, from R1.24 trillion in 2017/18 to R1.43 trillion in 2019/20. Proposals in the budget include net increases in funding for the Post-School Education and Training, Basic Education, Economic Affairs and Health functions. The Post-School Education and Training function is the fastest growing, at 9.4 per cent over the medium term. The funding is mainly for universities to subsidise fee increases and for the National Student Financial Aid Scheme.

The publication is a concrete expression of the collaborative effort of highly dedicated civil servants across government throughout the process to prepare the Budget. We are particularly appreciative of this, as well as the contributions from the Ministers' Committee on the Budget and the Directors-General in central government. We are also thankful to all National Treasury staff who, under the expert guidance and leadership of the Minister of Finance, Pravin Gordhan, and his Deputy, Mcebisi Jonas, worked tirelessly to produce this crucial document.

The wide-ranging coverage of the Estimates of National Expenditure provides a coherent and summarised account of the prioritisation, spending plans and service delivery commitments of all 40 national votes and of government agencies. These plans constitute an important mechanism through which Parliament and the public hold institutions, including the National Treasury and its entities, to account.

Within the current difficult fiscal context not everything we believe would be beneficial to do, can be done now. Thus it is imperative that activities planned on budget be done effectively and efficiently.



**Lungisa Fuzile**  
**Director-General: National Treasury**



# Introduction

## **The Estimates of National Expenditure publications**

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2017 MTEF period is from 2017/18 to 2019/20.

The ENE publications contain information on: what government institutions aim to achieve over the medium term, and why; how they plan to spend their budget allocations in support of this; and what outputs and outcomes the spending is intended to produce. The publications also provide information on how institutions have spent their budgets in previous years, tables with performance data and targets, personnel data and detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and the entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. Summary data tables at the end of each vote contain data on infrastructure, provincial and municipal conditional grants, departmental public private partnerships, donor funding, and expenditure at the level of site service delivery, where applicable.

A separate 2017 ENE Overview publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za) and summarises the ENE information across all votes. The 2017 ENE Overview contains a narrative explanation and budget-wide summary tables; a description of the budgeting approach; and it also has a write-up on how to interpret the information that is contained in each section of the publications.



# Higher Education and Training

**National Treasury**  
**Republic of South Africa**



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# Vote 15

## Higher Education and Training

### Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	403.4	398.0	–	5.3	441.0	471.6
Planning, Policy and Strategy	73.3	69.6	3.5	0.2	79.7	85.7
University Education	41 943.5	71.8	41 871.4	0.4	49 498.6	52 344.4
Technical and Vocational Education and Training	7 408.2	6 065.1	1 342.5	0.7	8 029.3	8 604.5
Skills Development	244.3	112.8	130.7	0.8	266.8	284.3
Community Education and Training	2 234.9	2 128.4	104.7	1.8	2 356.4	2 530.3
<b>Subtotal</b>	<b>52 307.6</b>	<b>8 845.8</b>	<b>43 452.7</b>	<b>9.1</b>	<b>60 671.8</b>	<b>64 320.9</b>
<b>Direct charge against the National Revenue Fund</b>						
Sector education and training authorities	13 313.2	–	13 313.2	–	14 374.6	15 563.3
National Skills Fund	3 328.3	–	3 328.3	–	3 593.6	3 890.8
<b>Total expenditure estimates</b>	<b>68 949.1</b>	<b>8 845.8</b>	<b>60 094.2</b>	<b>9.1</b>	<b>78 640.0</b>	<b>83 775.0</b>

Executive authority: Minister of Higher Education and Training  
 Accounting officer: Director General of Higher Education and Training  
 Website address: [www.dhet.gov.za](http://www.dhet.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.*

### Vote purpose

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

### Mandate

The Department of Higher Education and Training derives its mandate from the following pieces of legislation:

- the Higher Education Act (1997), which provides for a unified and national system of higher education
- the National Student Financial Aid Scheme Act (1999), which provides for the granting of loans and bursaries to eligible students attending public higher education and training institutions, and the subsequent administration of such loans and bursaries
- the Continuing Education and Training Colleges Act (2006), which provides for the regulation of continuing education and training, the establishment of governance structures for and the funding of public technical and vocational education and training (TVET) colleges and community education and training colleges, the registration of private colleges, and the promotion of quality in continuing education and training
- the Skills Development Levies Act (1999), which provides for the imposition of skills development levies
- the Skills Development Act (2008), which enables the creation of the National Skills Agency, the establishment of the Quality Council for Trades and Occupations, and the regulation of apprenticeships, learnerships and other matters relating to skills development
- the National Qualifications Framework Act (2008), which provides for the national qualifications framework, the South African Qualifications Authority and the quality councils, for the issuing and quality assurance of qualifications required on the sub-frameworks of the national qualifications framework.

## Selected performance indicators

**Table 15.1 Performance indicators by programme and related outcome**

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
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	953 373	983 698	969 154	1 020 000	1 035 000	1 041 000	1 062 000
Number of doctoral graduates from universities per year <sup>1</sup>	University Education		1 879	2 051	2 258	2 200	2 300	2 700	2 800
Number of postgraduate graduates per year	University Education		45 598	50 773	49 863	51 100	54 000	55 000	57 000
Number of first-year students in foundation programmes per year	University Education		14 518	17 960	19 212	30 400	34 000	37 000	39 000
Number of graduates in initial teacher education from universities per year	University Education		13 700	16 808	19 124	18 300	19 400	18 600	19 600
Number of headcount enrolments in TVET colleges per year	Technical and Vocational Education and Training		670 455	709 535	710 535	710 535	710 535	710 535	710 535
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training		220 978	228 642	298 457	200 000 <sup>2</sup>	200 000 <sup>2</sup>	200 000 <sup>2</sup>	200 000 <sup>2</sup>
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated	Technical and Vocational Education and Training		– <sup>3</sup>	– <sup>3</sup>	87% (1 079/ 1 240)	100%	100%	100%	100%
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		– <sup>3</sup>	– <sup>3</sup>	2	2	2	2	2
Number of new artisans registered for training each year	Skills Development		27 670	28 301	28 640	30 750	31 750	32 750	33 750
Number of artisan learners qualified each year <sup>4</sup>	Skills Development		13 000	14 389	16 114	21 110	22 110	23 110	24 000
Number of work-based learning opportunities created per year	Skills Development		49 678	110 164	118 582	120 000	130 000	135 000	140 000
Number of headcount enrolments in community education and training colleges per year	Community Education and Training		– <sup>3</sup>	– <sup>3</sup>	300 000	310 000	320 000	330 000	340 000
Percentage of certification rate per year in the general education and training certificate	Community Education and Training		– <sup>3</sup>	– <sup>3</sup>	– <sup>3</sup>	35%	38%	40%	45%

1. Indicator has been rephrased in line with the 2017/18 annual performance plan.

2. Aligned with targets for outcome 5 of the revised 2014–2019 medium-term strategic framework.

3. No historical data available.

4. In line with the 2017/18 annual performance plan, measurement has been amended from 'competent' to 'qualified', as the latter is more reliably measured.

## Expenditure analysis

The National Development Plan (NDP) envisages that by 2030, South Africans should have access to a post-school education system that empowers them to fulfil their potential. Outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's medium-term strategic framework gives effect to this vision, stating that graduates of the post-school system should possess the skills and knowledge that allow them to meet the current and future needs of society and the economy. Outcome 5 also highlights the need to expand access to programmes that address the labour market's need for intermediate skills and include a practical component.

Over the medium term, the department plans to continue working towards the realisation of these goals by further expanding access to post-school institutions and improving their performance, increasing the number of skilled artisans and work-based learning opportunities, and re-establishing and improving the governance of community education and training colleges. An estimated 84 per cent of the department's total budget over the medium term is transferred to post-school education institutions, including the National Student Financial Aid Scheme, universities, community education and training, and TVET colleges. The remainder is allocated for spending on compensation of employees and related goods and services.

### Expanding access to universities

The department's contribution to the National Student Financial Aid Scheme, which provides poor students the funding to access university education, is set to increase from R11.4 billion to R13.9 billion over the medium term, at an average annual rate of 6.9 per cent. The scheme receives additional allocations of R7.7 billion over the medium term to support university students who were underfunded in the 2016 academic year. Transfers to the scheme account for 25 per cent of the department's total budget for transfers over the medium term, providing funding in the form of bursaries and loans to an estimated 405 000 students each year over the period.

Transfers of subsidies to universities, the department's largest spending item in the *University Education* programme, are projected to increase from R28 billion in 2016/17 to R38.2 billion in 2019/20. Most of this increase is driven by funds reprioritised to the department to cover fee increases for the 2017 academic year, up to a maximum of 8 per cent, for students from households earning less than R600 000 per year. An amount of R2.5 billion is allocated in 2017/18 for this purpose, with a further R2.6 billion in 2018/19 and R2.8 billion in 2019/20 for the effects of this decision in those years.

Having achieved the NDP goal of building two new universities, the University of Mpumalanga and Sol Plaatjie University in Northern Cape, the department has allocated R4.2 billion over the medium term to these universities for operational costs and capital expenditure. The funding is expected to allow both institutions to build new facilities, including lecture rooms, laboratories and student accommodation, which should allow for a combined increase in intake of 3 875 students in 2017.

The department expects that its efforts to expand access to universities and improve their quality will, by 2019/20, increase the number of doctoral graduates from 2 200 in 2016/17 to 2 800 in 2019/20, and the number of postgraduate graduates from 51 100 in 2016/17 to 57 000 in 2019/20.

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

The National Skills Fund has committed R2.5 billion over the medium term to building new TVET college campuses. Over the same period, the department also plans to develop and approve teaching and learning support plans that improve the skills of lecturers and the performance of students. This includes training lecturers on planning and delivering lessons, and using equipment in practical teaching; and providing students at TVET colleges with academic support in foundational skills. These initiatives are expected to contribute to increasing the number of new artisans registering for training from 30 750 in 2016/17 to 33 750 by 2019/20. However, due to funding shortfalls, a cap will be placed on enrolments at TVET colleges, with the 2015/16 enrolment number of 710 535 being maintained over the medium term.

Allocations for spending on compensation of employees constitute the bulk of the *Technical and Vocational Education and Training* programme's budget. The majority of the 17 343 employees in this programme, approximately 47.5 per cent of the department's personnel, are in TVET colleges across the country. Over the medium term, spending on compensation of employees is expected to increase at an average annual rate of 8.7 per cent, from R5.3 billion in 2016/17 to R6.8 billion in 2019/20, mainly for lecturers at the various TVET college campuses across the country.

TVET colleges also benefit from government's decision to cover fee increases of up to 8 per cent for the 2017 academic year for students from households earning less than R600 000 per year. Amounts of R158.2 million in 2017/18, R168 million in 2018/19 and R178.5 million in 2019/20 are allocated for transfers to TVET colleges for this purpose.

### **Supporting artisan development**

Over the medium term, the department plans to strengthen the monitoring and evaluation of service-level agreements with sector education and training authorities and other relevant institutions. Funds have been reprioritised for this purpose to the *Skills Development* programme, where spending is projected to increase from R181.4 million in 2016/17 to R284.3 million in 2019/20, at an average annual rate of 16.2 per cent. This spending will be directed towards improving the national artisan development system through audits and quality assurance checks at trade test and training centres, and the convening of more than 20 artisan development stakeholder groups across the country. The department also plans to fund trade tests at institutions such as the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments, and the Quality Council for Trades and Occupations. These institutions are vital in increasing the number of qualified artisans and creating more work-based learning opportunities.

Income from the skills development levy contributes significantly to key performance areas of the public skills development system, including artisan development. This income is transferred directly to sector education and training authorities and the National Skills Fund, and is projected to increase from R15.5 billion in 2016/17 to R19.5 billion in 2019/20, at an average annual rate of 8 per cent. Sector education and training authorities roll out skills programmes, learnerships, internships and apprenticeships. They also establish partnerships with TVET colleges, universities and the labour market to provide opportunities for workplace experience.

These activities are expected to increase the number of qualified artisan learners from 21 110 in 2016/17 to 24 000 in 2019/20, while the number of work-based learning opportunities created is set to increase from 120 000 in 2016/17 to 140 000 in 2019/20.

## Community education and training colleges

The 2013 White Paper for Post-School Education and Training provides for the establishment of community education and training colleges. These colleges primarily enrol those who did not complete school or have never attended school. It is projected that enrolments at community education and training colleges will increase gradually from 310 000 learners in 2016/17 to 340 000 learners in 2019/20. As the number of enrolments increases, expenditure in the *Community Education and Training* programme is expected to increase at an average annual rate of 7 per cent over the medium term, reaching R2.5 billion in 2019/20. The department plans to introduce new legislation over the MTEF period to regulate and improve the governance of the community education and training system.

Spending on compensation of employees constitutes the largest portion of the *Community Education and Training* programme's budget, and is expected to increase at an average annual rate of 7.2 per cent over the medium term, reaching R2.3 billion in 2019/20. The 17 939 employees in this programme are mainly community education and training educators based in the 3 276 former community learning centres, which now fall under nine established community education and training colleges.

## Expenditure trends

Table 15.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Planning, Policy and Strategy														
3. University Education														
4. Technical and Vocational Education and Training														
5. Skills Development														
6. Community Education and Training														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	200.6	463.8	267.4	217.1	285.7	234.1	318.3	359.5	346.8	373.7	372.7	372.7	110.0%	82.4%
Programme 2	48.1	51.6	47.7	48.8	91.7	45.7	54.8	58.3	52.0	71.5	71.6	71.6	97.2%	79.4%
Programme 3	28 303.7	28 090.9	28 303.3	30 448.0	30 443.7	30 484.2	32 844.3	32 847.4	32 898.6	39 531.6	39 532.5	39 532.5	100.1%	100.2%
Programme 4	5 925.8	5 883.9	5 879.3	6 311.2	6 208.2	6 304.5	6 604.2	6 642.4	6 604.8	6 917.2	6 960.2	6 960.2	100.0%	100.2%
Programme 5	105.6	105.1	123.0	110.6	106.3	132.0	204.5	112.6	216.7	224.5	181.4	181.4	101.2%	129.2%
Programme 6	1 776.8	1 776.8	1 776.8	1 852.8	1 852.8	1 853.1	1 911.5	1 859.9	1 824.4	2 069.7	2 069.8	2 069.8	98.9%	99.5%
<b>Subtotal</b>	<b>36 360.4</b>	<b>36 372.0</b>	<b>36 397.3</b>	<b>38 988.5</b>	<b>38 988.5</b>	<b>39 053.5</b>	<b>41 937.8</b>	<b>41 880.1</b>	<b>41 943.4</b>	<b>49 188.3</b>	<b>49 188.3</b>	<b>49 188.3</b>	<b>100.1%</b>	<b>100.1%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>12 403.0</b>	<b>12 300.0</b>	<b>12 090.2</b>	<b>13 440.0</b>	<b>13 200.0</b>	<b>13 838.8</b>	<b>14 690.0</b>	<b>15 156.4</b>	<b>15 156.4</b>	<b>17 639.6</b>	<b>15 462.2</b>	<b>15 462.2</b>	<b>97.2%</b>	<b>100.8%</b>
Sector education and training authorities	9 922.4	9 840.6	9 673.8	10 752.6	10 560.6	11 071.0	11 752.7	12 125.9	12 125.9	14 112.5	12 370.5	12 370.5	97.2%	100.8%
National Skills Fund	2 480.6	2 459.4	2 416.4	2 687.4	2 639.4	2 767.8	2 937.3	3 030.5	3 030.5	3 527.1	3 091.7	3 091.7	97.2%	100.8%
<b>Total</b>	<b>48 763.4</b>	<b>48 672.0</b>	<b>48 487.5</b>	<b>52 428.5</b>	<b>52 188.5</b>	<b>52 892.3</b>	<b>56 627.8</b>	<b>57 036.6</b>	<b>57 099.8</b>	<b>66 827.9</b>	<b>64 650.4</b>	<b>64 650.4</b>	<b>99.3%</b>	<b>100.3%</b>
Change to 2016 Budget estimate										(2 177.4)				
<b>Economic classification</b>														
<b>Current payments</b>	<b>5 062.0</b>	<b>4 972.9</b>	<b>6 899.8</b>	<b>5 363.7</b>	<b>5 272.9</b>	<b>7 408.1</b>	<b>7 801.2</b>	<b>7 696.2</b>	<b>7 531.3</b>	<b>8 215.2</b>	<b>7 948.3</b>	<b>7 948.3</b>	<b>112.7%</b>	<b>115.1%</b>
Compensation of employees	4 883.4	4 680.6	6 605.4	5 179.7	5 033.6	7 139.8	7 308.2	7 317.2	7 166.4	7 839.9	7 573.7	7 573.7	113.0%	115.8%
Goods and services	178.5	292.3	294.3	184.0	239.4	268.3	493.0	379.0	364.9	375.3	374.6	374.6	105.8%	101.3%
<b>Transfers and subsidies</b>	<b>43 697.4</b>	<b>43 690.4</b>	<b>41 580.1</b>	<b>47 061.1</b>	<b>46 910.5</b>	<b>45 478.5</b>	<b>48 814.3</b>	<b>49 330.0</b>	<b>49 506.4</b>	<b>58 605.0</b>	<b>56 694.5</b>	<b>56 694.5</b>	<b>97.5%</b>	<b>98.3%</b>
Departmental agencies and accounts	18 285.6	18 182.6	17 995.9	19 699.9	19 459.9	20 124.5	21 363.8	21 768.3	21 839.4	29 255.7	27 077.9	27 077.9	-	-
Higher education institutions	22 388.8	22 388.8	22 392.8	24 155.1	24 155.1	24 195.3	26 243.2	26 243.2	26 297.1	27 964.8	27 964.8	27 964.8	100.1%	100.1%
Foreign governments and international organisations	2.9	2.9	2.9	2.9	2.9	3.0	3.2	3.2	2.6	3.3	2.9	2.9	93.0%	96.3%
Non-profit institutions	3 020.2	3 020.2	1 091.1	3 203.2	3 193.2	1 155.5	1 204.1	1 315.0	1 362.0	1 381.2	1 641.2	1 641.2	59.6%	57.3%
Households	-	96.0	97.4	-	99.3	0.2	-	0.4	5.3	-	7.6	7.6	-	54.4%
<b>Payments for capital assets</b>	<b>4.0</b>	<b>8.7</b>	<b>7.5</b>	<b>3.7</b>	<b>5.1</b>	<b>5.7</b>	<b>12.3</b>	<b>10.4</b>	<b>10.2</b>	<b>7.7</b>	<b>7.7</b>	<b>7.7</b>	<b>112.1%</b>	<b>97.9%</b>
Machinery and equipment	4.0	8.5	7.5	3.7	5.1	5.7	12.3	10.4	10.1	7.7	7.7	7.7	111.7%	98.1%
Software and other intangible assets	-	0.2	-	-	-	-	-	-	0.1	-	-	-	-	61.8%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>48 763.4</b>	<b>48 672.0</b>	<b>48 487.5</b>	<b>52 428.5</b>	<b>52 188.5</b>	<b>52 892.3</b>	<b>56 627.8</b>	<b>57 036.6</b>	<b>57 099.8</b>	<b>66 827.9</b>	<b>64 650.4</b>	<b>64 650.4</b>	<b>99.3%</b>	<b>100.3%</b>

## Expenditure estimates

Table 15.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Planning, Policy and Strategy									
3. University Education									
4. Technical and Vocational Education and Training									
5. Skills Development									
6. Community Education and Training									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Programme 1	372.7	-7.0%	0.5%	403.4	441.0	471.6	8.2%	0.6%	
Programme 2	71.6	11.6%	0.1%	73.3	79.7	85.7	6.2%	0.1%	
Programme 3	39 532.5	12.1%	58.8%	41 943.5	49 498.6	52 344.4	9.8%	61.9%	
Programme 4	6 960.2	5.8%	11.5%	7 408.2	8 029.3	8 604.5	7.3%	10.5%	
Programme 5	181.4	20.0%	0.3%	244.3	266.8	284.3	16.2%	0.3%	
Programme 6	2 069.8	5.2%	3.4%	2 234.9	2 356.4	2 530.3	6.9%	3.1%	
<b>Subtotal</b>	<b>49 188.3</b>	<b>10.6%</b>	<b>74.7%</b>	<b>52 307.6</b>	<b>60 671.8</b>	<b>64 320.9</b>	<b>9.4%</b>	<b>76.5%</b>	
<b>Direct charge against the National Revenue Fund</b>	<b>15 462.2</b>	<b>7.9%</b>	<b>25.3%</b>	<b>16 641.5</b>	<b>17 968.2</b>	<b>19 454.1</b>	<b>8.0%</b>	<b>23.5%</b>	
Sector education and training authorities	12 370.5	7.9%	20.3%	13 313.2	14 374.6	15 563.3	8.0%	18.8%	
National Skills Fund	3 091.7	7.9%	5.1%	3 328.3	3 593.6	3 890.8	8.0%	4.7%	
<b>Total</b>	<b>64 650.4</b>	<b>9.9%</b>	<b>100.0%</b>	<b>68 949.1</b>	<b>78 640.0</b>	<b>83 775.0</b>	<b>9.0%</b>	<b>100.0%</b>	
Change to 2016 Budget estimate				(3 054.1)	1 247.6	1 869.5			
Economic classification									
<b>Current payments</b>	<b>7 948.3</b>	<b>16.9%</b>	<b>13.3%</b>	<b>8 845.8</b>	<b>9 401.5</b>	<b>10 106.6</b>	<b>8.3%</b>	<b>12.3%</b>	
Compensation of employees	7 573.7	17.4%	12.8%	8 425.4	8 957.0	9 637.7	8.4%	11.7%	
Goods and services	374.6	8.6%	0.6%	420.4	444.5	468.9	7.8%	0.6%	
<b>Transfers and subsidies</b>	<b>56 694.5</b>	<b>9.1%</b>	<b>86.6%</b>	<b>60 094.2</b>	<b>69 229.1</b>	<b>73 658.5</b>	<b>9.1%</b>	<b>87.7%</b>	
Departmental agencies and accounts	27 077.9	14.2%	39.0%	27 043.3	31 380.0	33 678.4	7.5%	40.3%	
Higher education institutions	27 964.8	7.7%	45.2%	31 606.8	36 152.9	38 187.9	10.9%	45.2%	
Foreign governments and international organisations	2.9	0.4%	0.0%	3.5	3.7	3.9	10.4%	0.0%	
Non-profit institutions	1 641.2	-18.4%	2.4%	1 440.6	1 692.5	1 788.3	2.9%	2.2%	
Households	7.6	-57.0%	0.0%	-	-	-	-100.0%	0.0%	
<b>Payments for capital assets</b>	<b>7.7</b>	<b>-3.9%</b>	<b>0.0%</b>	<b>9.1</b>	<b>9.4</b>	<b>9.9</b>	<b>8.7%</b>	<b>0.0%</b>	
Machinery and equipment	7.7	-3.1%	0.0%	9.1	9.4	9.9	8.7%	0.0%	
<b>Total</b>	<b>64 650.4</b>	<b>9.9%</b>	<b>100.0%</b>	<b>68 949.1</b>	<b>78 640.0</b>	<b>83 775.0</b>	<b>9.0%</b>	<b>100.0%</b>	

