

VOTE 5

Education

Operational budget	R 21 388 388 000
MEC remuneration	R 739 000
Total amount to be appropriated	R 21 389 127 000
Responsible MEC	Mrs C. M. Cronjé, MEC for Education
Administering department	Education
Accounting officer	Head: Education

1. Overview

Vision

The vision of the Department of Education is: *A literate and skilled 21st century society that is able to benefit from participating in all democratic processes, and contribute to the development and growth of the people of KwaZulu-Natal.*

Mission statement

The mission of the department is to provide opportunities for all people in the province to have access to quality education, which will improve their position and contribute to the advancement of democratic values in KwaZulu-Natal.

Strategic goals

The strategic goals of the department are to:

- Provide high quality, relevant education to all learners, regardless of age, which will equip them with knowledge, skills, values and attitudes to meet the challenges of the 21st century;
- Transform the department into a 21st century learning organisation, with the focus on results, high performance, effective communication and quality service delivery;
- Transform schools and colleges into self-reliant and effective learning institutions that are also community centres for life long learning;
- Develop the department's human resource capacity to meet the highest standards of professionalism in line with the requirements of the Employment Equity Act and other transformation targets;
- Provide and utilise resources to achieve redress and equity, and to eliminate conditions of physical degradation in institutions;
- Eliminate fraud, corruption and mal-administration; and
- Deal urgently and purposefully with the impact of the HIV and AIDS pandemic, as part of an integrated provincial response.

While the higher-level strategic goals remain constant, a key question has arisen as to the department's role in mitigating conditions of under-development. The strategy of the department therefore becomes the provision of access to quality education and skills for all and, in particular, the poor. All programmes are continually assessed in terms of how effectively they contribute to addressing issues of physical, epistemological and socio-cultural access of the population of this province.

Core functions

The main core functions of the department are summarised below:

Public Ordinary Schools:

This is the department's primary function aimed at the provision of educators in schools, the development of educators to ensure that they are equipped to provide the best quality teaching, and the provision of Learner Teacher Support Materials (LTSM). Also included here is the provision of new schools and school facilities, effective maintenance of existing facilities, as well as monitoring of the quality of education services through the system of whole school evaluation. Lastly, the function includes the provision of food to Public Primary School learners who are from the poorest communities, through the National School Nutrition Programme (NSNP).

Public Special School Education:

The aim of this programme is to provide public education in special schools and full-service schools.

Further Education and Training:

This service is aimed specifically at providing market-related skills to ensure that learners are employable on completion of training at this level.

Early Childhood Development:

This service evolved as a national initiative to strengthen pre-Grade R education, and make it available to the majority of citizens. The intention is to make pre-Grade R education compulsory by 2010.

Adult Basic Education:

This programme aims to increase the level of skills and reduce the adult illiteracy rate, to enable adults to participate in economic and other structures in the province and the country.

Strategic objectives

Based on the core functions of the department, its main strategic objectives are as follows:

- To implement a curriculum that is relevant to support life-long learning;
- To provide educator capacity development for all phases;
- To create control structures that are conducive to effective teaching and learning;
- To develop well-resourced General Education and Training (GET) and Further Education and Training (FET) centres;
- To develop programmes that will encourage community participation;
- To effectively use additional funding for non-personnel expenditure;
- To develop programmes to counter the negative effects of HIV and AIDS in schools, and to develop a management plan to deal with staff infected and affected with HIV and AIDS;
- To ensure good corporate governance; and
- To implement an effective performance measurement system throughout the department.

Legislative mandates

The following pieces of legislation, among others, govern the operations of the department:

- Constitution of the Republic of South Africa, Act No. 108 of 1996
- Public Service Act, No. 103 of 1994

- National Education Policy Act (NEPA), No. 27 of 1996
- South African Schools Act (SASA), No. 84 of 1996
- Employment of Educators Act, No. 76 of 1998
- Further Education and Training Act (FET), No. 6 of 2006
- Adult Basic Education and Training Act, No. 52 of 2000
- South African Council for Educators (SACE) Act, No. 31 of 2000
- South African Qualifications Authority (SAQA) Act, No. 58 of 1995
- National Policy on HIV and AIDS for Learners and Educators in Public Schools and Students and Educators in FET Institutions, 1999
- Education White paper 5 on Early Childhood Development, 2000
- Education White paper 6 on Inclusive Education, 2001
- Revised National Curriculum Statement (RNCS), 2002
- Labour Relations Act, No. 66 of 1995
- Employment Equity Act, No. 55 of 1998
- Public Finance Management Act, No. 1 of 1999, as amended and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act, No. 5 of 2000
- Promotion of Access to Information Act, No. 2 of 2000

2. Review of the 2007/08 financial year

Section 2 provides a review of 2007/08, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges, and new developments.