## Goods and services expenditure trends and estimates

Table 15.4 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Administrative fees	846	265	1 024	2 116	35.7%	0.3%	1 222	1 319	1 392	-13.0%	0.4%
Advertising	2 269	2 671	3 175	1 966	-4.7%	0.8%	4 020	4 140	4 395	30.8%	0.9%
Minor assets	1 491	667	2 725	5 346	53.1%	0.8%	1 422	2 488	2 534	-22.0%	0.7%
Audit costs: External	11 299	8 101	9 525	13 637	6.5%	3.3%	14 433	15 424	16 288	6.1%	3.5%
Bursaries: Employees	349	376	2 529	310	-3.9%	0.3%	301	799	843	39.6%	0.1%
Catering: Departmental activities	6 286	1 501	2 138	2 986	-22.0%	1.0%	1 535	2 196	2 321	-8.1%	0.5%
Communication	15 407	13 454	8 264	11 283	-9.9%	3.7%	13 778	12 230	13 118	5.2%	3.0%
Computer services	25 771	38 193	65 030	77 539	44.4%	15.9%	51 219	55 297	58 192	-9.1%	14.2%
Consultants: Business and advisory services	1 647	1 729	4 026	9 898	81.8%	1.3%	8 142	8 528	9 233	-2.3%	2.1%
Legal services	1 367	3 236	1 972	5 609	60.1%	0.9%	5 097	5 352	5 652	0.3%	1.3%
Contractors	860	1 338	12 075	1 335	15.8%	1.2%	412	388	578	-24.3%	0.2%
Agency and support/outsourced services	9 345	4 432	17 061	9 111	-0.8%	3.1%	499	509	549	-60.8%	0.6%
Entertainment	91	62	52	101	3.5%	-	106	113	119	5.6%	-
Fleet services (including government motor transport)	877	974	1 286	1 049	6.2%	0.3%	1 292	1 827	1 920	22.3%	0.4%
Inventory: Clothing material and accessories	-	100	-	10	-	-	-	-	-	-100.0%	-
Inventory: Farming supplies	-	33	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	460	366	-	300	-13.3%	0.1%	3 000	3 500	3 696	131.0%	0.6%
Inventory: Fuel, oil and gas	-	11	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	300	2 991	-	1 044	51.5%	0.3%	-	-	-	-100.0%	0.1%
Inventory: Medical supplies	13	-	-	35	39.1%	-	40	45	48	11.1%	-
Inventory: Other supplies	400	2	-	-	-100.0%	-	-	-	-	-	-
Consumable supplies	-	2 164	6 345	3 536	-	0.9%	4 640	5 479	6 150	20.3%	1.2%
Consumables: Stationery, printing and office supplies	24 376	13 931	35 931	49 110	26.3%	9.5%	50 357	58 539	61 388	7.7%	12.8%
Operating leases	5 654	10 640	3 348	6 677	5.7%	2.0%	17 964	17 055	17 939	39.0%	3.5%
Rental and hiring	84	112	1 220	7 919	355.1%	0.7%	4 134	3 689	3 785	-21.8%	1.1%
Property payments	40 483	36 891	70 070	51 748	8.5%	15.3%	61 344	65 436	69 095	10.1%	14.5%
Transport provided: Departmental activity	-	82	1 273	-	-	0.1%	-	-	-	-	-
Travel and subsistence	119 876	106 493	88 580	69 431	-16.6%	29.5%	106 260	110 449	115 842	18.6%	23.5%
Training and development	8 838	5 515	2 446	25 394	42.2%	3.2%	50 921	50 080	52 823	27.7%	10.5%
Operating payments	8 819	4 971	14 651	13 630	15.6%	3.2%	16 631	18 251	19 513	12.7%	4.0%
Venues and facilities	7 105	7 044	10 157	3 454	-21.4%	2.1%	1 633	1 377	1 444	-25.2%	0.5%
<b>Total</b>	<b>294 313</b>	<b>268 345</b>	<b>364 903</b>	<b>374 574</b>	<b>8.4%</b>	<b>100.0%</b>	<b>420 402</b>	<b>444 510</b>	<b>468 857</b>	<b>7.8%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

Table 15.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2017/18	2018/19	2019/20			
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>17 995 935</b>	<b>20 124 503</b>	<b>21 839 390</b>	<b>27 077 895</b>	<b>14.6%</b>	<b>45.0%</b>	<b>27 043 271</b>	<b>31 380 000</b>	<b>33 678 409</b>	<b>7.5%</b>	<b>45.9%</b>
other	–	–	358	–	–	–	–	–	–	–	–
National Student Financial Aid Scheme	5 769 405	6 138 832	6 448 551	11 392 674	25.5%	15.4%	10 143 091	13 138 067	13 935 227	6.9%	18.7%
Council on Higher Education	41 888	42 689	40 819	40 928	-0.8%	0.1%	47 946	50 727	53 568	9.4%	0.1%
South African Qualifications Authority	49 401	55 008	54 757	56 895	4.8%	0.1%	64 940	68 707	72 555	8.4%	0.1%
Sector education and training authorities	–	–	22 781	46 363	–	–	15 158	16 036	16 934	-28.5%	–
Quality Council for Trades and Occupations	21 747	23 167	21 848	23 138	2.1%	–	26 920	28 481	30 076	9.1%	–
Direct charge: Sector education and training authorities	9 673 818	11 071 025	12 125 894	12 370 513	8.5%	23.4%	13 313 165	14 374 564	15 563 299	8.0%	21.4%
Direct charge: National Skills Fund	2 416 368	2 767 773	3 030 539	3 091 657	8.6%	5.9%	3 328 291	3 593 640	3 890 824	8.0%	5.4%
Public Service Sector Education and Training Authority	23 308	26 009	93 843	55 727	33.7%	0.1%	103 760	109 778	115 926	27.7%	0.1%
<b>Higher education institutions</b>											
<b>Current</b>	<b>20 231 668</b>	<b>21 482 293</b>	<b>22 991 096</b>	<b>24 563 860</b>	<b>6.7%</b>	<b>46.2%</b>	<b>28 082 809</b>	<b>32 460 607</b>	<b>34 317 412</b>	<b>11.8%</b>	<b>46.0%</b>
University subsidies	20 081 668	21 323 293	22 790 082	24 273 431	6.5%	45.8%	27 722 073	32 044 118	33 877 600	11.8%	45.4%
University of Mpumalanga	86 872	102 345	58 111	186 585	29.0%	0.2%	212 611	235 294	248 470	10.0%	0.3%
Sol Plaatje University	63 128	56 655	142 903	103 844	18.0%	0.2%	148 125	181 195	191 342	22.6%	0.2%
<b>Capital</b>	<b>2 161 099</b>	<b>2 713 000</b>	<b>3 305 978</b>	<b>3 400 958</b>	<b>16.3%</b>	<b>6.0%</b>	<b>3 524 032</b>	<b>3 692 252</b>	<b>3 870 478</b>	<b>4.4%</b>	<b>5.6%</b>
University subsidies	2 011 099	2 213 000	1 985 978	2 426 222	6.5%	4.5%	2 545 550	2 691 710	2 826 113	5.2%	4.0%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	150 000	500 000	1 320 000	–	-100.0%	1.0%	–	–	–	–	–
University of Mpumalanga	–	–	–	623 831	–	0.3%	624 552	638 508	668 394	2.3%	1.0%
Sol Plaatje University	–	–	–	350 905	–	0.2%	353 930	362 034	375 971	2.3%	0.6%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>2 927</b>	<b>2 983</b>	<b>2 588</b>	<b>2 896</b>	<b>-0.4%</b>	<b>–</b>	<b>3 489</b>	<b>3 691</b>	<b>3 898</b>	<b>10.4%</b>	<b>–</b>
India-Brazil-South Africa Trilateral Commission	511	551	–	100	-41.9%	–	553	585	618	83.5%	–
Commonwealth of Learning	2 416	2 432	2 588	2 796	5.0%	–	2 936	3 106	3 280	5.5%	–
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1 091 062</b>	<b>1 155 492</b>	<b>1 362 040</b>	<b>1 641 222</b>	<b>14.6%</b>	<b>2.7%</b>	<b>1 440 575</b>	<b>1 692 541</b>	<b>1 788 332</b>	<b>2.9%</b>	<b>2.5%</b>
Universities South Africa	7 000	7 420	7 761	8 172	5.3%	–	8 581	9 079	9 587	5.5%	–
Technical and vocational education and training colleges	1 084 062	1 148 072	1 262 521	1 534 848	12.3%	2.6%	1 328 096	1 573 538	1 662 665	2.7%	2.3%
Community education and training colleges	–	–	91 758	98 202	–	0.1%	103 898	109 924	116 080	5.7%	0.2%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>97 420</b>	<b>221</b>	<b>5 315</b>	<b>7 627</b>	<b>-57.2%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Employee social benefits	97 420	221	5 315	7 627	-57.2%	0.1%	–	–	–	-100.0%	–
<b>Total</b>	<b>41 580 111</b>	<b>45 478 492</b>	<b>49 506 407</b>	<b>56 694 458</b>	<b>10.9%</b>	<b>100.0%</b>	<b>60 094 176</b>	<b>69 229 091</b>	<b>73 658 529</b>	<b>9.1%</b>	<b>100.0%</b>

## Personnel information

Table 15.6 Vote personnel numbers and cost by salary level and programme<sup>1</sup>

Programmes		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of posts estimated for 31 March 2017																	Average growth rate (%)	Average Salary level/Total (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2016/17 - 2019/20					
		2015/16	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20											
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
<b>Higher Education and Training</b>	<b>36 939</b>	–	35 213	7 166.4	0.2	35 326	7 573.7	0.2	36 415	8 425.4	0.2	36 212	8 957.0	0.2	36 988	9 637.7	0.3	1.5%	100.0%
Salary level																			
1 – 6	9 765	–	10 733	2 055.8	0.2	10 144	2 129.5	0.2	10 242	2 312.6	0.2	10 169	2 470.4	0.2	10 780	2 715.8	0.3	2.0%	28.5%
7 – 10	9 139	–	8 502	3 018.6	0.4	8 590	3 276.4	0.4	9 188	3 727.4	0.4	9 210	4 000.0	0.4	9 214	4 275.1	0.5	2.4%	25.0%
11 – 12	572	–	542	363.8	0.7	600	430.3	0.7	599	461.3	0.8	600	495.7	0.8	600	531.0	0.9	–	1.7%
13 – 16	162	–	135	139.7	1.0	162	172.3	1.1	163	185.3	1.1	166	201.7	1.2	166	214.1	1.3	0.8%	0.5%
Other	17 301	–	15 301	1 588.5	0.1	15 830	1 565.2	0.1	16 223	1 738.7	0.1	16 067	1 789.1	0.1	16 228	1 901.7	0.1	0.8%	44.4%
<b>Programme</b>	<b>36 939</b>	–	<b>35 213</b>	<b>7 166.4</b>	<b>0.2</b>	<b>35 326</b>	<b>7 573.7</b>	<b>0.2</b>	<b>36 415</b>	<b>8 425.4</b>	<b>0.2</b>	<b>36 212</b>	<b>8 957.0</b>	<b>0.2</b>	<b>36 988</b>	<b>9 637.7</b>	<b>0.3</b>	<b>1.5%</b>	<b>100.0%</b>
Programme 1	581	–	535	161.7	0.3	638	203.4	0.3	636	222.2	0.3	650	247.8	0.4	658	267.4	0.4	1.0%	1.8%
Programme 2	95	–	90	42.5	0.5	123	58.3	0.5	117	59.8	0.5	121	65.4	0.5	123	70.7	0.6	–	0.3%
Programme 3	117	–	87	43.5	0.5	110	61.1	0.6	111	65.4	0.6	116	72.0	0.6	119	78.0	0.7	2.7%	0.3%
Programme 4	16 918	–	17 448	5 119.8	0.3	16 643	5 254.8	0.3	17 343	5 910.6	0.3	17 343	6 279.8	0.4	17 865	6 756.4	0.4	2.4%	47.7%
Programme 5	286	–	261	86.6	0.3	267	90.3	0.3	269	97.7	0.4	280	111.4	0.4	279	120.3	0.4	1.5%	0.8%
Programme 6	18 942	–	16 792	1 712.3	0.1	17 545	1 905.8	0.1	17 939	2 069.8	0.1	17 702	2 180.7	0.1	17 944	2 344.9	0.1	0.8%	49.1%

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

2. Rand million.

## Departmental receipts

Table 15.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
<b>Departmental receipts</b>	<b>11 880</b>	<b>11 594</b>	<b>15 444</b>	<b>37 883</b>	<b>37 883</b>	<b>47.2%</b>	<b>100.0%</b>	<b>12 184</b>	<b>12 792</b>	<b>13 432</b>	<b>-29.2%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>6 042</b>	<b>5 634</b>	<b>8 983</b>	<b>10 472</b>	<b>10 472</b>	<b>20.1%</b>	<b>40.5%</b>	<b>5 682</b>	<b>5 965</b>	<b>6 263</b>	<b>-15.7%</b>	<b>37.2%</b>
Sales by market establishments of which:	383	404	3 534	4 340	4 340	124.6%	11.3%	566	593	622	-47.7%	8.0%
Academic services: Temporary accommodation	220	223	218	278	278	8.1%	1.2%	292	307	322	5.0%	1.6%
Sale of assets less than R5 000	-	-	-	12	12	-	-	13	14	15	7.7%	0.1%
Commission	163	181	3 316	4 050	4 050	191.8%	10.0%	261	272	285	-58.7%	6.4%
Administrative fees of which:	4 936	4 465	4 657	5 334	5 334	2.6%	25.2%	4 202	4 412	4 632	-4.6%	24.4%
Exams	1 352	1 557	2 338	2 690	2 690	25.8%	10.3%	1 263	1 326	1 392	-19.7%	8.7%
Trade test fee	2 878	2 767	2 270	2 238	2 238	-8.0%	13.2%	2 613	2 744	2 881	8.8%	13.7%
Universities	60	90	49	34	34	-17.2%	0.3%	123	129	135	58.4%	0.6%
Further education and training	3	3	-	-	-	-100.0%	-	203	213	224	-	0.8%
Sports and club facilities/sale of tender documents	643	48	-	372	372	-16.7%	1.4%	-	-	-	-100.0%	0.5%
Other sales of which:	723	765	792	798	798	3.3%	4.0%	914	960	1 009	8.1%	4.8%
Boarding fees	118	134	122	72	72	-15.2%	0.6%	144	151	159	30.2%	0.7%
Parking	20	21	67	100	100	71.0%	0.3%	32	34	36	-28.9%	0.3%
Sale of meals and refreshments	182	201	195	202	202	3.5%	1.0%	262	275	289	12.7%	1.3%
Rental	403	409	408	424	424	1.7%	2.1%	476	500	525	7.4%	2.5%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>29</b>	<b>17</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>35</b>	<b>37</b>	<b>39</b>	<b>-</b>	<b>0.1%</b>
of which:												
Waste paper	29	17	15	-	-	-100.0%	0.1%	35	37	39	-	0.1%
<b>Interest, dividends and rent on land</b>	<b>3 374</b>	<b>3 343</b>	<b>3 791</b>	<b>2 538</b>	<b>2 538</b>	<b>-9.1%</b>	<b>17.0%</b>	<b>5 104</b>	<b>5 359</b>	<b>5 626</b>	<b>30.4%</b>	<b>24.4%</b>
Interest	3 374	3 343	3 791	2 538	2 538	-9.1%	17.0%	5 104	5 359	5 626	30.4%	24.4%
<b>Sales of capital assets</b>	<b>-</b>	<b>15</b>	<b>172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions in financial assets and liabilities</b>	<b>2 435</b>	<b>2 585</b>	<b>2 483</b>	<b>24 873</b>	<b>24 873</b>	<b>117.0%</b>	<b>42.2%</b>	<b>1 363</b>	<b>1 431</b>	<b>1 504</b>	<b>-60.7%</b>	<b>38.2%</b>
<b>Total</b>	<b>11 880</b>	<b>11 594</b>	<b>15 444</b>	<b>37 883</b>	<b>37 883</b>	<b>47.2%</b>	<b>100.0%</b>	<b>12 184</b>	<b>12 792</b>	<b>13 432</b>	<b>-29.2%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

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

### Expenditure trends and estimates

Table 15.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
<b>Total</b>	<b>267 364</b>	<b>234 097</b>	<b>346 819</b>	<b>372 738</b>	<b>11.7%</b>	<b>100.0%</b>	<b>403 356</b>	<b>440 974</b>	<b>471 562</b>	<b>8.2%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(929)			4 084	13 808	15 765		
<b>Economic classification</b>											
<b>Current payments</b>	<b>262 387</b>	<b>230 623</b>	<b>338 139</b>	<b>367 345</b>	<b>11.9%</b>	<b>98.2%</b>	<b>398 034</b>	<b>435 264</b>	<b>465 549</b>	<b>8.2%</b>	<b>98.7%</b>
Compensation of employees	147 377	121 938	161 657	203 398	11.3%	52.0%	222 153	247 770	267 371	9.5%	55.7%
Goods and services <sup>1</sup> of which:	115 010	108 685	176 482	163 947	12.5%	46.2%	175 881	187 494	198 178	6.5%	43.0%
Audit costs: External	11 299	8 101	9 525	13 637	6.5%	3.5%	14 433	15 424	16 288	6.1%	3.5%
Computer services	13 688	22 405	30 603	31 465	32.0%	8.0%	36 803	38 970	40 980	9.2%	8.8%
Consultants: Business and advisory services	597	1 112	1 158	5 154	105.1%	0.7%	7 446	7 829	8 496	18.1%	1.7%
Property payments	39 881	36 060	67 713	51 095	8.6%	15.9%	60 441	64 532	68 139	10.1%	14.5%
Travel and subsistence	21 995	19 004	18 048	14 544	-12.9%	6.0%	19 119	21 214	22 062	14.9%	4.6%
Operating payments	2 035	1 360	2 141	8 858	63.3%	1.2%	7 171	8 123	8 837	-0.1%	2.0%

Table 15.8 Administration expenditure trends and estimates by subprogramme and economic classification

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Transfers and subsidies <sup>1</sup>	22	95	246	139	84.9%	-	-	-	-	-100.0%	-
Departmental agencies and accounts	-	-	170	-	-	-	-	-	-	-	-
Households	22	95	76	139	84.9%	-	-	-	-	-100.0%	-
Payments for capital assets	4 950	3 379	8 160	5 254	2.0%	1.8%	5 322	5 710	6 013	4.6%	1.3%
Machinery and equipment	4 923	3 379	8 072	5 254	2.2%	1.8%	5 322	5 710	6 013	4.6%	1.3%
Software and other intangible assets	27	-	88	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	5	-	274	-	-100.0%	-	-	-	-	-	-
Total	267 364	234 097	346 819	372 738	11.7%	100.0%	403 356	440 974	471 562	8.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.6%	0.8%	0.8%	-	-	0.8%	0.7%	0.7%	-	-
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	-	-	170	-	-	-	-	-	-	-	-
other	-	-	170	-	-	-	-	-	-	-	-
<b>Households</b>											
<b>Social benefits</b>											
Current	22	95	76	139	84.9%	-	-	-	-	-100.0%	-
Employee social benefits	22	95	76	139	84.9%	-	-	-	-	-100.0%	-

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

## Personnel information

Table 15.9 Administration personnel numbers and cost by salary level<sup>1</sup>

Administration	Salary level	Number of posts estimated for 31 March 2017	Number of funded posts	Number of posts additional to the establishment	Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number			
					Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
					2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20	
					Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost		
		581	-	535	161.7	0.3	638	203.4	0.3	636	222.2	0.3	650	247.8	0.4	658	267.4	0.4	1.0%	100.0%
	1 - 6	308	-	288	46.4	0.2	367	65.4	0.2	362	70.5	0.2	368	77.2	0.2	376	83.9	0.2	0.8%	57.0%
	7 - 10	193	-	175	56.2	0.3	191	67.1	0.4	193	73.5	0.4	198	82.0	0.4	198	88.5	0.4	1.2%	30.2%
	11 - 12	41	-	44	28.8	0.7	45	32.0	0.7	45	34.7	0.8	45	37.6	0.8	45	40.7	0.9	-	7.0%
	13 - 16	37	-	26	28.1	1.1	33	36.7	1.1	34	41.2	1.2	37	48.5	1.3	37	51.7	1.4	3.9%	5.5%
	Other	2	-	2	2.1	1.1	2	2.2	1.1	2	2.3	1.2	2	2.4	1.2	2	2.6	1.3	-	0.3%

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

<sup>2</sup> Rand million.

## Programme 2: Planning, Policy and Strategy

### Programme purpose

Provide strategic direction in the development, implementation and monitoring of departmental policies and in the human resource development strategy for South Africa.

### Objectives

- Ensure a sound post-school education and training system through the development of two new, and the revision of two existing pieces of legislation, policies and regulations by 31 March 2018.
- Ensure the effective oversight of the implementation of the post-school education and training system by producing six oversight reports on social inclusion and equity, flexible modes of learning delivery, and teaching and learning support plans over the medium term.
- Provide management information and statistics on post-school education and training performance annually for effective policy development and planning.

### Subprogrammes

- *Programme Management: Planning, Policy and Strategy* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.

- *Human Resource Development, Strategic Planning and Coordination* provides strategic direction in the development, implementation and monitoring of departmental policies; and coordinates activities in relation to the national human resource development strategy.
- *Planning, Information, Monitoring and Evaluation Coordination* monitors and evaluates the policy outputs of the department; coordinates research in the fields of higher education and training; and ensures that education policies, plans and legislation are developed into systems through monitoring their implementation on an ongoing basis.
- *International Relations* develops and promotes international relations; supports the United Nations Educational, Scientific and Cultural Organisation in the higher education sub-system; and manages, monitors and reports on international donor grant funding.
- *Legal and Legislative Services* manages the legal and legislative services of the department, universities, colleges, sector education and training authorities, and the National Skills Fund.
- *Social Inclusion in Education* promotes access to higher education and participation by all learners in training programmes; manages the development, evaluation and maintenance of policy, programmes and systems for learners with special needs; and monitors the implementation of those policies.

## Expenditure trends and estimates

**Table 15.10 Planning, Policy and Strategy expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Programme Management: Planning, Policy and Strategy	3 656	2 933	3 222	3 283	-3.5%	6.0%	3 725	4 001	4 318	9.6%	4.9%
Human Resource Development, Strategic Planning and Coordination	11 198	11 584	14 816	17 014	15.0%	25.2%	16 812	18 068	19 545	4.7%	23.0%
Planning, Information, Monitoring and Evaluation Coordination	7 419	6 854	10 707	17 841	34.0%	19.7%	15 857	17 370	18 702	1.6%	22.5%
International Relations	10 268	10 775	11 242	13 305	9.0%	21.0%	12 847	13 877	14 862	3.8%	17.7%
Legal and Legislative Services	11 298	9 386	7 464	14 539	8.8%	19.7%	16 899	18 340	19 682	10.6%	22.4%
Social Inclusion in Education	3 811	4 151	4 568	5 602	13.7%	8.4%	7 158	8 023	8 620	15.4%	9.5%
<b>Total</b>	<b>47 650</b>	<b>45 683</b>	<b>52 019</b>	<b>71 584</b>	<b>14.5%</b>	<b>100.0%</b>	<b>73 298</b>	<b>79 679</b>	<b>85 729</b>	<b>6.2%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				39			(3 149)	(2 146)	(2 027)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>44 215</b>	<b>42 454</b>	<b>49 149</b>	<b>68 201</b>	<b>15.5%</b>	<b>94.0%</b>	<b>69 638</b>	<b>75 802</b>	<b>81 635</b>	<b>6.2%</b>	<b>95.2%</b>
Compensation of employees	38 002	34 614	42 479	58 256	15.3%	79.9%	59 794	65 381	70 652	6.6%	81.9%
Goods and services <sup>1</sup>	6 213	7 840	6 670	9 945	17.0%	14.1%	9 844	10 421	10 983	3.4%	13.3%
of which:											
Communication	890	769	815	645	-10.2%	1.4%	707	763	790	7.0%	0.9%
Legal services	1 367	3 236	966	4 175	45.1%	4.5%	4 352	4 593	4 850	5.1%	5.8%
Consumables: Stationery, printing and office supplies	672	238	855	939	11.8%	1.2%	1 006	1 045	1 106	5.6%	1.3%
Travel and subsistence	2 425	2 050	2 793	3 164	9.3%	4.8%	2 740	2 820	2 976	-2.0%	3.8%
Training and development	214	156	10	97	-23.2%	0.2%	185	254	263	39.4%	0.3%
Operating payments	169	204	207	324	24.2%	0.4%	360	401	423	9.3%	0.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>3 094</b>	<b>2 984</b>	<b>2 606</b>	<b>2 902</b>	<b>-2.1%</b>	<b>5.3%</b>	<b>3 489</b>	<b>3 691</b>	<b>3 898</b>	<b>10.3%</b>	<b>4.5%</b>
Departmental agencies and accounts	-	-	7	-	-	-	-	-	-	-	-
Foreign governments and international organisations	2 927	2 983	2 588	2 896	-0.4%	5.3%	3 489	3 691	3 898	10.4%	4.5%
Households	167	1	11	6	-67.0%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>341</b>	<b>245</b>	<b>264</b>	<b>481</b>	<b>12.1%</b>	<b>0.6%</b>	<b>171</b>	<b>186</b>	<b>196</b>	<b>-25.9%</b>	<b>0.3%</b>
Machinery and equipment	341	245	240	481	12.1%	0.6%	171	186	196	-25.9%	0.3%
Software and other intangible assets	-	-	24	-	-	-	-	-	-	-	-
<b>Total</b>	<b>47 650</b>	<b>45 683</b>	<b>52 019</b>	<b>71 584</b>	<b>14.5%</b>	<b>100.0%</b>	<b>73 298</b>	<b>79 679</b>	<b>85 729</b>	<b>6.2%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.1%	0.1%	0.1%	0.1%	-	-	0.1%	0.1%	0.1%	-	-
<b>Details of transfer and subsidies</b>											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	7	-	-	-	-	-	-	-	-
other	-	-	7	-	-	-	-	-	-	-	-
Foreign governments and international organisations											
Current	2 927	2 983	2 588	2 896	-0.4%	5.3%	3 489	3 691	3 898	10.4%	4.5%
India-Brazil-South Africa Trilateral Commission	511	551	-	100	-41.9%	0.5%	553	585	618	83.5%	0.6%
Commonwealth of Learning	2 416	2 432	2 588	2 796	5.0%	4.7%	2 936	3 106	3 280	5.5%	3.9%
Households											
Social benefits											
Current	167	1	11	6	-67.0%	0.1%	-	-	-	-100.0%	-
Employee social benefits	167	1	11	6	-67.0%	0.1%	-	-	-	-100.0%	-

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

## Personnel information

Table 15.11 Planning, Policy and Strategy personnel numbers and cost by salary level<sup>1</sup>

Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
<b>Planning, Policy and Strategy</b>																			
Salary level	95	–	90	42.5	0.5	123	58.3	0.5	117	59.8	0.5	121	65.4	0.5	123	70.7	0.6	–	100.0%
1 – 6	27	–	19	2.1	0.1	28	2.9	0.1	27	3.1	0.1	29	3.5	0.1	30	3.9	0.1	2.3%	23.6%
7 – 10	34	–	44	17.7	0.4	59	24.2	0.4	54	23.6	0.4	55	26.0	0.5	56	28.6	0.5	-1.7%	46.3%
11 – 12	18	–	15	10.3	0.7	20	14.5	0.7	20	15.6	0.8	21	17.3	0.8	21	18.5	0.9	1.6%	16.9%
13 – 16	16	–	12	12.4	1.0	16	16.6	1.0	16	17.6	1.1	16	18.6	1.2	16	19.7	1.2	–	13.2%

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

2. Rand million.

## Programme 3: University Education

### Programme purpose

Develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. Provide financial support to universities, the National Student Financial Aid Scheme and national institutes for higher education.

### Objectives

- Ensure a sound post-school education and training system through the development of three new and the revision of two existing pieces of legislation, regulations and policies for university education by 31 March 2019.
- Ensure integrated planning in support of improved collaboration within the post-school education and training sub-systems by developing an integrated plan by 31 March 2018.
- Ensure effectual monitoring and evaluation of the higher education sector by producing 15 annual oversight reports on:
  - the financial health of the sector, governance, teaching and research development, and research productivity
  - the higher education and training HIV and AIDS programme, infrastructure development, foundation provisioning, and new universities
  - the expansion and efficiency of the higher education system, academic forums and think-tank partnerships within the Brazil-Russia-India-China-South Africa group of countries, student support services, ministerial enrolment targets, and the institutional governance capacity development programme
  - the staffing South Africa's universities framework, and the teaching and learning development capacity improvement plan.
- Provide teaching and learning support services by implementing the five developed teaching and learning support plans aimed at improving access to quality teaching and learning in higher education institutions by 31 March 2020.
- Provide student support services for higher education through the development of two student support plans in order to promote the success of students within the post-school education and training system by the end of March 2019.
- Ensure effective policy development and planning by providing management information and statistics on the performance of higher education institutions annually.

### Subprogrammes

- *Programme Management: University Education* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions for the programme.

- *University – Academic Planning and Management* plans and monitors the university system. This entails analysing institutional and national plans, and maintaining programmes and qualification combinations.
- *University – Financial Planning and Information Systems* coordinates and manages the development and maintenance of the higher education management information system and the appropriate funding framework for a diverse university system.
- *University – Policy and Development* regulates private university institutions and provides support for the development of universities.
- *Teacher Education* develops a responsive and comprehensive national teacher education and development system as a sub-system of the higher education and training system, develops and maintains academic policy for teacher education qualifications in line with the higher education qualifications framework, mentors institutions for adherence to policy, and supports policy implementation to ensure relevant curricula and the sufficient supply of well-qualified teachers for all education sub-systems.
- *University Subsidies* transfers payments to universities annually.

## Expenditure trends and estimates

**Table 15.12 University Education expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Programme Management: University Education	1 786	1 959	3 915	4 670	37.8%	–	4 344	4 711	5 079	2.8%	–
University - Academic Planning and Management	5 870 868	6 249 117	6 557 911	11 508 497	25.2%	23.0%	10 273 855	13 277 102	14 082 547	7.0%	26.8%
University - Financial Planning and Information Systems	8 685	7 556	8 437	12 594	13.2%	–	11 347	12 458	13 451	2.2%	–
University - Policy and Development	20 226	19 736	21 048	27 627	11.0%	0.1%	27 647	30 129	32 364	5.4%	0.1%
Teacher Education	8 947	10 494	10 208	14 287	16.9%	–	19 499	21 332	23 085	17.3%	–
University Subsidies	22 392 767	24 195 293	26 297 074	27 964 818	7.7%	76.9%	31 606 841	36 152 859	38 187 890	10.9%	73.0%
<b>Total</b>	<b>28 303 279</b>	<b>30 484 155</b>	<b>32 898 593</b>	<b>39 532 493</b>	<b>11.8%</b>	<b>100.0%</b>	<b>41 943 533</b>	<b>49 498 591</b>	<b>52 344 416</b>	<b>9.8%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				890			(587)	5 178 651	5 541 144		
<b>Economic classification</b>											
<b>Current payments</b>	<b>41 884</b>	<b>44 639</b>	<b>49 369</b>	<b>68 635</b>	<b>17.9%</b>	<b>0.2%</b>	<b>71 775</b>	<b>78 722</b>	<b>85 135</b>	<b>7.4%</b>	<b>0.2%</b>
Compensation of employees	33 129	39 093	43 468	61 094	22.6%	0.1%	65 408	71 954	78 002	8.5%	0.2%
Goods and services <sup>1</sup>	8 755	5 546	5 901	7 541	-4.9%	–	6 367	6 768	7 133	-1.8%	–
of which:											
Advertising	217	–	26	146	-12.4%	–	175	141	154	1.8%	–
Communication	494	542	613	414	-5.7%	–	447	444	468	4.2%	–
Computer services	154	184	259	660	62.4%	–	749	797	842	8.5%	–
Consumables: Stationery, printing and office supplies	382	248	479	518	10.7%	–	554	641	676	9.3%	–
Operating leases	79	66	82	94	6.0%	–	190	187	197	28.0%	–
Travel and subsistence	4 418	3 650	3 658	4 054	-2.8%	–	3 639	3 843	4 050	–	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>28 261 039</b>	<b>30 439 242</b>	<b>32 848 998</b>	<b>39 463 487</b>	<b>11.8%</b>	<b>99.8%</b>	<b>41 871 399</b>	<b>49 419 439</b>	<b>52 258 827</b>	<b>9.8%</b>	<b>99.8%</b>
Departmental agencies and accounts	5 860 694	6 236 529	6 544 156	11 490 497	25.2%	23.0%	10 255 977	13 257 501	14 061 350	7.0%	26.8%
Higher education institutions	22 392 767	24 195 293	26 297 074	27 964 818	7.7%	76.9%	31 606 841	36 152 859	38 187 890	10.9%	73.0%
Non-profit institutions	7 000	7 420	7 761	8 172	5.3%	–	8 581	9 079	9 587	5.5%	–
Households	578	–	7	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>280</b>	<b>274</b>	<b>226</b>	<b>371</b>	<b>9.8%</b>	<b>–</b>	<b>359</b>	<b>430</b>	<b>454</b>	<b>7.0%</b>	<b>–</b>
Machinery and equipment	280	274	226	371	9.8%	–	359	430	454	7.0%	–
<b>Payments for financial assets</b>	<b>76</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>28 303 279</b>	<b>30 484 155</b>	<b>32 898 593</b>	<b>39 532 493</b>	<b>11.8%</b>	<b>100.0%</b>	<b>41 943 533</b>	<b>49 498 591</b>	<b>52 344 416</b>	<b>9.8%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	77.8%	78.1%	78.4%	80.4%	–	–	80.2%	81.6%	81.4%	–	–
<b>Details of transfer and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>5 860 694</b>	<b>6 236 529</b>	<b>6 544 156</b>	<b>11 490 497</b>	<b>25.2%</b>	<b>23.0%</b>	<b>10 255 977</b>	<b>13 257 501</b>	<b>14 061 350</b>	<b>7.0%</b>	<b>26.8%</b>
Other	–	–	29	–	–	–	–	–	–	–	–
National Student Financial Aid Scheme	5 769 405	6 138 832	6 448 551	11 392 674	25.5%	22.7%	10 143 091	13 138 067	13 935 227	6.9%	26.5%
Council on Higher Education	41 888	42 689	40 819	40 928	-0.8%	0.1%	47 946	50 727	53 568	9.4%	0.1%
South African Qualifications Authority	49 401	55 008	54 757	56 895	4.8%	0.2%	64 940	68 707	72 555	8.4%	0.1%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>7 000</b>	<b>7 420</b>	<b>7 761</b>	<b>8 172</b>	<b>5.3%</b>	<b>–</b>	<b>8 581</b>	<b>9 079</b>	<b>9 587</b>	<b>5.5%</b>	<b>–</b>
Universities South Africa	7 000	7 420	7 761	8 172	5.3%	–	8 581	9 079	9 587	5.5%	–

**Table 15.12 University Education expenditure trends and estimates by subprogramme and economic classification**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16		2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	578	-	7	-	-100.0%	-	-	-	-	-	-
Employee social benefits	578	-	7	-	-100.0%	-	-	-	-	-	-
<b>Higher education institutions</b>											
<b>Current</b>	20 231 668	21 482 293	22 991 096	24 563 860	6.7%	68.0%	28 082 809	32 460 607	34 317 412	11.8%	65.1%
University subsidies	20 081 668	21 323 293	22 790 082	24 273 431	6.5%	67.4%	27 722 073	32 044 118	33 877 600	11.8%	64.3%
University of Mpumalanga	86 872	102 345	58 111	186 585	29.0%	0.3%	212 611	235 294	248 470	10.0%	0.5%
Sol Plaatje University	63 128	56 655	142 903	103 844	18.0%	0.3%	148 125	181 195	191 342	22.6%	0.3%
<b>Capital</b>	2 161 099	2 713 000	3 305 978	3 400 958	16.3%	8.8%	3 524 032	3 692 252	3 870 478	4.4%	7.9%
University subsidies	2 011 099	2 213 000	1 985 978	2 426 222	6.5%	6.6%	2 545 550	2 691 710	2 826 113	5.2%	5.7%
University of the Witwatersrand: University of Mpumalanga and Sol Plaatje University	150 000	500 000	1 320 000	-	-100.0%	1.5%	-	-	-	-	-
University of Mpumalanga	-	-	-	623 831	-	0.5%	624 552	638 508	668 394	2.3%	1.4%
Sol Plaatje University	-	-	-	350 905	-	0.3%	353 930	362 034	375 971	2.3%	0.8%

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

## Personnel information

**Table 15.13 University Education personnel numbers and cost by salary level<sup>1</sup>**

University Education	Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Salary level	117	-	87	43.5	0.5	110	61.1	0.6	111	65.4	0.6	116	72.0	0.6	119	78.0	0.7	2.7%	100.0%
1 - 6	16	-	19	3.5	0.2	17	3.1	0.2	18	3.5	0.2	18	3.8	0.2	18	4.0	0.2	1.9%	15.6%
7 - 10	58	-	35	13.7	0.4	50	21.3	0.4	50	22.8	0.5	55	26.5	0.5	58	29.7	0.5	5.1%	46.7%
11 - 12	27	-	23	15.7	0.7	27	19.5	0.7	27	20.9	0.8	27	22.3	0.8	27	23.8	0.9	-	23.7%
13 - 16	16	-	10	10.6	1.1	16	17.2	1.1	16	18.3	1.1	16	19.4	1.2	16	20.5	1.3	-	14.0%

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

2. Rand million.

## Programme 4: Technical and Vocational Education and Training

### Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for technical and vocational education and training.

### Objectives

- Ensure a sound post-school education and training system through the development of six new and the revision of two existing pieces of legislation, regulations and policies for the TVET sector by 31 March 2018.
- Ensure effectual monitoring and evaluation of the TVET sector by producing 13 annual oversight reports on:
  - the conduct of public TVET college examination centres during national examinations and assessments
  - the implementation of the IT examination services system
  - the eradication of certification backlogs
  - the performance of students in colleges
  - the sampling of colleges evaluated for compliance to recommended governance standards, teaching and learning support plans in colleges, student support services plans in colleges, and strategic partnerships with key stakeholders
  - the infrastructure plans of college campuses.
- Improve learning assessment services for TVET colleges by 31 March 2020, by ensuring that all seven resulting cycles for national examinations are concluded per year and that 100 per cent of all examination-related complaints are finalised in accordance to service standards.

- Provide TVET teaching and learning support plans aimed at improving access to quality teaching and learning in the sector through the development of one new teaching and learning support plan, and the revision of two existing teaching and learning support plans over the medium term.
- Provide student support services for TVET colleges through the development of three student support plans in support of an improved post-school education and training system by 31 March 2020.
- Develop an infrastructure rollout plan for the construction of six TVET college campuses to ensure optimal geographic spread by 31 March 2018.

## Subprogrammes

- *Programme Management: Technical and Vocational Education and Training* manages the delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Technical and Vocational Education and Training System Planning and Institutional Support* provides support to management and councils, monitors and evaluates the TVET system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for TVET colleges to enter into partnerships for the use of infrastructure and funding resources, and maps the institutional landscape for the rollout of the TVET college system.
- *Programmes and Qualifications* manages and coordinates curriculum development processes, ensures the development of quality learning and teaching materials, monitors and supports the implementation of curriculum statements and assessment regulations, monitors and supports the development of lecturers, and provides leadership for TVET colleges to diversify their programmes, qualifications and curriculums.
- *National Examination and Assessment* administers and manages the conduct of national assessment in TVET and community education and training colleges.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of TVET colleges; manages and determines the fair distribution of funding to TVET colleges in accordance with funding norms and standards for funding these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.