Administration

The public service strike that took place during June and July 2007 had a huge impact on the overall operations and spending patterns of the department, as a large number of schools were un-operational for 21 days. In particular, the HIV and AIDS conditional grant was largely affected, as the winter holidays were used to recover learner days lost during the strike, and could therefore not be used for HIV and AIDS councillor training.

Improving the conditions of service for public servants

The result of the public service strike culminated in the signing of the Public Service Co-ordinating Bargaining Council (PSCBC) Resolution 1 of 2007, which provided for a 7.5 per cent salary adjustment and revised measures relating to the payment for work on public holidays and Sundays, with effect from 1 July 2007. The above resolution further provided for the implementation of an Occupational Specific Dispensation (OSD) for educators with effect from 1 January 2008 (school-based) and 1 April 2008 (office-based educators), subject to an agreement being reached at the Education Labour Relations Council (ELRC). However, at the time of printing the Budget Statements, the agreement had not been finalised and a dispute had been declared.

A collective agreement on the multi-term approach on the staffing of schools was signed to address the level of stability in respect of teacher movements resulting from changes in school enrolment numbers. Furthermore, more than 2 000 temporary educators, who had been appointed for 12 months or more in substantive posts, were converted to permanent positions to improve continuity in the education system.

Public Ordinary Schools

The promotion of access to and participation of historically marginalised groups in education continued, and the success thereof was evident both in the accommodation of all applicants to schools and in the significant increase in the number of learners writing the Senior Certificate Examination at the end of 2007. In addition, a total of 3 342 schools, compared to 1 346 in 2006, were declared no-fee schools.

In order to recover the teaching and learning time that was lost during the strike, the department entered into an agreement with teacher unions to run additional classes on Saturdays and during the winter and spring holidays. The department also had to deal with the implementation of the 'No work, no pay' policy in respect of the employees that were on strike.

The National School Nutrition Programme reached 3 760 schools, feeding a total of 1 467 760 learners in 2007/08. The programme was extended to 44 Special schools with 13 087 learners.

The implementation of the e-Education policy continued to be a challenge due to funding constraints. During 2007/08, 98 schools were set up with a desktop computer and printer as part of the Information Communication Technology (ICT) school roll-out, and 75 education centres (including training for 150 centre managers), FET Colleges and Section 20 schools were provided with computer laboratories.

The delivery of Learner Teacher Support Material (LTSM) improved considerably, with 80 per cent of the Section 20 schools receiving their textbooks on the first day of school in 2008.

In addition, the department managed the following flagship projects:

Consolidation of small, non-viable schools and boarding facilities

The department provided a full curriculum to schools which are often small and largely in rural areas and where scholars often walk long distances to access education institutions. Msinga, Appelsbosch and Sukuma were identified as sites for a pilot study on consolidation. While the infrastructure rehabilitation is expected to be completed by financial year-end, the department is anticipating that these schools will be equipped and staffed properly in readiness for students' intake in 2009.

Learner Transport

The department provided funding to respond to the needs in respect of learner transport, and a pilot was implemented to provide subsidies in the greater Durban Metropolitan area.

Strategy for Improving Grade 12 Results and National Strategy for Learner Attainment

In addition to the National Strategy for Learner Attainment (NSLA), which is a transversal programme directing the focus of the education system to the achievement of all learners, the department implemented a strategy aimed at improving Grade 12 results in schools with a pass rate of less than 50 per cent in the Senior Certificate Examination.

Infrastructure

The department made recognisable strides in addressing backlogs in the provision of classrooms, toilets, computer rooms, laboratories and media centres within the context and confines of the budget available, and capacity challenges within the department and the infrastructure industry. The department addressed the disrepair in 16 historically disadvantaged boarding schools and 45 schools were fenced.

Independent Schools

The increase in the budgetary allocations is not commensurate with the escalation of learner enrolments in this sector, thereby placing spending pressure on this programme. As the department can only subsidise schools within its budget, the pressure is mainly felt by the schools.

Public Special School Education

The department continued to address the implementation of White Paper 6 on Inclusive Education, where learners that require low, moderate and high levels of support are accommodated in ordinary, full-service and special schools, respectively. One of the major challenges is the inequity, with special education needs in rural and remote areas being under-serviced or not serviced at all. To improve access to special

education, new special schools are being constructed, in addition to the conversion of ordinary schools to full service schools.

To date, 48 ordinary schools have been designated as full service schools, with the majority of these facilities in rural areas, and 12 special schools are being converted into fully-inclusive centres of learning and are admitting learners requiring high levels of support. In addition, the department procured buses to transport learners with special needs.