## Expenditure trends and estimates

Table 15.14 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Programme Management: Technical and Vocational Education and Training	8 120	9 104	6 177	3 765	-22.6%	0.1%	5 112	5 327	5 754	15.2%	0.1%
Technical and Vocational Education and Training System Planning and Institutional Support	5 607 264	6 104 460	6 144 249	6 662 396	5.9%	95.2%	7 089 225	7 688 935	8 240 558	7.3%	95.7%
Programmes and Qualifications	88 321	10 110	11 482	10 556	-50.7%	0.5%	11 503	12 654	13 702	9.1%	0.2%
National Examination and Assessment	173 175	178 102	439 072	278 546	17.2%	4.2%	294 754	314 938	336 481	6.5%	4.0%
Financial Planning	2 370	2 738	3 830	4 981	28.1%	0.1%	7 655	7 452	8 017	17.2%	0.1%
<b>Total</b>	<b>5 879 250</b>	<b>6 304 514</b>	<b>6 604 810</b>	<b>6 960 244</b>	<b>5.8%</b>	<b>100.0%</b>	<b>7 408 249</b>	<b>8 029 306</b>	<b>8 604 512</b>	<b>7.3%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				43 053			(5 984)	163 614	172 711		
<b>Economic classification</b>											
<b>Current payments</b>	<b>4 698 761</b>	<b>5 155 521</b>	<b>5 263 170</b>	<b>5 372 841</b>	<b>4.6%</b>	<b>79.6%</b>	<b>6 065 127</b>	<b>6 440 333</b>	<b>6 925 548</b>	<b>8.8%</b>	<b>80.0%</b>
Compensation of employees	4 625 538	5 097 809	5 119 809	5 254 824	4.3%	78.1%	5 910 561	6 279 754	6 756 395	8.7%	78.1%
Goods and services <sup>1</sup>	73 223	57 712	143 361	118 017	17.2%	1.5%	154 566	160 579	169 153	12.7%	1.9%
of which:											
Computer services	11 929	15 499	34 020	45 343	56.1%	0.4%	13 576	15 428	16 262	-29.0%	0.3%
Consumables: Stationery, printing and office supplies	15 033	8 365	26 382	16 247	2.6%	0.3%	9 764	11 090	11 668	-10.4%	0.2%
Operating leases	213	5 179	231	208	-0.8%	-	10 134	9 032	9 520	257.7%	0.1%
Travel and subsistence	26 507	21 540	53 892	40 177	14.9%	0.6%	72 960	74 222	78 131	24.8%	0.9%
Training and development	176	-	12	-	-100.0%	-	32 653	35 024	36 915	-	0.3%
Operating payments	5 863	3 087	11 328	3 862	-13.0%	0.1%	8 936	9 534	10 049	37.5%	0.1%

**Table 15.14 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 179 976</b>	<b>1 148 197</b>	<b>1 289 219</b>	<b>1 586 602</b>	<b>10.4%</b>	<b>20.2%</b>	<b>1 342 462</b>	<b>1 588 737</b>	<b>1 678 715</b>	<b>1.9%</b>	<b>20.0%</b>
Departmental agencies and accounts	-	-	22 834	45 570	-	0.3%	14 366	15 199	16 050	-29.4%	0.3%
Non-profit institutions	1 084 062	1 148 072	1 262 521	1 534 848	12.3%	19.5%	1 328 096	1 573 538	1 662 665	2.7%	19.7%
Households	95 914	125	3 864	6 184	-59.9%	0.4%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>485</b>	<b>796</b>	<b>1 075</b>	<b>801</b>	<b>18.2%</b>	<b>-</b>	<b>660</b>	<b>236</b>	<b>249</b>	<b>-32.3%</b>	<b>-</b>
Machinery and equipment	485	796	1 075	801	18.2%	-	660	236	249	-32.3%	-
<b>Payments for financial assets</b>	<b>28</b>	<b>-</b>	<b>51 346</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 879 250</b>	<b>6 304 514</b>	<b>6 604 810</b>	<b>6 960 244</b>	<b>5.8%</b>	<b>100.0%</b>	<b>7 408 249</b>	<b>8 029 306</b>	<b>8 604 512</b>	<b>7.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>16.2%</b>	<b>16.1%</b>	<b>15.7%</b>	<b>14.2%</b>	<b>-</b>	<b>-</b>	<b>14.2%</b>	<b>13.2%</b>	<b>13.4%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	-	-	22 834	45 570	-	0.3%	14 366	15 199	16 050	-29.4%	0.3%
Other	-	-	53	-	-	-	-	-	-	-	-
Sector education and training authorities	-	-	22 781	45 570	-	0.3%	14 366	15 199	16 050	-29.4%	0.3%
<b>Non-profit institutions</b>											
Current	1 084 062	1 148 072	1 262 521	1 534 848	12.3%	19.5%	1 328 096	1 573 538	1 662 665	2.7%	19.7%
Technical and vocational education and training colleges	1 084 062	1 148 072	1 262 521	1 534 848	12.3%	19.5%	1 328 096	1 573 538	1 662 665	2.7%	19.7%
Households											
<b>Social benefits</b>											
Current	95 914	125	3 864	6 184	-59.9%	0.4%	-	-	-	-100.0%	-
Employee social benefits	95 914	125	3 864	6 184	-59.9%	0.4%	-	-	-	-100.0%	-

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

## Personnel information

**Table 15.15 Technical and Vocational Education and Training personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017	Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2015/16	Unit cost		2016/17	Unit cost		2017/18		2018/19		2019/20				2016/17 - 2019/20		
<b>Technical and Vocational Education and Training</b>	<b>16 918</b>	<b>-</b>	<b>17 448</b>	<b>5 119.8</b>	<b>0.3</b>	<b>16 643</b>	<b>5 254.8</b>	<b>0.3</b>	<b>17 343</b>	<b>5 910.6</b>	<b>0.3</b>	<b>17 343</b>	<b>6 279.8</b>	<b>0.4</b>	<b>17 865</b>	<b>6 756.4</b>	<b>0.4</b>	<b>2.4%</b>	<b>100.0%</b>
Salary level	16 918	-	17 448	5 119.8	0.3	16 643	5 254.8	0.3	17 343	5 910.6	0.3	17 343	6 279.8	0.4	17 865	6 756.4	0.4	2.4%	100.0%
1 - 6	8 139	-	9 242	1 798.9	0.2	8 397	1 803.1	0.2	8 497	1 958.5	0.2	8 497	2 093.7	0.2	9 019	2 298.8	0.3	2.4%	49.7%
7 - 10	8 351	-	7 774	2 760.1	0.4	7 794	2 970.3	0.4	8 394	3 397.0	0.4	8 394	3 631.5	0.4	8 394	3 875.0	0.5	2.5%	47.7%
11 - 12	366	-	370	253.1	0.7	387	284.1	0.7	387	304.0	0.8	387	325.0	0.8	387	346.8	0.9	-	2.2%
13 - 16	62	-	62	61.9	1.0	65	67.0	1.0	65	71.0	1.1	65	75.2	1.2	65	79.5	1.2	-	0.4%
Other	-	-	-	245.8	-	-	130.3	-	-	180.0	-	-	154.3	-	-	156.4	-	-	-

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

2. Rand million.

## Programme 5: Skills Development

### Programme purpose

Promote and monitor the national skills development strategy. Develop a skills development policy and regulatory framework for an effective skills development system.

### Objectives

- Ensure a sound post-school education and training system through the revision of four existing pieces of legislation, regulations and policies for skills development colleges by 31 March 2019.
- Ensure effectual monitoring and evaluation of artisan development by producing five annual oversight reports on the national skills development strategy and good governance standards by sector education and training authorities over the medium term.

- Ensure effectual artisan development assessment services in support of an improved post-school education and training system over the medium term by maintaining 100 per cent provision of trade testing dates to all qualifying applications received, and conducting trade testing within 60 days of all applications received.
- Develop security infrastructure at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments by 31 March 2018 in order to improve artisan development.

## Subprogrammes

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

## Expenditure trends and estimates

**Table 15.16 Skills Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
<b>Programme Management: Skills</b>											
Development	1 223	1 413	2 645	2 207	21.7%	1.1%	2 163	2 343	2 506	4.3%	0.9%
SETA Coordination	92 370	101 053	182 666	147 760	17.0%	80.2%	207 687	227 565	242 764	18.0%	84.5%
National Skills Development Services	7 691	6 361	8 950	8 338	2.7%	4.8%	7 523	8 381	8 995	2.6%	3.4%
Quality Development and Promotion	21 747	23 167	22 480	23 138	2.1%	13.9%	26 920	28 481	30 076	9.1%	11.1%
<b>Total</b>	<b>123 031</b>	<b>131 994</b>	<b>216 741</b>	<b>181 443</b>	<b>13.8%</b>	<b>100.0%</b>	<b>244 293</b>	<b>266 770</b>	<b>284 341</b>	<b>16.2%</b>	<b>100.0%</b>
Change to 2016				(43 091)			(423)	6 203	7 079		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>76 293</b>	<b>82 369</b>	<b>100 190</b>	<b>102 192</b>	<b>10.2%</b>	<b>55.3%</b>	<b>112 782</b>	<b>127 573</b>	<b>137 348</b>	<b>10.4%</b>	<b>49.1%</b>
Compensation of employees	65 046	71 606	86 634	90 347	11.6%	48.0%	97 679	111 449	120 347	10.0%	43.0%
Goods and services <sup>1</sup>	11 247	10 763	13 556	11 845	1.7%	7.3%	15 103	16 124	17 001	12.8%	6.1%
of which:											
Communication	1 422	1 192	1 297	1 202	-5.4%	0.8%	1 714	1 657	1 754	13.4%	0.6%
Inventory: Food and food supplies	460	366	-	300	-13.3%	0.2%	3 000	3 500	3 696	131.0%	1.1%
Consumable supplies	-	723	4 655	1 971	-	1.1%	2 311	2 901	3 063	15.8%	1.0%
Consumables: Stationery, printing and office supplies	3 085	702	627	944	-32.6%	0.8%	1 573	1 249	1 281	10.7%	0.5%
Property payments	542	829	603	651	6.3%	0.4%	900	900	951	13.5%	0.3%
Travel and subsistence	3 208	2 193	2 283	2 418	-9.0%	1.5%	3 353	3 446	3 648	14.7%	1.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>45 794</b>	<b>49 176</b>	<b>115 843</b>	<b>78 961</b>	<b>19.9%</b>	<b>44.4%</b>	<b>130 680</b>	<b>138 259</b>	<b>146 002</b>	<b>22.7%</b>	<b>50.6%</b>
Departmental agencies and accounts	45 055	49 176	115 790	78 865	20.5%	44.2%	130 680	138 259	146 002	22.8%	50.6%
Households	739	-	53	96	-49.4%	0.1%	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>944</b>	<b>432</b>	<b>426</b>	<b>290</b>	<b>-32.5%</b>	<b>0.3%</b>	<b>831</b>	<b>938</b>	<b>991</b>	<b>50.6%</b>	<b>0.3%</b>
Machinery and equipment	944	432	426	290	-32.5%	0.3%	831	938	991	50.6%	0.3%
<b>Payments for financial assets</b>	<b>-</b>	<b>17</b>	<b>282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>123 031</b>	<b>131 994</b>	<b>216 741</b>	<b>181 443</b>	<b>13.8%</b>	<b>100.0%</b>	<b>244 293</b>	<b>266 770</b>	<b>284 341</b>	<b>16.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>45 055</b>	<b>49 176</b>	<b>115 790</b>	<b>78 865</b>	<b>20.5%</b>	<b>44.2%</b>	<b>130 680</b>	<b>138 259</b>	<b>146 002</b>	<b>22.8%</b>	<b>50.6%</b>
other	-	-	99	-	-	-	-	-	-	-	-
Quality Council for Trades and Occupations	21 747	23 167	21 848	23 138	2.1%	13.8%	26 920	28 481	30 076	9.1%	11.1%
Public Service Sector Education and Training Authority	23 308	26 009	93 843	55 727	33.7%	30.4%	103 760	109 778	115 926	27.7%	39.4%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>739</b>	<b>-</b>	<b>53</b>	<b>96</b>	<b>-49.4%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	739	-	53	96	-49.4%	0.1%	-	-	-	-100.0%	-

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

## Personnel information

Table 15.17 Skills Development personnel numbers and cost by salary level<sup>1</sup>

Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number					
		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
Number of funded posts	Number of posts additional to the establishment	2015/16			2016/17			2017/18		2018/19			2019/20		2016/17 - 2019/20				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost	
Skills Development																			
Salary level	286	–	261	86.6	0.3	267	90.3	0.3	269	97.7	0.4	280	111.4	0.4	279	120.3	0.4	1.5%	100.0%
1 – 6	173	–	157	31.2	0.2	166	33.9	0.2	168	36.9	0.2	168	40.0	0.2	167	43.2	0.3	0.2%	61.1%
7 – 10	88	–	75	31.0	0.4	75	33.7	0.4	76	37.1	0.5	87	46.0	0.5	87	49.8	0.6	5.1%	29.7%
11 – 12	18	–	20	14.4	0.7	19	14.8	0.8	18	15.2	0.8	18	16.4	0.9	18	17.8	1.0	-1.8%	6.7%
13 – 16	7	–	9	10.1	1.1	7	7.9	1.1	7	8.5	1.2	7	9.0	1.3	7	9.6	1.4	–	2.6%

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

2. Rand million.

## Programme 6: Community Education and Training

### Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training.

### Objectives

- Ensure a sound post-school education and training system through the development of two new and the revision of two existing pieces of legislation, regulations and policies for community education and training colleges by 31 March 2018.
- Ensure effectual monitoring and evaluation of the community education and training sector by producing one annual oversight report on teaching and learning support by 31 March 2020.
- Provide learning assessment services for community education and training colleges by concluding two annual resulting cycles for community education and training national examinations, and finalising all examination-related complaints, in support of an improved post-school education and training system over the medium term.

### Subprogrammes

- *Programme Management: Community Education and Training* manages the delegated administrative and financial responsibilities, and coordinates the monitoring and evaluation function of the programme.
- *Community Education and Training Colleges Systems Planning, Institutional Development and Support* supports management and councils, monitors and evaluates the community education and training system performance against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for community education and training colleges to enter into partnerships for the use of infrastructure for college site-hosting centres and funding these partnerships, maps an institutional landscape for the rollout of the community education and training system, and is responsible for community education and training infrastructure planning and development.
- *Financial Planning* sets up financial management systems; develops the financial management capacity of community education and training colleges; manages and determines the fair distribution of funding to community education and training colleges in accordance with funding norms and standards for funding these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Education and Training and Development Support* manages and coordinates curriculum development processes; ensures the development of quality learning and teaching materials; monitors and supports the implementation of curriculum statements and assessment regulations; monitors and supports the development of lecturers; provides leadership for community education and training colleges to diversify

their programmes, qualifications and curriculums; and provides leadership for colleges to form partnerships and linkages for programme diversification.

## Expenditure trends and estimates

**Table 15.18 Community Education and Training expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%)
	2013/14	2014/15	2015/16		2013/14	2016/17	2017/18	2018/19	2019/20		
R thousand											
Programme Management: Community Education and Training	-	-	-	2 873	-	-	1 738	1 981	2 149	-9.2%	0.1%
Community Education and Training Colleges Systems Planning, Institutional Development and Support	1 771 084	1 847 177	1 653 166	1 883 555	2.1%	95.1%	2 055 222	2 164 955	2 328 713	7.3%	91.7%
Financial Planning	-	-	157 186	166 300	-	4.3%	166 345	176 965	186 764	3.9%	7.6%
Education and Training and Development Support	5 668	5 885	14 027	17 049	44.4%	0.6%	11 605	12 529	12 668	-9.4%	0.6%
<b>Total</b>	<b>1 776 752</b>	<b>1 853 062</b>	<b>1 824 379</b>	<b>2 069 777</b>	<b>5.2%</b>	<b>100.0%</b>	<b>2 234 910</b>	<b>2 356 430</b>	<b>2 530 294</b>	<b>6.9%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				38			(2 401)	(23 207)	(26 629)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 776 213</b>	<b>1 852 502</b>	<b>1 731 281</b>	<b>1 969 072</b>	<b>3.5%</b>	<b>97.4%</b>	<b>2 128 424</b>	<b>2 243 780</b>	<b>2 411 335</b>	<b>7.0%</b>	<b>95.2%</b>
Compensation of employees	1 696 348	1 774 703	1 712 348	1 905 793	4.0%	94.2%	2 069 783	2 180 656	2 344 926	7.2%	92.5%
Goods and services <sup>1</sup>	79 865	77 799	18 933	63 279	-7.5%	3.2%	58 641	63 124	66 409	1.6%	2.7%
of which:											
Communication	6 044	6 329	176	1 654	-35.1%	0.2%	2 132	2 633	2 783	18.9%	0.1%
Consumable supplies	-	-	32	61	-	-	1 024	1 305	1 725	204.7%	-
Consumables: Stationery, printing and office supplies	2 020	1 023	1 769	25 536	133.0%	0.4%	31 536	38 332	40 181	16.3%	1.5%
Rental and hiring	-	-	451	5 000	-	0.1%	3 558	3 455	3 536	-10.9%	0.2%
Travel and subsistence	61 323	58 056	7 906	5 074	-56.4%	1.8%	4 449	4 904	4 975	-0.7%	0.2%
Training and development	3 343	4 000	34	22 304	88.3%	0.4%	14 421	10 873	11 496	-19.8%	0.6%
<b>Transfers and subsidies<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>93 062</b>	<b>100 197</b>	<b>-</b>	<b>2.6%</b>	<b>104 690</b>	<b>110 761</b>	<b>116 964</b>	<b>5.3%</b>	<b>4.7%</b>
Departmental agencies and accounts	-	-	-	793	-	-	792	837	884	3.7%	-
Non-profit institutions	-	-	91 758	98 202	-	2.5%	103 898	109 924	116 080	5.7%	4.7%
Households	-	-	1 304	1 202	-	-	-	-	-	-100.0%	-
<b>Payments for capital assets</b>	<b>539</b>	<b>560</b>	<b>36</b>	<b>508</b>	<b>-2.0%</b>	<b>-</b>	<b>1 796</b>	<b>1 889</b>	<b>1 995</b>	<b>57.8%</b>	<b>0.1%</b>
Machinery and equipment	539	560	36	508	-2.0%	-	1 796	1 889	1 995	57.8%	0.1%
<b>Total</b>	<b>1 776 752</b>	<b>1 853 062</b>	<b>1 824 379</b>	<b>2 069 777</b>	<b>5.2%</b>	<b>100.0%</b>	<b>2 234 910</b>	<b>2 356 430</b>	<b>2 530 294</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>4.9%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>4.2%</b>	<b>-</b>	<b>-</b>	<b>4.3%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>793</b>	<b>-</b>	<b>-</b>	<b>792</b>	<b>837</b>	<b>884</b>	<b>3.7%</b>	<b>-</b>
Sector education and training authorities	-	-	-	793	-	-	792	837	884	3.7%	-
<b>Non-profit institutions</b>	<b>-</b>	<b>-</b>	<b>91 758</b>	<b>98 202</b>	<b>-</b>	<b>2.5%</b>	<b>103 898</b>	<b>109 924</b>	<b>116 080</b>	<b>5.7%</b>	<b>4.7%</b>
Community education and training colleges	-	-	91 758	98 202	-	2.5%	103 898	109 924	116 080	5.7%	4.7%
<b>Households</b>	<b>-</b>	<b>-</b>	<b>1 304</b>	<b>1 202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
<b>Social benefits</b>	<b>-</b>	<b>-</b>	<b>1 304</b>	<b>1 202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Employee social benefits	-	-	1 304	1 202	-	-	-	-	-	-100.0%	-

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

## Personnel information

**Table 15.19 Community Education and Training personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2017	Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average salary level/Total (%)					
			2015/16	Unit cost	2016/17	Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20				
<b>Community Education and Training</b>			<b>Number</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>	<b>Number</b>	<b>Cost</b>					
<b>Salary level</b>	<b>18 942</b>	<b>-</b>	<b>16 792</b>	<b>1 712.3</b>	<b>0.1</b>	<b>17 545</b>	<b>1 905.8</b>	<b>0.1</b>	<b>17 939</b>	<b>2 069.8</b>	<b>0.1</b>	<b>17 702</b>	<b>2 180.7</b>	<b>0.1</b>	<b>17 944</b>	<b>2 344.9</b>	<b>0.1</b>	<b>0.8%</b>	<b>100.0%</b>
1-6	1 102	-	1 008	173.7	0.2	1 169	221.0	0.2	1 170	240.1	0.2	1 089	252.2	0.2	1 170	282.0	0.2	0.0%	6.5%
7-10	415	-	399	140.0	0.4	421	159.8	0.4	421	173.4	0.4	421	188.0	0.4	421	203.5	0.5	-	2.4%
11-12	102	-	70	41.4	0.6	102	65.4	0.6	102	71.1	0.7	102	77.1	0.8	102	83.4	0.8	-	0.6%
13-16	24	-	16	16.6	1.0	25	26.9	1.1	25	28.9	1.2	25	31.0	1.2	25	33.2	1.3	-	0.1%

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

2. Rand million.

## Entities<sup>1</sup>

### National Skills Fund

#### Mandate

The National Skills Fund was established in 1999 in terms of section 27 of the Skills Development Act (1998). The fund focuses on national priority projects identified in the national skills development strategy related to the achievement of the purposes of the act, as determined by the director general of the Department of Higher Education and Training, and any activity undertaken by the Minister of Higher Education and Training to achieve a national standard of good practice in skills development.

#### Selected performance indicators

**Table 15.20 National Skills Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
Number of learners who completed their education and training towards priority occupations per year	Grant disbursement		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	6 500	7 000	7 500	7 500
Number of small, medium and micro enterprises and cooperatives that benefited from the fund's skills development initiatives per year	Grant disbursement	Outcome 5: A skilled and capable workforce to support an inclusive growth path	- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	100	150	200	250
Number of learners who acquired skills through funded community-based skills development initiatives per year	Grant disbursement		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	1 400	1 400	1 400	1 400
Number of workers to be educated through workers' education initiatives per year	Grant disbursement		- <sup>1</sup>	- <sup>1</sup>	- <sup>1</sup>	560	840	1 120	1 400

<sup>1</sup>. No historical data available.

#### Expenditure analysis

Over the medium term, the National Skills Fund will continue supporting quality and growth in the post-school education and training system by funding national priority skills initiatives such as artisan development and creating greater opportunities for out-of-school youth. The fund will also focus on supporting small, medium and micro enterprises and cooperatives on learner and worker education and training, skills infrastructure development, skills development research, innovation and communication, and projects aimed at expanding, integrating and improving the effectiveness of the post-school education and training system. This is in line with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

Transfer payments to skills development programmes and projects account for 97 per cent of the fund's total budget over the MTEF period. The value of these transfer payments, however, is expected to decrease from R8.9 billion in 2016/17 to R6 billion in 2019/20, in line with downward revised estimates of the skills development levy income and the use of accumulated surpluses. Over the medium term, this spending will contribute to an estimated 600 small, medium and micro enterprises and cooperatives benefiting from the fund's skills development initiatives; 4 200 learners acquiring various skills through community-based skills development initiatives; and 3 360 workers benefiting from workers' education initiatives.

The fund has committed to assisting projects in expanding and improving the TVET system; providing various workplace-based opportunities (apprenticeships, internships and skills programmes); financially supporting 20 centres of specialisation related to priority artisan trades at public TVET colleges across the country; and providing bursaries and scholarships to the new generation of academics in the university system.

The fund is in the process of implementing a new organisational structure to improve its capabilities in skills planning, skills development initiation, monitoring and evaluation, and financial management for projects. The process, which was implemented in 2015/16, accounts for the more than 200 per cent increase in spending on compensation of employees from R40.4 million in 2015/16 to R131 million in 2016/17. The implementation of the new organisational structure is also responsible for the increase in the entity's staff complement to 215 over the same period. This increase includes an internship programme, which the fund will establish and expand over the medium term to accommodate approximately 30 young people on an annual basis within the entity and institutions in the broader post-school education and training system. As a result, spending on compensation of employees over the medium term is expected to increase at an average annual rate of 6.1 per cent.

<sup>1</sup>. This section has been compiled with the latest available information from the entities concerned.

The fund's primary source of revenue is the skills development levy, which is collected by the South African Revenue Service and transferred to the fund as a direct charge against the National Revenue Fund. This transfer is expected to increase from R3.1 billion in 2016/17 to R3.9 billion in 2019/20, and accounts for 92.5 per cent of total revenue over the medium term.

### Programmes/objectives/activities

Table 15.21 National Skills Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administration	95 378	127 609	140 008	390 343	60.0%	4.6%	401 219	424 729	442 390	4.3%	8.8%
Grant disbursement	2 290 142	2 925 088	4 194 495	5 044 739	30.1%	95.4%	9 161 984	3 166 077	3 270 458	-13.5%	91.2%
<b>Total</b>	<b>2 385 520</b>	<b>3 052 697</b>	<b>4 334 503</b>	<b>5 435 082</b>	<b>31.6%</b>	<b>100.0%</b>	<b>9 563 203</b>	<b>3 590 806</b>	<b>3 712 848</b>	<b>-11.9%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

Table 15.22 National Skills Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2013/14 - 2016/17	
<b>Revenue</b>									
<b>Non-tax revenue</b>	398 982	1 469 112	419 540	3 128 131	961 363	1 102 780	363 071	408 758	285.1%
Other non-tax revenue	398 982	1 469 112	419 540	3 128 131	961 363	1 102 780	363 071	408 758	285.1%
Interest, dividends and rent on land	398 982	356 893	419 540	422 992	321 466	678 594	278 174	350 051	127.5%
<b>Transfers received</b>	<b>2 480 605</b>	<b>2 514 907</b>	<b>3 247 890</b>	<b>2 750 601</b>	<b>3 159 293</b>	<b>3 033 122</b>	<b>3 527 142</b>	<b>3 179 447</b>	<b>92.5%</b>
<b>Total revenue</b>	<b>2 879 587</b>	<b>3 984 019</b>	<b>3 667 430</b>	<b>5 878 732</b>	<b>4 120 656</b>	<b>4 135 902</b>	<b>3 890 213</b>	<b>3 588 205</b>	<b>120.8%</b>
<b>Expenses</b>									
<b>Current expenses</b>	207 631	46 633	110 487	95 825	170 271	91 379	235 540	235 540	64.8%
Compensation of employees	46 998	24 496	53 170	29 229	57 724	40 428	131 046	131 046	77.9%
Goods and services	160 633	21 850	57 317	63 872	112 547	45 852	95 395	95 395	53.3%
Depreciation	-	287	-	2 724	-	5 099	9 099	9 099	189.1%
<b>Transfers and subsidies</b>	<b>2 508 844</b>	<b>3 027 160</b>	<b>4 487 835</b>	<b>3 138 895</b>	<b>4 538 942</b>	<b>4 405 791</b>	<b>6 201 379</b>	<b>5 279 812</b>	<b>89.4%</b>
<b>Total expenses</b>	<b>2 716 475</b>	<b>3 073 793</b>	<b>4 598 322</b>	<b>3 234 720</b>	<b>4 709 213</b>	<b>4 497 170</b>	<b>6 436 919</b>	<b>5 515 352</b>	<b>88.4%</b>
<b>Surplus/(Deficit)</b>	<b>163 112</b>	<b>910 226</b>	<b>(930 892)</b>	<b>2 644 012</b>	<b>(588 557)</b>	<b>(361 268)</b>	<b>(2 546 706)</b>	<b>(1 927 147)</b>	
<b>Statement of financial position</b>									
Carrying value of assets of which:	-	990	-	261 396	-	601 989	635 700	50 971	144.0%
Acquisition of assets	-	(159 400)	-	(105 031)	-	(345 738)	-	(1 772 472)	-
Investments	4 094 688	5 956 066	4 094 688	7 931 051	10 541 726	10 423 328	8 185 762	6 240 797	113.5%
Receivables and prepayments	-	2 251 372	-	1 782 439	-	715 204	755 255	797 550	734.4%
Cash and cash equivalents	-	1 161 912	-	2 270 541	-	186 073	196 493	207 497	1 947.2%
<b>Total assets</b>	<b>4 094 688</b>	<b>9 370 340</b>	<b>4 094 688</b>	<b>12 245 427</b>	<b>10 541 726</b>	<b>11 926 594</b>	<b>9 773 211</b>	<b>7 296 814</b>	<b>143.3%</b>
Accumulated surplus/(deficit)	-	6 017 059	-	6 040 779	10 541 726	6 278 808	4 185 762	3 742 069	149.9%
Capital and reserves	-	2 577 855	-	5 198 752	-	4 599 455	4 480 411	3 505 047	354.5%
Capital reserve fund	-	745 685	-	948 105	-	1 001 407	1 057 486	-	254.9%
Trade and other payables	-	25 422	-	50 641	-	38 831	41 006	41 161	380.6%
Provisions	-	4 319	-	7 150	-	2 991	3 158	3 156	557.7%
Derivatives financial instruments	-	-	-	-	-	5 102	5 388	5 383	194.6%
<b>Total equity and liabilities</b>	<b>-</b>	<b>9 370 340</b>	<b>-</b>	<b>12 245 427</b>	<b>10 541 726</b>	<b>11 926 594</b>	<b>9 773 211</b>	<b>7 296 815</b>	<b>201.0%</b>

### Statements of estimates of financial performance and position

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2016/17	2013/14 - 2016/17	2017/18			2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	408 758	-34.7%	32.0%	306 080	231 326	171 038	-25.2%	7.5%	
Other non-tax revenue	408 758	-34.7%	32.0%	306 080	231 326	171 038	-25.2%	7.5%	
Interest, dividends and rent on land	350 051	-0.6%	10.6%	247 373	172 619	112 331	-31.5%	6.0%	
<b>Transfers received</b>	<b>3 179 447</b>	<b>8.1%</b>	<b>68.0%</b>	<b>3 328 291</b>	<b>3 593 640</b>	<b>3 890 824</b>	<b>7.0%</b>	<b>92.5%</b>	
<b>Total revenue</b>	<b>3 588 205</b>	<b>-3.4%</b>	<b>100.0%</b>	<b>3 634 371</b>	<b>3 824 966</b>	<b>4 061 862</b>	<b>4.2%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	235 540	71.6%	2.7%	238 676	254 058	262 161	3.6%	6.8%	
Compensation of employees	131 046	74.9%	1.2%	139 807	148 055	156 346	6.1%	2.9%	
Goods and services	95 395	63.4%	1.4%	86 620	90 951	90 763	-1.6%	1.8%	
Depreciation	9 099	216.5%	0.1%	12 249	15 052	15 052	18.3%	0.3%	
<b>Transfers and subsidies</b>	<b>5 279 812</b>	<b>20.4%</b>	<b>97.3%</b>	<b>9 564 991</b>	<b>3 477 376</b>	<b>3 696 192</b>	<b>-11.2%</b>	<b>95.0%</b>	
<b>Total expenses</b>	<b>5 515 352</b>	<b>21.5%</b>	<b>100.0%</b>	<b>9 803 667</b>	<b>3 731 434</b>	<b>3 958 353</b>	<b>-10.5%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(1 927 147)</b>	<b>(2)</b>		<b>(6 169 296)</b>	<b>93 532</b>	<b>103 509</b>	<b>-137.7%</b>		

**Table 15.23 National Skills Fund statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	
R thousand								
Carrying value of assets	50 971	272.0%	2.0%	45 467	20 952	11 691	-38.8%	0.7%
of which:								
Acquisition of assets	(1 772 472)	123.2%	-7.4%	(759 708)	-	-	-100.0%	-9.8%
Investments	6 240 797	1.6%	75.3%	3 968 769	2 292 759	674 537	-52.4%	65.2%
Receivables and prepayments	797 550	-29.2%	13.9%	889 376	991 776	1 047 315	9.5%	27.1%
Cash and cash equivalents	207 497	-43.7%	8.8%	231 387	258 028	272 478	9.5%	7.0%
<b>Total assets</b>	<b>7 296 814</b>	<b>-8.0%</b>	<b>100.0%</b>	<b>5 134 999</b>	<b>3 563 515</b>	<b>2 006 021</b>	<b>-35.0%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	3 742 069	-14.6%	54.4%	84 094	65 276	52 897	-75.8%	14.3%
Capital and reserves	3 505 047	10.8%	39.1%	4 989 532	3 442 563	1 894 330	-18.5%	84.1%
Trade and other payables	41 161	17.4%	0.4%	52 306	46 074	48 654	5.7%	1.3%
Provisions	3 156	-9.9%	0.0%	3 351	3 549	3 748	5.9%	0.1%
Derivatives financial instruments	5 383	-	0.0%	5 716	6 054	6 393	5.9%	0.2%
<b>Total equity and liabilities</b>	<b>7 296 815</b>	<b>-8.0%</b>	<b>100.0%</b>	<b>5 134 999</b>	<b>3 563 515</b>	<b>2 006 021</b>	<b>-35.0%</b>	<b>100.0%</b>

## Personnel information

**Table 15.24 National Skills Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment												Average growth rate (%)	Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						2016/17 - 2019/20	Average: Salary level/Total (%)				
		2015/16	2016/17	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20							
National Skills Fund		Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost			
Salary level	215	215	99	40.4	0.4	215	131.0	0.6	214	139.8	0.7	214	148.1	0.7	214	156.3	0.7	6.1%	100.0%
1 - 6	42	42	25	2.9	0.1	42	4.8	0.1	41	5.1	0.1	41	5.5	0.1	41	5.8	0.1	5.9%	19.3%
7 - 10	87	87	48	15.8	0.3	87	37.9	0.4	87	40.4	0.5	87	42.8	0.5	87	45.2	0.5	6.0%	40.6%
11 - 12	59	59	18	13.8	0.8	59	56.4	1.0	59	60.4	1.0	59	63.9	1.1	59	67.5	1.1	6.2%	27.5%
13 - 16	27	27	8	8.0	1.0	27	31.9	1.2	27	33.8	1.3	27	35.8	1.3	27	37.8	1.4	5.9%	12.6%

1. Rand million.

## National Student Financial Aid Scheme

### Mandate

The National Student Financial Aid Scheme was established in terms of the National Student Financial Aid Scheme Act (1999). It is responsible for providing loans and bursaries, developing criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister of Higher Education and Training, raising funds, recovering loans, maintaining and analysing a database of funded students, undertaking research for the better use of financial resources, and advising the minister on matters relating to student financial aid.

### Selected performance indicators

**Table 15.25 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Amount of financial aid raised from new funders for qualifying students per year	Student-centred financial aid		R374m	R69.5m	R18.6m	R10m	R11m	R12.2m	R13.4m
Total amount of financial aid raised for qualifying students from current funders <sup>1</sup>	Student-centred financial aid	Entity mandate	R1.3bn	R727m	R2.4bn	R188m	10% growth on 2016/17 actual	10% growth on 2017/18 actual	10% growth on 2018/19 actual
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	R339m	R248m	R227m	R285m	50% growth on 2016/17 actual	75% growth on 2017/18 actual	100% growth on 2018/19 actual

**Table 15.25 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of students migrated to the new student-centred model (cumulative)	Administration	Entity mandate	- <sup>2</sup>	- <sup>2</sup>	24% (99 587/ 413 000)	80%	100%	- <sup>3</sup>	- <sup>3</sup>
Number of students assisted in higher education institutions per year	Student-centred financial aid	Outcome 5: A skilled and capable workforce to support an inclusive growth path	194 923	186 150	178 961	205 000 <sup>4</sup>	205 000 <sup>4</sup>	205 000 <sup>4</sup>	205 000 <sup>4</sup>
Number of students assisted in TVET colleges per year	Student-centred financial aid		220 978	228 642	235 988	200 000 <sup>4</sup>	200 000 <sup>4</sup>	200 000 <sup>4</sup>	200 000 <sup>4</sup>
Percentage of students in the student-centred model per year paid tuition and residence fees within 30 days	Student-centred financial aid		- <sup>2</sup>	- <sup>2</sup>	98.5% (60 166/ 61 083)	98%	98%	99%	100%
Percentage of students in the student-centred model per year paid allowances on or before due date	Student-centred financial aid		- <sup>2</sup>	- <sup>2</sup>	94.1% (27 398/ 29 127)	98%	98%	99%	100%
Percentage of claims per year paid to institutions outside of the student-centred model on or before due date	Student-centred financial aid		- <sup>2</sup>	- <sup>2</sup>	100% (R7.9bn)	100%	100%	- <sup>3</sup>	- <sup>3</sup>
Percentage of upfront payments made per year to institutions outside of the student-centred model on or before due date	Student-centred financial aid		100% (R649m)	100% (R1.1bn)	100% (R1.7bn)	100%	- <sup>5</sup>	- <sup>5</sup>	- <sup>5</sup>

1. Indicator has been rephrased to cumulative measurement in line with the 2017/18 annual performance plan, impacting on amounts from 2015/16.

2. No historical data available.

3. The project to migrate all students on to the new student-centred model is expected to be completed in 2017/18.

4. Aligned with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

5. New system integrated with higher education institutions planned for implementation in 2017/18 will no longer require measurement of this indicator.

## Expenditure analysis

Over the medium term, the National Student Financial Aid Scheme will focus on increasing student funding and improving loan recoveries to ensure that all qualifying students who cannot afford to pay for their studies receive adequate funding support. Other focus areas over the period include implementing the scheme's funding and recovery strategies, and finalising the implementation of the student-centred model. By providing funding for poor students to access university education, the entity's work supports the realisation of outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

The number of students assisted with financial aid for the full cost of study (tuition, accommodation, books, meals and a stipend) in higher education institutions and TVET colleges decreased in 2014/15 and 2015/16 as funding was insufficient and tuition fees increased at a quicker rate than general inflation. However, in an effort to ensure access to higher education for poor students, the number of students assisted in higher education institutions is expected to increase over the medium term, from 178 961 in 2015/16 to 205 000 in 2019/20, supported partially by the additional R7.7 billion allocated to the scheme over the medium term period. This additional funding supplements the additional R10.6 billion that government allocated to the scheme in the 2016 budget.

The process of migrating all students at universities and TVET colleges to the new student-centred model by the end of 2017/18 is still under way. The model will see the introduction of an automated financial means test that allows students to apply for funding online and directly to the scheme, not through institutions. The rollout of the model and the additional allocation for new and continuing students is placing considerable pressure on the administration budget, particularly on ICT capacity and human resources. To remain within budget, adjustments in the 2016/17 baseline have been effected to increase the administration budget, specifically for spending on goods and services. Expenditure on agency support and outsourced services was adjusted upward by R7.6 million, consultants by R18.4 million, and contractors by R8 million from interest revenue earned.

Due to the repeal of section 23 of the National Student Financial Aid Scheme Act (2011), which gave the scheme legal right to effect garnishee orders on debtors without consent, debt collections have been declining. The amount of funds recovered from the scheme's debtors per year decreased from R339 million in 2013/14 to R227 million in 2015/16. However, the implementation of the new recoveries strategy in December 2015 saw an increase in debt collections from R227 million in 2015/16 to R285 million in 2016/17.

The scheme increased its staff complement from 260 in 2015/16 to 361 in 2016/17 to build capacity for the rollout of the recoveries strategy and the student-centred model. This resulted in an increase in spending on compensation of employees, from R95.9 million in 2015/16 to R138.7 million in 2016/17. Spending on

compensation of employees is expected to increase at an average annual rate of 6.7 per cent over the medium term, with the number of posts increasing to 396 by 2019/20.

The scheme derives most of its revenue from transfers from the Department of Higher Education and Training. Transfers are also received from a few higher education institutions, the National Skills Fund, and some of the sector education and training authorities. These transfers contribute a projected 22 per cent, or R4.7 billion, of the scheme's total revenue over the medium term.

## Programmes/objectives/activities

Table 15.26 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	126 047	123 036	128 594	189 244	14.5%	1.5%	197 109	207 670	218 835	5.0%	1.9%
Student centered financial aid	7 744 963	10 727 295	8 476 876	9 531 108	7.2%	98.5%	10 181 735	10 675 663	11 240 858	5.7%	98.1%
<b>Total</b>	<b>7 871 010</b>	<b>10 850 331</b>	<b>8 605 470</b>	<b>9 720 352</b>	<b>7.3%</b>	<b>100.0%</b>	<b>10 378 843</b>	<b>10 883 333</b>	<b>11 459 693</b>	<b>5.6%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 15.27 National Student Financial Aid Scheme statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2016/17	2013/14 - 2016/17
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>708 186</b>	<b>670 621</b>	<b>27 634</b>	<b>871 427</b>	<b>890 682</b>	<b>720 270</b>	<b>913 368</b>	<b>783 217</b>	<b>119.9%</b>
Sale of goods and services other than capital assets	19 661	14 856	27 634	16 155	16 750	22 344	17 587	19 753	89.6%
of which:									
Administrative fees	19 661	14 856	27 634	16 155	16 750	22 344	17 587	19 753	89.6%
Other non-tax revenue	688 524	655 765	-	855 272	873 932	697 926	895 781	763 464	120.9%
<b>Transfers received</b>	<b>8 142 377</b>	<b>7 999 549</b>	<b>13 435 103</b>	<b>8 881 374</b>	<b>9 226 053</b>	<b>9 543 492</b>	<b>14 310 976</b>	<b>14 310 976</b>	<b>90.3%</b>
<b>Total revenue</b>	<b>8 850 563</b>	<b>8 670 170</b>	<b>13 462 737</b>	<b>9 752 801</b>	<b>10 116 735</b>	<b>10 263 762</b>	<b>15 224 344</b>	<b>15 094 193</b>	<b>91.9%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>130 330</b>	<b>2 190 978</b>	<b>143 837</b>	<b>4 733 627</b>	<b>197 172</b>	<b>2 185 476</b>	<b>194 373</b>	<b>267 469</b>	<b>1 408.7%</b>
Compensation of employees	52 334	65 862	84 620	82 288	101 554	95 939	107 224	138 743	110.7%
Goods and services	72 616	2 094 306	52 082	4 624 628	67 562	2 063 538	57 820	99 397	3 551.6%
Depreciation	5 380	30 810	7 135	26 711	28 056	26 000	29 329	29 329	161.4%
<b>Transfers and subsidies</b>	<b>6 000 706</b>	<b>5 680 032</b>	<b>6 911 887</b>	<b>6 116 704</b>	<b>7 242 411</b>	<b>6 419 994</b>	<b>8 435 683</b>	<b>9 452 883</b>	<b>96.8%</b>
<b>Total expenses</b>	<b>6 131 036</b>	<b>7 871 010</b>	<b>7 055 724</b>	<b>10 850 331</b>	<b>7 439 583</b>	<b>8 605 470</b>	<b>8 630 056</b>	<b>9 720 352</b>	<b>126.6%</b>
<b>Surplus/(Deficit)</b>	<b>2 719 527</b>	<b>799 160</b>	<b>6 407 013</b>	<b>(1 097 530)</b>	<b>2 677 152</b>	<b>1 658 292</b>	<b>6 594 288</b>	<b>5 373 841</b>	
<b>Statement of financial position</b>									
Carrying value of assets	9 843	62 182	10 385	38 299	40 597	22 020	43 114	22 777	139.8%
of which:									
Acquisition of assets	(5 380)	(69 317)	(7 134)	(2 828)	(12 675)	(9 721)	(12 075)	(13 963)	257.2%
Investments	635 887	-	670 860	-	-	-	-	-	-
Loans	7 560 000	7 442 761	7 938 000	6 110 222	6 476 835	7 176 160	10 644 799	10 284 168	95.1%
Receivables and prepayments	489 926	903 146	516 872	1 262 458	1 373 360	1 980 225	1 458 509	2 029 428	160.9%
Cash and cash equivalents	2 334 682	1 842 415	2 463 090	1 535 853	1 628 004	912 912	1 728 940	1 004 203	64.9%
<b>Total assets</b>	<b>11 030 338</b>	<b>10 250 504</b>	<b>11 599 207</b>	<b>8 946 832</b>	<b>9 518 797</b>	<b>10 091 317</b>	<b>13 875 362</b>	<b>13 340 576</b>	<b>92.6%</b>
Accumulated surplus/(deficit)	1 572 376	799 160	1 621 057	(1 097 530)	445 766	1 658 292	490 228	1 741 207	75.1%
Capital and reserves	9 272 168	7 681 985	9 782 138	8 472 759	7 375 229	7 375 229	11 598 893	10 485 213	89.4%
Capital reserve fund	-	(8 386)	-	-	-	-	-	-	-
Deferred income	173 891	1 400 805	183 455	1 265 016	1 340 917	825 866	1 410 645	867 159	140.2%
Trade and other payables	11 903	312 430	12 558	241 546	291 194	172 047	309 248	180 649	145.1%
Provisions	-	64 510	-	65 041	65 691	59 883	66 348	66 348	193.7%
<b>Total equity and liabilities</b>	<b>11 030 338</b>	<b>10 250 504</b>	<b>11 599 207</b>	<b>8 946 832</b>	<b>9 518 797</b>	<b>10 091 317</b>	<b>13 875 362</b>	<b>13 340 577</b>	<b>92.6%</b>

## Statements of estimates of financial performance and position

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

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
<b>Revenue</b>									
<b>Non-tax revenue</b>		783 217	5.3%	7.2%	863 353	947 805	1 040 904	9.9%	5.4%
Sale of goods and services other than capital assets of which:		19 753	10.0%	0.2%	23 543	24 013	24 734	7.8%	0.1%
Administrative fees		19 753	10.0%	0.2%	23 543	24 013	24 734	7.8%	0.1%
Other non-tax revenue		763 464	5.2%	7.0%	839 810	923 791	1 016 170	10.0%	5.2%
<b>Transfers received</b>		14 310 976	21.4%	92.8%	15 640 186	16 421 596	17 382 933	6.7%	94.6%
<b>Total revenue</b>		15 094 193	20.3%	100.0%	16 503 538	17 369 401	18 423 837	6.9%	100.0%
<b>Expenses</b>									
<b>Current expenses</b>		267 469	-50.4%	24.9%	271 207	286 140	301 700	4.1%	3.6%
Compensation of employees		138 743	28.2%	1.0%	151 958	160 046	168 709	6.7%	1.5%
Goods and services		99 397	-63.8%	23.6%	88 704	93 639	98 719	-0.2%	0.9%
Depreciation		29 329	-1.6%	0.3%	30 545	32 454	34 271	5.3%	0.3%
<b>Transfers and subsidies</b>		9 452 883	18.5%	75.1%	10 107 636	10 597 194	11 157 993	5.7%	97.3%
<b>Total expenses</b>		9 720 352	7.3%	100.0%	10 378 843	10 883 334	11 459 693	5.6%	100.0%
<b>Surplus/(Deficit)</b>		5 373 841	1		6 124 695	6 486 067	6 964 144	9.0%	
<b>Statement of financial position</b>									
Carrying value of assets		22 777	-28.4%	0.4%	23 563	24 380	25 228	3.5%	0.1%
of which:									
Acquisition of assets		(13 963)	-41.4%	-0.2%	(8 855)	(9 377)	(9 902)	-10.8%	-0.1%
Loans		10 284 168	11.4%	72.3%	12 317 471	14 544 825	16 991 250	18.2%	80.4%
Receivables and prepayments		2 029 428	31.0%	14.4%	2 079 856	2 131 537	2 184 505	2.5%	12.8%
Cash and cash equivalents		1 004 203	-18.3%	12.9%	1 054 413	1 109 770	1 170 807	5.2%	6.6%
<b>Total assets</b>		13 340 576	9.2%	100.0%	15 475 303	17 810 513	20 371 790	15.2%	100.0%
Accumulated surplus/(deficit)		1 741 207	29.6%	6.3%	1 828 267	1 919 680	2 015 664	5.0%	11.4%
Capital and reserves		10 485 213	10.9%	80.3%	12 479 826	14 667 942	17 073 782	17.6%	81.4%
Deferred income		867 159	-14.8%	10.6%	910 517	956 043	1 003 845	5.0%	5.7%
Trade and other payables		180 649	-16.7%	2.2%	189 682	199 166	209 124	5.0%	1.2%
Provisions		66 348	0.9%	0.6%	67 012	67 682	69 374	1.5%	0.4%
<b>Total equity and liabilities</b>		13 340 577	9.2%	100.0%	15 475 303	17 810 513	20 371 790	15.2%	100.0%

## Personnel information

Table 15.29 National Student Financial Aid Scheme personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		Unit Cost	2016/17		Unit Cost	2017/18		2018/19		2019/20							
National Student Financial Aid Scheme		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	362	361	260	95.9	0.4	361	138.7	0.4	393	152.0	0.4	397	160.0	0.4	396	168.7	0.4	6.7%	100.0%
1 - 6	216	215	144	26.7	0.2	215	41.9	0.2	253	52.9	0.2	259	57.1	0.2	258	60.0	0.2	12.7%	63.6%
7 - 10	84	84	66	25.7	0.4	84	36.9	0.4	78	36.8	0.5	78	39.0	0.5	78	41.1	0.5	3.7%	20.6%
11 - 12	30	30	23	15.4	0.7	30	22.9	0.8	31	25.3	0.8	30	26.0	0.9	30	27.5	0.9	6.2%	7.8%
13 - 16	32	32	27	28.2	1.0	32	37.0	1.2	31	37.0	1.2	30	38.0	1.3	30	40.1	1.3	2.7%	8.0%

1. Rand million.

## Sector education and training authorities

### Mandate

As per the Skills Development Act (1998), sector education and training authorities are mandated to implement national, sector and workplace strategies to develop and improve skills in the South African workforce; provide learnerships that lead to a recognised occupational qualification; and fund skills development.