Further Education and Training (FET)

The Recapitalisation of the FET sector and the implementation of the FET Colleges Act are geared towards revitalising the sector and FET Colleges by aligning training to industry needs, increasing employment and self-employment, as well as skills development.

Adult Basic Education and Training (ABET)

In its objective to reduce levels of illiteracy, the department increased the number of Public Adult Learning Centres and committed additional resources for the provision of formal programmes. The department also managed to co-ordinate and integrate skilled-based programmes with other government departments such as Agriculture and Environmental Affairs.

Early Childhood Development (ECD)

National policy dictates that, in 2010, all five year olds should have access to Grade R. In the year under review, the department made provision for basic LTSM to 1 500 Grade R classes. Infrastructure provision is still a challenge, as not all primary schools requiring a Grade R class have land on which these classes can be built.

Examination Services

A total of 154 581 Grade 12 learners sat for the Senior Certificate examination. All systems were in place and the necessary risk analysis and security checks had been concluded to deliver a credible examination without compromising integrity.

Masifundisane

The department has been implementing the *Masifundisane* Adult Literacy campaign since 2006. This is a less formal approach to dealing with the illiteracy in the province. At the end of 2007/08, 370 000 adult learners, out of an estimated 1.2 million illiterate adults, will have benefited from this campaign. In order to increase access to the programme, teaching and learning programmes were developed in *isiZulu*, *isiXhosa* and braille. The target for 2008/09 is to double the number of adult learners to ultimately eradicate adult illiteracy by 2010.

HIV and AIDS

The HIV and AIDS pandemic is having a severe impact on the department, as a significant percentage of educators are granted prolonged sick leave for reasons that include HIV and AIDS related illnesses. This necessitates the appointment of temporary educators over and above the budgeted Post Provisioning Norm (PPN) numbers, leading to spending pressures on the personnel budget.

3. Outlook for the 2008/09 financial year

Section 3 looks at the key focus areas of 2008/09, outlining what the department is hoping to achieve during the year, as well as briefly looking at the challenges, and proposed new developments.

Policy changes

The department will use 2008/09 to consolidate existing interventions and programmes rather than initiating new policy directives. National and provincial directives that will be driven during the year include the following:

- The full implementation of the FET Colleges Act, together with its implications of staff transfer and ensuring that the colleges are able to assume the responsibility of receiving larger financial subsidies;
- The implementation of the norms in respect of Early Childhood Development, Adult Basic Education and Independent Schools;
- The administration of norms for Public Ordinary Schools to ensure, in particular, that the issues pertaining to Grade R are catered for; and
- Support to those learners that failed the Senior Certificate Examination before and at the end of 2007.

Administration

In anticipation of the reviewed organisational structure being approved by the Department of Public Service and Administration, greater focus will be given to district functionality. The department faces a challenge with respect to the provision of adequate office accommodation, particularly at head office and at district level.

The decentralisation has implications for Information Technology, as slow response times and compatibility between various systems threatens effectiveness. Thus, to fully utilise new technologies, the department intends to migrate to Active Directory. Plans are in place for the large scale roll-out of e-mail to schools and the formulation of a Master Systems Plan.

Improving the conditions of service

It is envisaged that the agreement on the Occupation Specific Dispensation (OSD) for educators will be concluded early in 2008 and implemented retrospectively. The full extent is not yet known, but the department anticipates that the dispensation will result in a spending pressure, particularly in 2008/09.

The multi-term agreement, which is aimed at reducing the termination and re-appointment of temporary educators, limiting movement between schools and creating stability in the staffing of schools, will be implemented in 2008/09.

Public Ordinary Schools

The department continues to focus on policy matters relating to learner transport, consolidation of non-viable and small schools, provision of boarding facilities, implementation of Quality Improvement Development System and Upliftment Programme (QIDS-UP), roll-out of Grade R, provision of LTSM, teacher development and implementation of systemic evaluation and infrastructure provision.

A challenge remains in respect of the Norms and Standards allocation for public schools, which currently does not cater for Grade R, whereas Grade R classes in public no-fee schools will need to be funded.

The focus in the new year will be mainly on supporting educators to prepare learners for the writing of the first National Senior Certificate in 2008. To ensure that there is successful implementation and support for the National Curriculum Statement (NCS) in Grades 10 to 12, all educators will continue to receive training on content gaps and assessment measures. Furthermore, schools offering subjects in the fields of manufacturing, engineering and technology, agriculture, and culture and arts will be recapitalised with appropriate physical infrastructure. In the GET band, special educator development programmes will continue to be conducted for educators in rural and farm schools, to equip them with skills in dealing with multi-grade classrooms.