### Selected performance indicators

Table 15.30 Sector education and training authorities performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of unemployed persons entering skills programmes per year	Discretionary grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	18 231	31 978	38 622	31 715	34 252	36 992	39 211
Number of workers entering skills programmes per year	Mandatory grant		75 644	105 305	84 971	78 215	84 472	91 229	96 702
Number of unemployed persons completing skills programmes per year	Discretionary grant		18 835	23 923	35 675	16 074	17 359	18 747	19 872

**Table 15.30 Sector education and training authorities performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of workers completing skills programmes per year	Mandatory grant	Outcome 5: A skilled and capable workforce to support an inclusive growth path	91 438	82 536	91 469	62 388	67 379	72 769	77 135
Number of unemployed persons entering learnerships per year	Discretionary grant		46 012	48 831	67 029	47 554	51 358	55 466	58 794
Number of workers entering learnerships per year	Mandatory grant		30 511	29 099	27 340	33 085	35 731	38 589	40 904
Number of unemployed persons completing learnerships per year	Discretionary grant		25 372	22 206	28 356	24 878	26 868	29 017	30 758
Number of workers completing learnerships per year	Mandatory grant		14 500	18 685	14 957	17 927	19 361	20 909	22 164
Number of unemployed persons receiving bursaries per year	Discretionary grant		13 105	14 683	19 044	11 630	12 560	13 564	14 378
Number of workers receiving bursaries per year	Mandatory grant		5 563	7 624	7 056	8 157	8 809	9 513	10 084
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grant		3 859	7 590	7 643	20 089	21 696	23 431	24 837
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grant		11 953	14 400	13 213	11 633	12 563	13 568	14 382

### Expenditure analysis

The core focus of sector education and training authorities is creating a training system that caters for different needs and produces skilled individuals. The authorities derive their objectives directly from the third national skills development strategy, which aims to: increase access to occupationally directed programmes; promote the growth of public TVET colleges; address low levels of youth and adult literacy and numeracy skills; and encourage the better use of workplace-based skills development. These objectives are in line with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework.

The authorities will continue to strengthen and deliver relevant priority skills to South Africa's labour market, with particular emphasis on artisan development, apprenticeships, learnerships, internships and bursaries; and partnerships with TVET colleges, universities and the market to provide work experience opportunities. Over the MTEF period, the authorities plan to facilitate the entry of 382 858 individuals into various skills programmes, and 280 842 individuals into learnerships.

The number of bursaries awarded to unemployed individuals is expected to increase from 11 630 in 2016/17 to 14 378 in 2019/20, and from 8 157 workers in 2016/17 to 10 084 to workers in 2019/20. The placement of university students is expected to increase from 20 089 in 2016/17 to 24 837 in 2019/20, while the placement of TVET college students is also expected to increase from 11 663 to 14 382 over the same period.

Authorities generate revenue from the skills development levy, which is collected by the South African Revenue Service and transferred to them as a direct charge against the National Revenue Fund. The value of these transfers is expected to increase at an average annual rate of 8 per cent, from R12.4 billion in 2016/17 to R15.6 billion in 2019/20, constituting approximately 93 per cent of the authorities' total revenues. Other revenue generated by sector education and training authorities is mostly generated from interest income amounting to R1.8 billion over the medium term; and fines, penalties and forfeits amounting to R235.8 million over the same period.

### Statements of historical financial performance and position

**Table 15.31 Sector education and training authorities consolidation statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
<b>Revenue</b>									
<b>Non-tax revenue</b>	562 325	855 342	598 803	1 152 161	879 615	1 572 152	840 824	888 925	155.1%
Sale of goods and services other than capital assets	-	13	-	7	-	-	-	-	-
of which:									
Administrative fees	-	13	-	7	-	-	-	-	-
Other non-tax revenue	562 325	855 329	598 803	1 152 154	879 615	1 572 152	840 824	888 925	155.1%
<b>Transfers received</b>	9 482 627	10 183 834	10 207 714	11 158 546	12 075 566	12 519 828	12 803 525	12 666 937	104.4%
<b>Total revenue</b>	10 044 952	11 039 176	10 689 736	12 310 708	12 955 181	14 091 980	13 644 348	13 555 862	107.7%

Table 15.31 Sector education and training authorities consolidation statements of historical financial performance and position

R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/Budget (%)
	Budget 2013/14	2013/14	Budget 2014/15	2014/15	Budget 2015/16	2015/16	Budget estimate 2016/17	Revised estimate 2016/17	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 287 813</b>	<b>1 411 958</b>	<b>1 573 917</b>	<b>1 522 564</b>	<b>1 867 653</b>	<b>1 687 893</b>	<b>1 821 899</b>	<b>1 996 082</b>	<b>101.0%</b>
Compensation of employees	644 350	712 059	758 867	763 079	832 717	811 922	932 519	937 265	101.8%
Goods and services	623 314	672 985	775 910	726 880	1 006 118	838 775	859 104	1 026 090	100.0%
Depreciation	19 606	25 639	38 937	30 208	28 780	30 986	30 253	32 711	101.7%
Interest, dividends and rent on land	544	1 275	204	2 397	37	6 210	23	16	1 225.3%
<b>Transfers and subsidies</b>	<b>7 548 443</b>	<b>8 788 224</b>	<b>4 799 380</b>	<b>9 003 191</b>	<b>9 755 995</b>	<b>9 572 122</b>	<b>11 340 924</b>	<b>11 956 232</b>	<b>117.6%</b>
<b>Total expenses</b>	<b>8 836 257</b>	<b>10 200 183</b>	<b>6 373 298</b>	<b>10 525 755</b>	<b>11 623 648</b>	<b>11 260 015</b>	<b>13 162 823</b>	<b>13 952 313</b>	<b>114.9%</b>
<b>Surplus/(Deficit)</b>	<b>1 208 695</b>	<b>838 993</b>	<b>4 316 438</b>	<b>1 784 952</b>	<b>1 331 534</b>	<b>2 831 965</b>	<b>481 526</b>	<b>(396 451)</b>	
<b>Statement of financial position</b>									
Carrying value of assets	233 356	180 951	337 480	208 094	416 832	288 892	510 082	553 440	82.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(24 008)	(86 127)	(36 482)	(67 985)	(57 019)	(146 863)	(27 944)	(35 885)	231.6%
Investments	1 758 976	1 320 000	1 206 000	1 643 261	1 746 503	2 017 952	1 737 030	1 950 000	107.5%
Inventory	1 606	3 628	2 578	4 421	3 681	5 898	3 884	3 611	149.4%
Accrued investment interest	9 100	62 370	42 126	66 367	33 388	5 201	35 793	35 793	141.0%
Receivables and prepayments	110 167	142 171	91 196	260 260	132 954	288 657	125 622	131 257	178.8%
Cash and cash equivalents	4 261 396	10 084 436	4 697 868	9 850 949	7 429 048	11 039 235	7 519 903	7 711 049	161.8%
<b>Total assets</b>	<b>6 374 601</b>	<b>11 793 556</b>	<b>6 377 248</b>	<b>12 033 351</b>	<b>9 762 406</b>	<b>13 645 835</b>	<b>9 932 314</b>	<b>10 385 149</b>	<b>147.5%</b>
Accumulated surplus/(deficit)	2 706 462	5 006 853	3 252 911	4 568 330	4 766 450	5 403 696	4 867 458	4 346 291	123.9%
Capital and reserves	2 018 203	3 240 624	1 379 019	4 902 733	3 304 446	6 033 430	3 427 095	4 103 194	180.5%
Capital reserve fund	-	113 833	-	71 879	66 282	171 391	66 282	148 414	381.3%
Borrowings	1 223	985	985	-	1 044	-	1 109	1 109	48.0%
Finance lease	144 882	3 456	1 907	4 264	5 325	1 937	8 295	6 667	10.2%
Deferred income	11 895	29 275	12 466	20 990	2 746	18 116	2 879	2 879	237.6%
Trade and other payables	899 590	857 470	877 985	1 082 219	608 778	881 626	590 416	740 468	119.7%
Provisions	202 873	2 077 495	552 133	831 272	713 692	760 016	668 317	677 093	203.4%
Managed funds (e.g. poverty alleviation fund)	339	-	356	-	-	-	-	-	-
Derivatives financial instruments	7 036	463 564	151 257	551 664	293 643	375 623	299 485	328 899	228.9%
<b>Total equity and liabilities</b>	<b>5 992 503</b>	<b>11 793 556</b>	<b>6 229 018</b>	<b>12 033 351</b>	<b>9 762 406</b>	<b>13 645 835</b>	<b>9 931 337</b>	<b>10 355 013</b>	<b>149.9%</b>

**Statements of estimates of financial performance and position**

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

Statement of financial performance									
R thousand	Revised estimate 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2013/14 - 2016/17	Medium-term estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20	
				2017/18	2018/19	2019/20			
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>888 925</b>	<b>1.3%</b>	<b>8.7%</b>	<b>843 335</b>	<b>813 542</b>	<b>832 801</b>	<b>-2.2%</b>	<b>5.8%</b>	
Other non-tax revenue	888 925	1.3%	8.7%	843 335	813 542	832 801	-2.2%	5.8%	
<b>Transfers received</b>	<b>12 666 937</b>	<b>7.5%</b>	<b>91.3%</b>	<b>13 184 480</b>	<b>14 006 446</b>	<b>14 764 737</b>	<b>5.2%</b>	<b>94.2%</b>	
<b>Total revenue</b>	<b>13 555 862</b>	<b>7.1%</b>	<b>100.0%</b>	<b>14 027 815</b>	<b>14 819 988</b>	<b>15 597 538</b>	<b>4.8%</b>	<b>100.0%</b>	
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 996 082</b>	<b>12.2%</b>	<b>14.4%</b>	<b>2 051 877</b>	<b>2 174 449</b>	<b>2 305 508</b>	<b>4.9%</b>	<b>20.3%</b>	
Compensation of employees	937 265	9.6%	7.0%	1 028 490	1 095 254	1 165 287	7.5%	7.4%	
Goods and services	1 026 090	15.1%	7.1%	981 908	1 036 274	1 094 974	2.2%	7.3%	
Depreciation	32 711	8.5%	0.3%	41 470	42 913	45 238	11.4%	0.3%	
Interest, dividends and rent on land	16	-76.8%	0.0%	8	8	8	-19.2%	0.0%	
<b>Transfers and subsidies</b>	<b>11 956 232</b>	<b>10.8%</b>	<b>85.6%</b>	<b>11 602 949</b>	<b>12 145 431</b>	<b>12 794 346</b>	<b>2.3%</b>	<b>85.1%</b>	
<b>Total expenses</b>	<b>13 952 313</b>	<b>11.0%</b>	<b>100.0%</b>	<b>13 654 826</b>	<b>14 319 880</b>	<b>15 099 854</b>	<b>2.7%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(396 451)</b>	<b>(2)</b>		<b>372 989</b>	<b>500 108</b>	<b>497 684</b>	<b>-207.9%</b>		
<b>Statement of financial position</b>									
Carrying value of assets	553 440	45.2%	2.7%	534 226	541 055	551 445	-0.1%	5.3%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(35 885)	-25.3%	-0.7%	(48 864)	(47 720)	(47 715)	10.0%	-0.4%	
Investments	1 950 000	13.9%	14.6%	1 665 000	1 406 900	1 190 000	-15.2%	15.1%	
Inventory	3 611	-0.2%	0.0%	3 620	3 782	3 882	2.4%	0.0%	
Accrued investment interest	35 793	-16.9%	0.4%	41 913	42 058	41 209	4.8%	0.4%	
Receivables and prepayments	131 257	-2.6%	1.7%	137 571	140 197	144 251	3.2%	1.3%	
Cash and cash equivalents	7 711 049	-8.6%	80.6%	7 857 635	8 000 281	8 331 804	2.6%	77.8%	
<b>Total assets</b>	<b>10 385 149</b>	<b>-4.2%</b>	<b>100.0%</b>	<b>10 239 965</b>	<b>10 134 273</b>	<b>10 262 592</b>	<b>-0.4%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	4 346 291	-4.6%	40.5%	4 597 742	4 582 605	4 626 468	2.1%	44.3%	
Capital and reserves	4 103 194	8.2%	38.0%	3 827 777	3 747 680	3 801 943	-2.5%	37.8%	
Capital reserve fund	148 414	9.2%	1.1%	148 414	148 414	148 414	-	1.4%	
Borrowings	1 109	4.0%	0.0%	1 173	1 241	1 310	5.7%	0.0%	
Finance lease	6 667	24.5%	0.0%	4 090	4 331	4 586	-11.7%	0.0%	
Deferred income	2 879	-53.8%	0.1%	3 018	3 194	3 363	5.3%	0.0%	
Trade and other payables	740 468	-4.8%	7.5%	687 677	693 520	717 502	-1.0%	6.9%	
Provisions	677 093	-31.2%	9.2%	637 994	616 964	620 140	-2.9%	6.2%	
Derivatives financial instruments	328 899	-10.8%	3.6%	332 080	336 326	338 867	1.0%	3.3%	
<b>Total equity and liabilities</b>	<b>10 355 013</b>	<b>-4.2%</b>	<b>100.0%</b>	<b>10 239 966</b>	<b>10 134 275</b>	<b>10 262 594</b>	<b>-0.4%</b>	<b>100.0%</b>	

## Personnel information

Table 15.33 Sector education and training authorities consolidation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017			Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Actual 2015/16	Revised estimate 2016/17			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
			Number	Cost	Unit cost	2017/18		2018/19		2019/20									
Sector education and training authorities consolidation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20					
Salary level	29 293	2 183	2 059	811.9	0.4	2 145	937.3	0.4	2 157	1 028.5	0.5	2 159	1 095.3	0.5	2 158	1 165.3	0.5	7.5%	100.0%
1 – 6	7 217	486	487	54.6	0.1	488	65.8	0.1	476	67.4	0.1	478	72.0	0.2	477	76.5	0.2	5.1%	22.2%
7 – 10	11 562	1 218	1 146	389.6	0.3	1 186	445.2	0.4	1 222	495.3	0.4	1 223	526.9	0.4	1 223	560.1	0.5	8.0%	56.3%
11 – 12	3 976	315	278	176.2	0.6	311	206.4	0.7	298	225.0	0.8	298	238.8	0.8	277	235.0	0.8	4.4%	13.7%
13 – 16	6 534	160	143	177.7	1.2	157	210.5	1.3	157	226.9	1.4	156	242.4	1.6	177	277.7	1.6	9.7%	7.5%
17 – 22	4	4	5	13.8	2.8	4	9.3	2.3	5	13.9	2.8	5	15.1	3.0	5	16.0	3.2	19.7%	0.2%

1. Rand million.

## Council on Higher Education

### Mandate

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

### Selected performance indicators

Table 15.34 Council on Higher Education performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of quality-assurance forums held for public and private higher education institutions and professional bodies per year	Administration	Entity mandate	4	3	2	3	3	3	3
Percentage of requests for advice responded to within 12 months of receipt	Administration		100% (5)	100% (1)	100% (2)	100%	100%	100%	100%
Percentage of re-accredited programmes with a deferred outcome and/or recommendation tabled within 18 months of receipt	Accreditation		100% (66)	49% (53/108)	65% (129/198)	60%	60%	60%	60%
Percentage of accreditation programmes deferred at accreditation committee meeting and/or a recommendation tabled at the higher education quality committee within 12 months of receipt	Accreditation		93% (398/428)	76% (324/427)	85% (424/498)	75%	75%	75%	75%
Number of research findings disseminated through publications per year	Monitoring and evaluation		2	2	2	2	2	2	2
Number of qualification standards developed per year within the standards development cycle time of 18 to 24 months	National reviews and standards development		-1	-1	5	4	7	8	8

1. No historical data available.

### Expenditure analysis

Over the medium term, the Council on Higher Education will focus on remaining a recognised centre for information and policy analysis on higher education, and advising the Minister of Higher Education and Training on all matters related to higher education by researching and monitoring the state of the sector. Activities in these focus areas give expression to outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework, and are aligned with the NDP's vision of providing quality education and training that leads to significantly improved learning outcomes.

The council's personnel travel extensively to conduct audits of higher education institutions across the country, making travel and subsistence, projected at R3.4 million in 2017/18, one of the largest items of expenditure. These audits include assessing higher education institutions against the Higher Education Quality Committee's criteria for managing the quality of the core functions of teaching and learning, research, community engagement, and academic support services. However, the number of institutional audits conducted per year has been declining due to budget constraints. Only one institutional audit will be undertaken each year over the medium term compared with the council's previous trend of conducting two or three audits per year.

Expenditure on compensation of employees is projected to increase at an average annual rate of 6.2 per cent over the medium term, from R31.4 million in 2016/17 to R37.6 million in 2019/20. This increase is due to the council expanding its staff complement to 51 over the MTEF period to deal with the increase in requests for

accreditation and re-accreditation. Over the medium term, the council is expected to complete at least 60 per cent of re-accredited programmes with a deferred outcome and/or recommendation tabled within 18 months of receipt.

The council receives 90 per cent of its revenue in the form of transfers from the Department of Higher Education and Training, estimated at R152.2 million over the medium term. The remainder of the council's revenue is generated from interest, amounting to R3.6 million over the medium term, and costs recovered from private higher education institutions for standards development and accreditation services, amounting to R13.5 million over the same period. Revenue from accreditation services is expected to grow at an average annual rate of 5.9 per cent, from R4 million in 2016/17 to R4.7 million in 2019/20, due to the upward revision of medium-term estimates in line with historic actual outcomes.

### Programmes/objectives/activities

Table 15.35 Council on Higher Education expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Administration	23 547	25 868	29 338	26 458	4.0%	49.6%	29 187	22 914	23 550	-3.8%	45.3%
Accreditation	11 873	10 013	10 429	13 573	4.6%	21.6%	9 604	11 156	12 032	-3.9%	20.4%
Monitoring and evaluation	6 854	6 159	7 127	7 039	0.9%	12.8%	6 024	8 298	8 763	7.6%	13.2%
Institutional audits	4 559	4 606	4 334	5 047	3.4%	8.8%	4 574	6 654	7 027	11.7%	10.2%
National reviews	2 332	1 905	3 224	5 069	29.5%	5.8%	3 407	7 866	8 306	17.9%	10.8%
Standard development	1 597	1 239	-	-	-100.0%	1.4%	-	-	-	-	-
<b>Total</b>	<b>50 762</b>	<b>49 790</b>	<b>54 452</b>	<b>57 186</b>	<b>4.1%</b>	<b>100.0%</b>	<b>52 796</b>	<b>56 888</b>	<b>59 678</b>	<b>1.4%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

Table 15.36 Council on Higher Education statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/Budget (%)
	Budget	Budget	Budget	Budget	Budget estimate	Revised estimate			
	2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>2 166</b>	<b>4 673</b>	<b>2 150</b>	<b>4 812</b>	<b>4 850</b>	<b>5 505</b>	<b>4 850</b>	<b>5 182</b>	<b>143.9%</b>
Sale of goods and services other than capital assets	1 641	3 861	1 900	3 549	4 000	4 209	4 000	4 000	135.3%
<i>of which:</i>									
Sales by market establishment	1 641	3 861	1 900	3 549	4 000	4 209	4 000	4 000	135.3%
Other non-tax revenue	525	812	250	1 263	850	1 296	850	1 182	184.0%
<b>Transfers received</b>	<b>44 066</b>	<b>43 185</b>	<b>44 866</b>	<b>43 928</b>	<b>42 996</b>	<b>44 037</b>	<b>41 435</b>	<b>52 004</b>	<b>105.6%</b>
<b>Total revenue</b>	<b>46 232</b>	<b>47 858</b>	<b>47 016</b>	<b>48 740</b>	<b>47 846</b>	<b>49 542</b>	<b>46 285</b>	<b>57 186</b>	<b>108.5%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>46 021</b>	<b>50 762</b>	<b>48 116</b>	<b>49 790</b>	<b>47 846</b>	<b>54 452</b>	<b>46 285</b>	<b>57 186</b>	<b>112.7%</b>
Compensation of employees	25 876	23 476	25 748	24 998	27 394	28 361	29 309	31 352	99.9%
Goods and services	18 740	25 150	20 492	22 529	18 302	23 767	16 976	25 834	130.6%
Depreciation	1 387	1 858	1 828	2 263	2 150	2 324	-	-	120.1%
Interest, dividends and rent on land	18	278	48	-	-	-	-	-	421.2%
<b>Total expenses</b>	<b>46 021</b>	<b>50 762</b>	<b>48 116</b>	<b>49 790</b>	<b>47 846</b>	<b>54 452</b>	<b>46 285</b>	<b>57 186</b>	<b>112.7%</b>
<b>Surplus/(Deficit)</b>	<b>211</b>	<b>(2 904)</b>	<b>(1 100)</b>	<b>(1 050)</b>	<b>-</b>	<b>(4 910)</b>	<b>-</b>	<b>-</b>	
<b>Statement of financial position</b>									
Carrying value of assets	25 872	36 043	25 250	36 320	40 193	35 068	42 403	42 403	112.1%
<i>of which:</i>									
Acquisition of assets	(1 418)	(3 278)	(1 503)	(1 808)	(1 950)	(1 322)	(1 800)	(1 800)	123.0%
Receivables and prepayments	300	523	300	434	553	620	575	575	124.5%
Cash and cash equivalents	4 500	19 730	15 826	19 102	13 293	14 805	10 375	10 375	145.5%
<b>Total assets</b>	<b>30 672</b>	<b>56 296</b>	<b>41 376</b>	<b>55 856</b>	<b>54 039</b>	<b>50 493</b>	<b>53 353</b>	<b>53 353</b>	<b>120.4%</b>
Accumulated surplus/(deficit)	27 786	40 393	37 582	39 997	44 480	35 088	44 480	44 480	103.6%
Capital and reserves	-	4 915	-	4 915	4 915	4 914	4 915	4 915	200.0%
Capital reserve fund	-	5 232	-	3 992	878	774	-	-	1 138.7%
Borrowings	150	-	-	-	-	-	-	-	-
Trade and other payables	2 172	5 069	3 200	6 190	3 000	8 717	3 150	3 150	200.7%
Provisions	564	687	594	762	766	1 000	808	808	119.2%
<b>Total equity and liabilities</b>	<b>30 672</b>	<b>56 296</b>	<b>41 376</b>	<b>55 856</b>	<b>54 039</b>	<b>50 493</b>	<b>53 353</b>	<b>53 353</b>	<b>120.4%</b>

## Statements of estimates of financial performance and position

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

Statement of financial performance		Average growth rate (%)	Average Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average Expenditure/Total (%)
Revised estimate	2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		
R thousand								
<b>Revenue</b>								
<b>Non-tax revenue</b>	5 182	3.5%	10.0%	4 850	6 161	6 110	5.6%	9.8%
Sale of goods and services other than capital assets	4 000	1.2%	7.7%	4 000	4 744	4 744	5.9%	7.7%
of which:								
Sales by market establishment	4 000	1.2%	7.7%	4 000	4 744	4 744	5.9%	7.7%
Other non-tax revenue	1 182	13.3%	2.2%	850	1 417	1 366	4.9%	2.1%
<b>Transfers received</b>	52 004	6.4%	90.0%	47 946	50 727	53 568	1.0%	90.2%
<b>Total revenue</b>	57 186	6.1%	100.0%	52 796	56 888	59 678	1.4%	100.0%
<b>Expenses</b>								
<b>Current expenses</b>	57 186	4.1%	100.0%	52 796	56 888	59 678	1.4%	114.7%
Compensation of employees	31 352	10.1%	50.8%	33 305	35 379	37 586	6.2%	60.8%
Goods and services	25 834	0.9%	45.9%	19 491	21 509	22 093	-5.1%	39.2%
<b>Total expenses</b>	57 186	4.1%	100.0%	52 796	56 888	59 678	1.4%	100.0%
<b>Surplus/(Deficit)</b>	-	(1)		-	-	-	-	
<b>Statement of financial position</b>								
Carrying value of assets	42 403	5.6%	69.5%	45 833	45 721	45 721	2.5%	83.7%
of which:								
Acquisition of assets	(1 800)	-18.1%	-3.8%	(1 650)	(1 700)	(1 795)	-0.1%	-3.2%
Receivables and prepayments	575	3.2%	1.0%	597	626	626	2.9%	1.1%
Cash and cash equivalents	10 375	-19.3%	29.5%	7 121	7 477	7 477	-10.3%	15.1%
<b>Total assets</b>	53 353	-1.8%	100.0%	53 551	53 824	53 824	0.3%	100.0%
Accumulated surplus/(deficit)	44 480	3.3%	74.1%	44 480	44 480	44 480	-	82.9%
Capital and reserves	4 915	-	9.1%	4 915	4 915	4 915	-	9.2%
Trade and other payables	3 150	-14.7%	10.8%	3 307	3 538	3 538	3.9%	6.3%
Provisions	808	5.6%	1.5%	849	891	891	3.3%	1.6%
<b>Total equity and liabilities</b>	53 353	-1.8%	100.0%	53 551	53 824	53 824	0.3%	100.0%

## Personnel information

Table 15.38 Council on Higher Education personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Council on Higher Education																			
Salary level	44	46	44	28.4	0.6	51	31.4	0.6	51	33.3	0.7	51	35.4	0.7	51	37.6	0.7	6.2%	100.0%
7 - 10	26	28	26	11.3	0.4	28	10.6	0.4	28	11.4	0.4	28	12.2	0.4	28	13.0	0.5	7.0%	54.9%
11 - 12	10	10	11	8.5	0.8	15	11.3	0.8	15	12.1	0.8	15	13.0	0.9	15	13.9	0.9	7.0%	29.4%
13 - 16	8	8	7	8.6	1.2	8	9.4	1.2	8	9.8	1.2	8	10.2	1.3	8	10.7	1.3	4.4%	15.7%

1. Rand million.

## Quality Council for Trades and Occupations

### Mandate

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

### Selected performance indicators

Table 15.39 Quality Council for Trades and Occupations performance indicators by programme/objective/activity and related outcome

Indicator	Programme/activity/objective	Outcome	Past			Current	Projected		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of prioritised occupational qualifications recommended to the South African Qualifications Authority for registration on the occupational qualifications sub-framework per year	Occupational qualifications	Outcome 5: A skilled and capable workforce to support an inclusive growth path	59	22	47	30	30	30	30
Percentage of prioritised registered occupational qualifications with enrolment (based on the new occupational qualifications development model) monitored	Occupational qualifications		- <sup>1</sup>	- <sup>1</sup>	100% (7)	100%	100%	100%	100%

**Table 15.39 Quality Council for Trades and Occupations performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/activity/objective	Outcome	Past			Current	Projected		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of reports on the reconstruction of the N4-N6 part qualifications produced per year and submitted for consideration to the occupational qualifications committee	Occupational qualifications	Outcome 5: A skilled and capable workforce to support an inclusive growth path	-1	-1	3	4	4	4	4
Percentage of accredited skills development providers with learner uptake in occupational qualifications that are monitored against the compliance standards of the council per year	Occupational qualifications		-1	-1	100% (7)	100%	100%	100%	100%
Percentage of assessment centre accreditations processed per year within the turnaround time of 30 working days	Quality assurance		-1	-1	100% (74)	100%	100%	100%	100%
Percentage of assessment quality partners delegation approvals processed per year	Quality assurance		-1	-1	100% (10)	100%	100%	100%	100%
Percentage of quality assurance partners that have been monitored against the compliance standards of council per year	Quality assurance		-1	95% (20/21)	100% (22)	100%	100%	100%	100%
Percentage of certificates issued per year within the turnaround time of 21 working days	Quality assurance		-1	-1	84% (15 414/ 18 392)	100%	100%	100%	100%

1. No historical data available.

### Expenditure analysis

Over the medium term, the Quality Council for Trades and Occupations will focus on its core functions of certifying occupational qualifications; providing quality assurance; and evaluating, assessing and verifying the qualifications provided by registered providers. This is in line with outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework, which highlights the need for an integrated and coordinated response to skills demand from institutions that promotes and supports skills development.

The council undertakes the quality assurance function of skills and training programmes, which were previously performed by sector education and training authorities, but have since been absorbed by the council as per the 2012 sector education and training authority grant regulations issued by the Minister of Higher Education and Training.

The quality assurance programme is the council's largest in terms of performance and spending, which grows at an average annual rate of 38.6 per cent over the medium term, from R35.1 million in 2016/17 to R93.6 million in 2019/20. Through the programme, the council will continue to provide quality assurance by monitoring its quality assurance partners for compliance. Over the MTEF period, the council expects to assess 100 per cent of all qualifications received.

The review of the council's organisational structure, which was finalised in December 2016, reflected a need for the council to build capacity by growing its staff complement. Over the medium term, the council's headcount will increase from 98 to 242 as contract posts are converted to permanent ones. As a result, spending on compensation of employees is expected to increase at an annual average rate of 37.6 per cent, from R44.6 million in 2016/17 to R116.3 million in 2019/20. The increase in spending on compensation of employees over the MTEF period will, in turn, lead to an increase in spending on computer services and travel and subsistence, from R4.5 million and R7 million in 2016/17 to R8.5 million and R17.2 million in 2019/20. Additional personnel and resources will assist the council in carrying out its core functions more efficiently.

The council's revenue is mainly derived from transfers from sector education and training authorities, accounting for 76.7 per cent, or R401.7 million, of total revenue over the medium term. The remaining 23.3 per cent, or R85.9 million, of the council's revenue is derived from transfers from the Department of Higher Education and Training.

### Programmes/objectives/activities

**Table 15.40 Quality Council for Trades and Occupations expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	30 974	27 222	40 350	35 401	4.6%	55.9%	36 538	47 865	61 745	20.4%	33.3%
Occupational qualifications	3 301	8 633	11 351	17 608	74.7%	14.6%	25 672	33 631	43 383	35.1%	21.4%
Quality assurance	2 413	25 095	22 459	35 136	144.2%	29.5%	55 387	72 557	93 599	38.6%	45.3%
<b>Total</b>	<b>36 688</b>	<b>60 950</b>	<b>74 160</b>	<b>88 145</b>	<b>33.9%</b>	<b>100.0%</b>	<b>117 597</b>	<b>154 053</b>	<b>198 727</b>	<b>31.1%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 15.41 Quality Council for Trades and Occupations statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2013/14		2014/15		2015/16		2016/17		2013/14 - 2016/17
<b>Revenue</b>									
Non-tax revenue	7 526	1 314	–	1 394	10 414	2 553	–	7 960	73.7%
Sale of goods and services other than capital assets	–	–	–	–	–	178	–	–	–
of which:									
Administrative fees	–	–	–	–	–	178	–	–	–
Other non-tax revenue	7 526	1 314	–	1 394	10 414	2 375	–	7 960	72.7%
<b>Transfers received</b>	<b>21 747</b>	<b>37 340</b>	<b>51 667</b>	<b>52 167</b>	<b>61 848</b>	<b>62 204</b>	<b>102 138</b>	<b>83 808</b>	<b>99.2%</b>
<b>Total revenue</b>	<b>29 273</b>	<b>38 654</b>	<b>51 667</b>	<b>53 561</b>	<b>72 262</b>	<b>64 757</b>	<b>102 138</b>	<b>91 768</b>	<b>97.4%</b>
<b>Expenses</b>									
Current expenses	28 908	36 688	48 395	60 950	69 863	74 160	88 145	88 145	110.5%
Compensation of employees	17 850	17 440	32 695	30 840	37 219	38 440	44 640	44 640	99.2%
Goods and services	11 058	18 297	15 700	30 110	32 644	35 720	43 505	43 505	124.0%
Depreciation	–	951	–	–	–	–	–	–	–
<b>Total expenses</b>	<b>28 908</b>	<b>36 688</b>	<b>48 395</b>	<b>60 950</b>	<b>69 863</b>	<b>74 160</b>	<b>88 145</b>	<b>88 145</b>	<b>110.5%</b>
<b>Surplus/(Deficit)</b>	<b>365</b>	<b>1 966</b>	<b>3 272</b>	<b>(7 389)</b>	<b>2 399</b>	<b>(9 403)</b>	<b>13 993</b>	<b>3 623</b>	
<b>Statement of financial position</b>									
Carrying value of assets	–	9 525	–	8 241	7 161	6 371	6 224	6 685	230.3%
of which:									
Acquisition of assets	(3 422)	(9 595)	(5 050)	(1 313)	(3 050)	(724)	(3 960)	(3 960)	100.7%
Receivables and prepayments	–	149	–	443	550	271	565	355	109.2%
Cash and cash equivalents	–	30 015	–	10 463	15 000	7 960	16 000	8 756	184.5%
<b>Total assets</b>	<b>–</b>	<b>39 689</b>	<b>–</b>	<b>19 147</b>	<b>22 711</b>	<b>14 602</b>	<b>22 789</b>	<b>15 796</b>	<b>196.1%</b>
Accumulated surplus/(deficit)	–	21 907	–	14 518	18 006	5 116	17 783	5 654	131.9%
Capital reserve fund	–	198	–	–	–	–	–	–	–
Trade and other payables	–	16 178	–	1 699	1 500	5 294	1 500	5 612	959.4%
Provisions	–	1 406	–	2 037	2 241	2 844	2 465	3 003	197.4%
Derivatives financial instruments	–	–	–	893	964	1 348	1 042	1 500	186.5%
<b>Total equity and liabilities</b>	<b>–</b>	<b>39 689</b>	<b>–</b>	<b>19 147</b>	<b>22 711</b>	<b>14 602</b>	<b>22 789</b>	<b>15 769</b>	<b>196.1%</b>

## Statements of estimates of financial performance and position

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
<b>Revenue</b>									
Non-tax revenue	7 960	82.3%	4.7%	–	1 535	1 879	-38.2%	2.6%	
Other non-tax revenue	–	82.3%	4.6%	–	1 535	1 879	-38.2%	2.6%	
<b>Transfers received</b>	<b>83 808</b>	<b>30.9%</b>	<b>95.3%</b>	<b>122 343</b>	<b>160 269</b>	<b>204 581</b>	<b>34.6%</b>	<b>97.4%</b>	
<b>Total revenue</b>	<b>91 768</b>	<b>33.4%</b>	<b>100.0%</b>	<b>122 343</b>	<b>161 804</b>	<b>206 460</b>	<b>31.0%</b>	<b>100.0%</b>	
<b>Expenses</b>									
Current expenses	88 145	33.9%	100.0%	117 597	154 053	198 727	31.1%	246.6%	
Compensation of employees	44 640	36.8%	50.2%	68 848	90 191	116 346	37.6%	56.6%	
Goods and services	43 505	33.5%	49.2%	48 749	63 862	82 381	23.7%	43.4%	
<b>Total expenses</b>	<b>88 145</b>	<b>33.9%</b>	<b>100.0%</b>	<b>117 597</b>	<b>154 053</b>	<b>198 727</b>	<b>31.1%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>3 623</b>	–	–	<b>4 746</b>	<b>7 751</b>	<b>7 733</b>	<b>28.8%</b>	–	
<b>Statement of financial position</b>									
Carrying value of assets	6 685	-11.1%	38.2%	5 781	4 982	5 800	-4.6%	34.8%	
of which:									
Acquisition of assets	(3 960)	-25.5%	-15.3%	(4 090)	(4 610)	(4 000)	0.3%	-24.9%	
Receivables and prepayments	355	33.6%	1.7%	465	609	1 270	52.9%	3.9%	
Cash and cash equivalents	8 756	-33.7%	60.1%	9 838	11 054	11 718	10.2%	61.3%	
<b>Total assets</b>	<b>15 796</b>	<b>-26.4%</b>	<b>100.0%</b>	<b>16 085</b>	<b>16 645</b>	<b>18 788</b>	<b>6.0%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	5 654	-36.3%	50.5%	5 977	5 489	7 089	7.8%	36.0%	
Trade and other payables	5 612	-29.7%	30.4%	6 187	6 821	7 162	8.5%	38.3%	
Provisions	3 003	28.8%	13.2%	3 364	3 767	3 987	9.9%	21.0%	
Derivatives financial instruments	1 500	–	5.9%	521	521	550	-28.4%	4.7%	
<b>Total equity and liabilities</b>	<b>15 769</b>	<b>-26.5%</b>	<b>100.0%</b>	<b>16 048</b>	<b>16 598</b>	<b>18 788</b>	<b>6.0%</b>	<b>100.0%</b>	

## Personnel information

Table 15.43 Quality Council for Trades and Occupations personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	
Quality Council for Trades and Occupations		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Salary level	98	98	91	38.4	0.4	98	44.6	0.5	161	68.8	0.4	196	90.2	0.5	242	116.3	0.5	37.6%	100.0%
1 – 6	26	26	23	2.9	0.1	26	4.2	0.2	44	6.6	0.2	51	8.0	0.2	63	10.5	0.2	35.6%	26.5%
7 – 10	35	35	32	9.5	0.3	35	12.7	0.4	70	27.7	0.4	93	39.6	0.4	119	54.9	0.5	63.1%	44.0%
11 – 12	33	33	32	21.4	0.7	33	22.7	0.7	43	29.2	0.7	48	37.1	0.8	56	45.2	0.8	25.7%	27.0%
13 – 16	4	4	4	4.7	1.2	4	5.0	1.3	4	5.3	1.3	4	5.5	1.4	4	5.8	1.4	4.7%	2.6%

1. Rand million.

## South African Qualifications Authority

### Mandate

The South African Qualifications Authority is a statutory body established in terms of the National Qualifications Framework Act (2008). Its mandate and goals are set out in section 13 of the act, which states that the authority must advance the objectives of the national qualifications framework, as contemplated in chapter 2 of the act; coordinate the sub-frameworks; and oversee the further development and implementation of the national qualifications framework.

### Selected performance indicators

Table 15.44 South African Qualifications Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of new qualifications and part qualifications received per year that are recorded and registered on the national qualifications framework	Registration and recognition	Outcome 5: A skilled and capable workforce to support an inclusive growth path	100% (198)	100% (222)	100% (216)	100%	100%	100%	100%
Percentage of professional bodies' applications received and recognised per year on the national qualifications framework	Registration and recognition		100% (21)	100% (8)	100% (13)	100%	100%	100%	100%
Percentage of applications received and completed for verifications of qualifications per year <sup>1</sup>	National learners' records database		100% (53 131)	100% (36 337)	100% (72 543)	100%	100%	100%	100%
Percentage of applications received and processed for foreign evaluation and advisory services per year <sup>1</sup>	Foreign qualifications evaluation and advisory services		100% (36 349)	100% (35 729)	100% (24 942)	100%	100%	100%	100%

1. Past figures for these indicators differ from those published in the 2016 Estimates of National Expenditure as they have been corrected in line with the authority's 2015/16 annual report.

### Expenditure analysis

As the apex body for the national qualifications framework, the South African Qualifications Authority's role is to provide leadership to coordinate, simplify, and monitor and evaluate the implementation of an effectively articulated national qualifications framework. Through implementing the policies of the national qualifications framework, which support outcome 5 (a skilled and capable workforce to support an inclusive growth path) of government's 2014-2019 medium-term strategic framework, the entity is able to register qualifications on the framework, recognise professional bodies, register professional designations, verify national and foreign qualifications, locate foreign qualifications within the South African national qualifications framework, and report on misrepresented qualifications.

The entity's work mainly involves developing and implementing a national qualifications framework. This includes recording qualifications and part qualifications on the framework, where the entity has maintained 100 per cent performance levels in all cases. This work is largely carried out within the entity's programmes related to evaluating foreign qualifications and providing advisory services, and registering and recognising qualifications, which have a combined estimated budget of R123.4 million over the medium term.

The bulk of the entity's budget goes towards compensation of employees, spending on which is expected to increase at an average annual rate of 6.3 per cent, from R77.3 million in 2016/17 to R92.9 million in 2019/20. The entity's revenue is mainly derived from transfers from the Department of Higher Education and Training for issuing qualifications and assuring the quality of qualifications. These transfers account for 54.8 per cent, or

R206.2 million, of the entity's revenue over the medium term, representing an average annual growth rate of 8.4 per cent. Other revenue is generated from evaluating qualifications and verification fees, as well as fees from collaborations with international institutions.

Income generated from evaluating foreign qualifications is the entity's largest growth area for revenue over the medium term, increasing from R21.9 million in 2015/16 to R37 million in 2019/20. Income from verifying local qualifications is expected to increase at an average annual rate of 8.7 per cent, from R7 million in 2016/17 to R9 million in 2019/20, as the signing of memorandums of agreement on the verification of public service employees' qualifications with most government departments is expected to be completed by March 2017. The entity's total revenue is expected to increase at an average annual rate of 5.4 per cent over the medium term, from R112.8 million in 2016/17 to R132.1 million in 2019/20.

## Programmes/objectives/activities

**Table 15.45 South African Qualifications Authority expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16		2013/14 - 2016/17	Average: Expenditure/ Total (%)	2017/18	2018/19	2019/20		
Administration	85 648	57 335	49 271	54 184	-14.2%	53.8%	58 042	60 793	64 197	5.8%	47.3%
Registration and recognition	7 649	6 989	7 625	9 662	8.1%	7.1%	9 237	9 782	10 330	2.3%	7.8%
National learners' records database	7 979	9 881	11 974	15 763	25.5%	10.1%	16 919	17 917	18 920	6.3%	13.9%
Foreign qualifications evaluation and advisory services	18 307	19 894	23 825	28 612	16.0%	20.1%	29 609	31 355	33 111	5.0%	24.5%
Career advice services	-	23 844	-	-	-	4.8%	-	-	-	-	-
Research	-	3 910	3 034	5 106	-	2.7%	5 466	5 788	6 112	6.2%	4.5%
International liaison	-	1 197	2 272	2 396	-	1.3%	2 587	2 739	2 892	6.5%	2.1%
<b>Total</b>	<b>119 583</b>	<b>123 050</b>	<b>98 001</b>	<b>115 723</b>	<b>-1.1%</b>	<b>100.0%</b>	<b>121 860</b>	<b>128 374</b>	<b>135 563</b>	<b>5.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 15.46 South African Qualifications Authority statements of historical financial performance and position**

Statement of financial performance									
R thousand	Budget 2013/14	Audited outcome	Budget 2014/15	Audited outcome	Budget 2015/16	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>28 550</b>	<b>31 097</b>	<b>27 550</b>	<b>34 813</b>	<b>47 550</b>	<b>37 100</b>	<b>54 300</b>	<b>55 890</b>	<b>100.6%</b>
Sale of goods and services other than capital assets	20 000	26 186	19 500	26 420	35 500	30 337	42 000	42 000	106.8%
<i>of which:</i>									
Administrative fees	19 500	25 930	19 500	26 420	35 500	30 337	42 000	42 000	107.0%
Sales by market establishment	500	256	-	-	-	-	-	-	51.2%
Other non-tax revenue	8 550	4 911	8 050	8 393	12 050	6 763	12 300	13 890	82.9%
<b>Transfers received</b>	<b>73 201</b>	<b>92 523</b>	<b>56 683</b>	<b>80 518</b>	<b>54 757</b>	<b>54 757</b>	<b>56 895</b>	<b>56 895</b>	<b>117.9%</b>
<b>Total revenue</b>	<b>101 751</b>	<b>123 620</b>	<b>84 233</b>	<b>115 331</b>	<b>102 307</b>	<b>91 857</b>	<b>111 195</b>	<b>112 785</b>	<b>111.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>101 751</b>	<b>119 583</b>	<b>83 961</b>	<b>123 050</b>	<b>107 336</b>	<b>98 001</b>	<b>116 502</b>	<b>115 723</b>	<b>111.4%</b>
Compensation of employees	59 129	67 198	50 225	64 734	69 835	65 376	77 317	77 317	107.1%
Goods and services	37 899	48 121	28 928	55 370	32 472	29 693	33 879	35 468	126.6%
Depreciation	4 723	4 264	4 808	2 946	5 029	2 932	5 306	2 938	65.8%
<b>Total expenses</b>	<b>101 751</b>	<b>119 583</b>	<b>83 961</b>	<b>123 050</b>	<b>107 336</b>	<b>98 001</b>	<b>116 502</b>	<b>115 723</b>	<b>111.4%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>4 037</b>	<b>272</b>	<b>(7 719)</b>	<b>(5 029)</b>	<b>(6 144)</b>	<b>(5 307)</b>	<b>(2 938)</b>	
Statement of financial position									
Carrying value of assets	24 081	31 798	22 588	23 241	24 155	23 996	25 436	25 828	108.9%
<i>of which:</i>									
Acquisition of assets	(1 746)	(6 199)	(3 315)	(4 124)	(1 850)	(3 702)	(2 612)	(2 676)	175.4%
Investments	-	10	-	-	-	-	-	-	-
Inventory	210	185	205	468	214	596	225	250	175.5%
Receivables and prepayments	3 597	12 376	3 747	4 703	3 919	6 547	4 127	4 250	181.1%
Cash and cash equivalents	8 548	20 833	8 446	33 224	22 000	25 141	22 000	25 000	170.8%
<b>Total assets</b>	<b>36 436</b>	<b>65 202</b>	<b>34 986</b>	<b>61 636</b>	<b>50 288</b>	<b>56 280</b>	<b>51 788</b>	<b>55 328</b>	<b>137.4%</b>
Accumulated surplus/(deficit)	24 954	45 429	23 304	37 789	38 048	31 643	38 901	30 100	115.8%
Deferred income	2 868	6 697	2 868	10 209	3 000	15 086	3 159	15 500	399.3%
Trade and other payables	8 614	12 337	8 814	12 329	9 219	8 628	9 708	9 708	118.3%
Taxation	-	20	-	22	21	24	20	20	209.8%
Provisions	-	719	-	1 287	-	899	-	-	-
<b>Total equity and liabilities</b>	<b>36 436</b>	<b>65 202</b>	<b>34 986</b>	<b>61 636</b>	<b>50 288</b>	<b>56 280</b>	<b>51 788</b>	<b>55 328</b>	<b>137.4%</b>

## Statements of estimates of financial performance and position

Table 15.47 South African Qualifications Authority statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	
R thousand								
<b>Revenue</b>								
Non-tax revenue	55 890	21.6%	36.3%	53 800	56 363	59 519	2.1%	46.2%
Sale of goods and services other than capital assets of which:	42 000	17.1%	28.6%	42 500	43 945	46 000	3.1%	35.7%
Administrative fees	42 000	17.4%	28.5%	42 500	43 945	46 000	3.1%	35.7%
Other non-tax revenue	13 890	41.4%	7.7%	11 300	12 418	13 519	-0.9%	10.5%
Transfers received	56 895	-15.0%	63.7%	64 940	68 707	72 555	8.4%	53.8%
<b>Total revenue</b>	<b>112 785</b>	<b>-3.0%</b>	<b>100.0%</b>	<b>118 740</b>	<b>125 070</b>	<b>132 074</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Expenses</b>								
Current expenses	115 723	-1.1%	100.0%	121 860	128 374	135 563	5.4%	117.7%
Compensation of employees	77 317	4.8%	60.6%	84 465	87 992	92 920	6.3%	68.3%
Goods and services	35 468	-9.7%	36.5%	34 275	37 078	39 154	3.4%	29.1%
Depreciation	2 938	-11.7%	2.9%	3 120	3 304	3 489	5.9%	2.6%
<b>Total expenses</b>	<b>115 723</b>	<b>-1.1%</b>	<b>100.0%</b>	<b>121 860</b>	<b>128 374</b>	<b>135 563</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(2 938)</b>	<b>(2)</b>	<b>-</b>	<b>(3 120)</b>	<b>(3 304)</b>	<b>(3 489)</b>	<b>5.9%</b>	<b>-</b>
<b>Statement of financial position</b>								
Carrying value of assets of which:	25 828	-6.7%	43.9%	26 643	28 539	29 599	4.6%	48.5%
Acquisition of assets	(2 676)	-24.4%	-6.9%	(2 405)	(2 548)	(2 689)	0.2%	-4.5%
Inventory	250	10.6%	0.6%	236	300	350	11.9%	0.5%
Receivables and prepayments	4 250	-30.0%	11.5%	4 300	4 584	4 841	4.4%	7.9%
Cash and cash equivalents	25 000	6.3%	43.9%	25 000	23 500	24 579	-0.6%	43.1%
<b>Total assets</b>	<b>55 328</b>	<b>-5.3%</b>	<b>100.0%</b>	<b>56 179</b>	<b>56 923</b>	<b>59 369</b>	<b>2.4%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	30 100	-12.8%	60.4%	31 966	33 852	35 747	5.9%	57.7%
Deferred income	15 500	32.3%	20.4%	14 000	13 250	13 500	-4.5%	24.7%
Trade and other payables	9 708	-7.7%	18.0%	10 193	9 800	10 100	1.3%	17.5%
Taxation	20	-	-	20	21	22	3.2%	-
<b>Total equity and liabilities</b>	<b>55 328</b>	<b>-5.3%</b>	<b>100.0%</b>	<b>56 179</b>	<b>56 923</b>	<b>59 369</b>	<b>2.4%</b>	<b>100.0%</b>

## Personnel information

Table 15.48 South African Qualifications Authority personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017			Number and cost <sup>1</sup> of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2015/16		Unit cost	2016/17		Unit cost	2017/18		2018/19		2019/20				2016/17 - 2019/20		
South African Qualifications Authority			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	181	181	167	65.4	0.4	181	77.3	0.4	181	84.5	0.5	181	88.0	0.5	181	92.9	0.5	6.3%	100.0%
1 - 6	41	41	55	10.4	0.2	41	8.2	0.2	41	9.0	0.2	41	9.2	0.2	41	9.9	0.2	6.3%	22.7%
7 - 10	109	109	84	30.9	0.4	109	41.6	0.4	109	45.3	0.4	109	47.5	0.4	109	49.8	0.5	6.2%	60.2%
11 - 12	23	23	20	14.8	0.7	23	17.6	0.8	23	19.7	0.9	23	20.4	0.9	23	21.6	0.9	7.0%	12.7%
13 - 16	8	8	8	9.4	1.2	8	9.9	1.2	8	10.5	1.3	8	10.9	1.4	8	11.7	1.5	5.7%	4.4%

1. Rand million.

## Additional tables

**Table 15.A Summary of expenditure on infrastructure**

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2016/17	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>Infrastructure transfers to other spheres, agencies and departments</b>										
<b>Mega projects (total project cost of at least R1 billion over the project life cycle)</b>										
Tertiary institutions infrastructure	Construction of hostels, lecture halls and laboratories	Various	35 184 642	2 000 000	2 200 000	1 981 200	2 422 013	2 541 903	2 688 063	2 822 466
New universities in Mpumalanga and Northern Cape	Construction of hostels, lecture halls and laboratories	Various	12 917 140	150 000	500 000	1 320 000	-	-	-	-
University of Mpumalanga	Construction of hostels, lecture halls and laboratories	Various	-	-	-	-	623 831	624 552	638 508	668 394
Sol Plaatje University	Construction of hostels, lecture halls and laboratories	Various	-	-	-	-	350 905	353 930	362 034	375 971
<b>Total</b>			<b>48 101 782</b>	<b>2 150 000</b>	<b>2 700 000</b>	<b>3 301 200</b>	<b>3 396 749</b>	<b>3 520 385</b>	<b>3 668 605</b>	<b>3 866 831</b>

**Table 15.B Summary of donor funding**

Donor R thousand	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2016/17	Medium-term expenditure estimate		
							2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
Foreign in cash European Union	Primary education sector policy support programme: Teacher education for foundation phase	University Education	2010/11 - 2019/20	141 000	Goods and services	Ensure the number of public higher education institutions involved in initial teacher education for teaching in the foundation phase and the number of students enrolled in initial teacher education programmes specialising in the foundation phase increases.	18 406	3 582	20 464	-	-	-	-
European Union	General budget support for career guidance services	Planning, Policy and Strategy	2013/14 - 2014/15	60 000	Departmental agencies and accounts	Provide career guidance services	1 155	19 181	41 040	-	-	-	-
United States Agency for International Development	Trilateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Planning, Policy and Strategy	2012/13 - 2016/17	1 746	Goods and services	Ensure the registration of PhD candidates from selected countries at the University of Pretoria's faculty of law, ensure that they have access to teaching, research and publishing opportunities, and thesis supervision	1 147	-	-	599	-	-	-
United States Agency for International Development	Trilateral cooperation project: Rebuilding constitutionalism in post-conflict societies through comparative analysis	Planning, Policy and Strategy	2010/11 - 2012/13	2 030	Goods and services	Provide certificates for officials from the South Sudan education ministry	2 271	-	-	-	-	-	-
Netherlands Organisation for International Cooperation	Strengthening the national certificate (vocational) in line with labour market needs	Technical and Vocational Education and Training	2012/13 - 2015/16	21 906	Goods and services	Provide revised subjects curriculum, improved student support services, lecturer development communities of practice, student support services communities of practice, and student work placement	4 654	1 215	434	12 677	-	-	-
European Union	Teaching and Learning Development Sector Reform Contract	University Education	2015/16 - 2019/20	262 000	Goods and services	Provide teacher development services including gender equity and transversal issues	-	-	-	67 500	67 500	84 000	43 000
European Union	General budget support for career development and national qualifications framework advice project	Planning, Policy and Strategy	2013/14 - 2016/17	99 000	Departmental agencies and accounts	Provide career guidance services	-	8 884	38 230	51 886	-	-	-
European Union	General budget support for open learning system for post-school education and training	Planning, Policy and Strategy	2013/14 - 2016/17	51 860	Departmental agencies and accounts	Provide career guidance services	-	-	-	13 991	18 823	19 046	-
African Development Bank	Middle income countries grant for education and sustainable development in Africa.	University Education	2016/17 - 2018/19	4 239	Goods and services	Contribute to the realisation of an environment for sustainable employment and inclusive economic growth through sustainable	-	-	-	1 852	1 413	974	-

Table 15.B Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate	Medium-term expenditure estimate		
							2013/14 - 2014/15	2015/16		2017/18	2018/19	2019/20
Foreign in kind Germany	Skills for green jobs	Planning, Policy and Strategy	2015/16 - 2016/17	96 798	Goods and services	Improved individual, institutional and social conditions for the supply of skilled personnel and adequate technologies for the development of a green economy	-	-	48 399	-	-	
Denmark	Support to education and skills development programme	Technical and Vocational Education and Training	2010/11 - 2014/15	32 000	Goods and services	Provide support to the education and skills development programme in South Africa	7 461	21 556	-	-	-	
Deutsche Gesellschaft für Internationale Zusammenarbeit	Employment and skills development services	Skills Development	2006/07 - 2017/18	80 300	Goods and services	Building capacity in skills development policy and advising services across all levels (skills education and training authority, National Skills Authority, National Skills Fund and further education and training colleges)	208	26	23 000	14 024	-	
Netherlands	Netherlands Universities Foundation for International Cooperation	Technical and Vocational Education and Training	2010/11 - 2016/17	27 432	Goods and services	Building of capacity in higher education through a standardised business management system in 3 pilot further education and training colleges	10 325	955	15 560	-	-	
European Union	Technical and vocational education and training for the green economy	Skills Development	2013/14 - 2016/17	4 169	Goods and services	Provide a proposal for skills planning funding	400	-	3 769	-	-	
Germany	Technical and vocational education and training for the green economy	Technical and Vocational Education and Training	2015/16 - 2017/18	70 143	Goods and services	Provision of assistance to 4 public technical and vocational education and training colleges in the trial implementation of 2 newly developed occupational curriculums: (electricians and plumbers)	-	-	17 535	17 535	17 535	
Japan	Employability improvement project	Planning, Policy and Strategy	2012/13 - 2015/16	62 154	Goods and services	Training students in productivity, and innovation skills through the two-week employment improvement project	-	18 685	32 753	-	-	
<b>Total</b>				<b>1 016 777</b>			<b>46 027</b>	<b>74 084</b>	<b>128 560</b>	<b>167 694</b>	<b>121 555</b>	<b>60 535</b>

Table 15.C Summary of financial assistance to higher education institutions, 2017/18

Higher education institutions	Block grant	National Student Financial Aid Scheme	Infra-structure and efficiency funds	Interest and redemption of government loans	Development funds				Veterinary	Clinical training of health professionals	MBCbB students	Ad hoc	Total
					Foundation Provision	Teaching	Research						
R thousand													
Cape Peninsula University of Technology	1 074 353	-	-	102	41 599	15 468	7 244	-	-	6 847	-	-	1 145 613
University of Cape Town	1 304 648	-	-	-	14 633	9 032	3 168	-	-	41 711	-	-	1 375 192
Central University of Technology	424 382	-	-	-	3 084	11 363	5 264	-	-	3 428	-	-	447 521
Durban University of Technology	854 709	-	1 051	-	13 210	15 876	6 171	-	-	12 926	-	-	903 943
University of Fort Hare	483 130	-	-	-	10 346	5 906	7 161	-	-	6 453	-	-	512 896
University of the Free State	1 008 896	-	-	-	29 222	22 812	7 838	-	-	32 296	-	-	1 101 064
University of Johannesburg	1 631 586	-	-	731	38 117	36 888	6 006	-	-	7 348	-	-	1 720 676
University of KwaZulu-Natal	1 746 606	-	-	-	13 455	20 349	4 323	-	-	63 509	5 000	-	1 853 242
University of Limpopo	712 379	-	-	-	18 801	6 508	7 920	-	-	5 844	-	-	751 452
Mangosuthu University of Technology	313 572	-	-	-	5 779	5 738	6 204	-	-	1 080	-	-	332 373
Nelson Mandela Metropolitan University	872 631	-	-	24	9 850	17 223	6 666	-	-	10 979	-	-	917 353
North West University	1 619 454	-	-	-	19 703	13 112	9 356	5 065	-	12 270	-	-	1 678 960
University of Pretoria	2 044 948	-	-	-	20 673	20 798	4 587	146 941	-	51 190	6 400	-	2 295 537
Rhodes University	387 409	-	-	-	1 666	2 948	2 822	-	-	1 016	-	-	395 861
Sefako Makgatho University	297 604	-	-	-	6 327	1 933	10 940	-	-	44 633	-	-	361 437
University of South Africa	3 157 589	-	-	-	-	104 805	8 960	1 766	-	-	-	-	3 273 120
Stellenbosch University	1 392 254	-	-	119	10 115	11 042	3 036	-	-	39 134	-	-	1 460 200
Tshwane University of Technology	1 580 477	-	-	1 074	51 403	52 117	7 260	2 866	-	7 306	-	-	1 702 503
Vaal University of Technology	585 033	-	-	546	518	15 978	8 217	-	-	4 007	-	-	614 299
University of Venda	468 166	-	-	-	6 695	7 058	6 815	-	-	4 500	-	-	493 234
Walter Sisulu University	689 296	-	-	-	-	26 433	11 715	-	-	15 439	-	-	747 083
University of the Western Cape	800 440	-	-	-	17 845	8 629	6 980	-	-	27 859	-	-	861 753
University of Witwatersrand	1 422 617	-	-	-	304	15 932	3 185	-	-	69 658	5 800	-	1 517 496
University of Zululand	450 695	-	-	-	2 469	11 052	4 917	-	-	5 583	-	-	474 726
Operational costs for two new universities in Mpumalanga and Northern Cape	-	-	-	-	-	-	-	-	-	-	-	360 736	360 736
Capital expenditure on the two new universities in Mpumalanga and Northern Cape	-	-	-	-	-	-	-	-	-	-	-	978 482	978 482
National Institute for Higher Education: Northern Cape pipeline students	-	-	-	-	-	-	-	-	-	-	-	6 500	6 500
Other	-	7 519 285	2 541 903	-	-	221 000	63 245	-	-	-	-	497 341	10 842 774
<b>Total</b>	<b>25 322 874</b>	<b>7 519 285</b>	<b>2 541 903</b>	<b>3 647</b>	<b>335 794</b>	<b>680 000</b>	<b>220 000</b>	<b>156 638</b>	<b>475 026</b>	<b>27 900</b>	<b>1 843 059</b>	<b>39 126 126</b>	

Table 15.D Direct transfer and subsidy portion to technical and vocational education and training colleges, 2017/18

TVET colleges	
R thousand	Direct subsidy allocation
Buffalo City College	29 458
East Cape Midlands College	32 939
Ikhala College	20 796
Ingwe College	28 152
King Hintsa College	26 703
King Sabata College	31 546
Lovedale College	20 532
Port Elizabeth College	35 030
<b>Total Eastern Cape</b>	<b>225 156</b>
Flavius Mareka College	15 053
Gold Fields College	16 332
Maluti College	24 967
Motheo College	37 512
<b>Total Free State</b>	<b>93 864</b>
Central Johannesburg College	34 416
Ekurhuleni East College	36 844
Ekurhuleni West College	46 499
Sedibeng College	37 266
South West College	47 264
Tshwane North College	43 912
Tshwane South College	40 591
Western College	28 418
<b>Total Gauteng</b>	<b>315 210</b>
Coastal College	31 804
Elangeni College	23 153
Esayidi College	18 296
Majuba College	38 241
Mnambithi College	10 130
Mthashana College	11 640
Thekwini College	12 187
Umfoloji College	26 449
Umgungundlovu College	11 260
<b>Total KwaZulu-Natal</b>	<b>183 160</b>
Capricorn College	25 306
Lephalale College	7 515
Letaba College	9 777
Mopani College	21 614
Sekhukhune College	12 761
Vhembe College	29 920
Waterberg College	13 118
<b>Total Limpopo</b>	<b>120 011</b>
Ehlanzeni College	33 752
Gert Sibande	32 860
Nkangala College	36 729
<b>Total Mpumalanga</b>	<b>103 341</b>
Rural College	7 596
Urban College	7 318
<b>Total Northern Cape</b>	<b>14 914</b>
Orbit College	27 689
Taletso College	13 169
Vuselela	15 195
<b>Total North West</b>	<b>56 053</b>
Boland College	32 303
Cape Town College	40 186
False Bay College	33 762
Northlink College	49 095
South Cape College	27 177
West Coast College	33 864
<b>Total Western Cape</b>	<b>216 387</b>
<b>Total</b>	<b>1 328 096</b>

**Table 15.E Direct transfer and subsidy portion to community education and training colleges, 2017/18**

<b>Province</b>	<b>Hosting institution</b>	<b>Direct subsidy allocation</b>
<b>Community Education and Training College (CETC)</b>	<b>Hosting Institution</b>	<b>Direct subsidy allocation</b>
Eastern Cape	Nelson Mandela Metropolitan University	7 401 000
Free State	Mangaung University Community Partnership Programme (MUCPP)	4 793 000
Gauteng	Diepkloof Adult Learning Centre	30 384 000
Kwazulu Natal	Durban University of Technology Indumiso Campus	8 599 000
Limpopo	PAX College	13 715 000
Mpumalanga	Nkangala TVET College	13 794 000
Northern Cape	Northern Cape Rural TVET College	1 971 000
North West	Mmakau ABET Project	14 336 000
Western Cape	ELGIN Learning Foundation	8 905 000
<b>Total</b>		<b>103 898 000</b>



# BUDGET 2017

## ESTIMATES OF NATIONAL EXPENDITURE

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**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