The writing of the Senior Certificate Examination in 2007 heralded the final stage in the phasing out of the old curriculum. The 2007 cohort was the last that will undertake the examinations under the old curriculum. However, the department needs to provide support and, as there is no space or additional capacity in schools, the department must hire additional educators, invigilators, provide learning materials and facilities, etc., to learners who failed the 2007 examinations and wish to re-write.

Infrastructure

During 2007, the department commissioned the University of KwaZulu-Natal to conduct a study on demographic migration in KwaZulu-Natal, which will inform the location of new schools and/or

additions to be built. The department is engaged in the procurement of accommodation (lease and/or purchase) for the district and head offices, to ensure better working conditions for all employees.

The department made provision for pressing infrastructural needs, particularly in respect of the roll-out of Grade R, the building of special schools, maintenance and non-school buildings. In future, the infrastructure deliverables will not only refer to classrooms and toilets but will include laboratories, computer centres and ECD spaces. The department's infrastructure plans also include a reformatory school to house juvenile prisoners. This facility will be customised in preparation for the admission of learners that are in conflict with the law.

The department will begin the year with the Operational Support Team and the Provincial Technical Assistance Team (PTAT) in place, thus greatly enhancing the planning and delivery capacity of the department. Furthermore, the department is at an advanced stage in the preparation of a bid that will allow contractors to be on stand-by and can be used to circumvent slow response to schools damaged as a result of unforeseen events and natural phenomenon.

Public Special School Education

The department's Inclusive Education strategy will be phased in over a 20-year period. This strategy has been piloted in the Pinetown, Empangeni and Vryheid Districts and will be rolled out to the rest of the province from the beginning of the 2008/09 financial year. Continued support will be given to the 13 designated special schools, which are currently being converted into resource centres, and three new special schools are planned for the year. This year, the department will further strengthen capacity of special schools, and upgrade/rehabilitate schools that are in physical neglect. Transport will be provided to special schools that have inadequate or no transport at all.

Further Education and Training

The department will continue its support to learners enrolled in respect of National Department of Education (NATED) Programmes and the phasing in of more National Certificate (Vocational) (NC(V)) courses. The transfer of staff from head office to colleges, in line with the new FET Act, will be phased in gradually over the MTEF.

Furthermore, the FET colleges intend to run various short courses to address the skills gap for the 2010 Football World Cup and beyond. As training will be largely subsidised, deserving learners will be recruited from 2007 matriculants and unemployed members of the public.

Adult Basic Education and Training

The department is investigating systems and mechanisms for more effective processing and monitoring of expense claims made by ABET educators. The department will also look into ways to skill educators to teach in both formal and informal ABET structures.

Early Childhood Development

The quality of Grade R education will be enhanced through the filling of vacant ECD positions at district and head office levels.

Auxiliary Services

In addition to the National Senior Certificate examinations, the department undertakes assessments and evaluations, such as the quarterly Common Tests in Grade 11 and 12, Common Task for Assessment (CTA) administered to all Grade 9 learners, examinations for adult learners twice a year in June and October, as well as whole school evaluation and Systemic Evaluation in Grades 3, 6 and 9. In addition, the department is implementing the National Strategy for Learner Attainment, which focuses on improving results in Grade 12.

The capacity of the examinations unit has not increased proportionately to the increasing responsibilities mentioned above, and the department will be developing a Master Plan for the management of examinations in the province.

National School Nutrition Programme (NSNP)

An additional allocation will see the programme being expanded to cover all eligible primary schools, in particular in quintiles 1 and 2. The 2008/09 financial year will see strengthened monitoring, as district offices have been allocated new vehicles. There will also be an increase in the value of feeding per learner per day to ensure sustained nutritional value, and meals will be provided on more school days.

Learner Transport

At national level, the Department of Transport has indicated that the provision of learner transport falls within its mandate. However, in the interim, the department will continue to fund this project. To this effect the department received additional funds from 2008/09 onwards.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 5.1 below gives the sources of funding for Vote 5: Education over the seven-year period 2004/05 to 2010/11. The table also compares actual and budgeted receipts against actual and budgeted payments. As illustrated, the total receipts for Vote 5 increase from R13.1 billion in 2004/05, to R26.4 billion in 2010/11. The department receives its allocation through a provincial allocation and conditional grants.

Table 5.1: Summary of receipts and financing

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
	2007/08								
Provincial allocation	12 570 887	14 115 836	15 425 518	17 700 048	17 856 856	17 856 856	20 209 352	22 726 104	24 911 281
Conditional grants	493 202	588 498	710 560	876 773	876 773	876 773	1 179 775	1 187 939	1 508 789
Infrastructure Grant to Provinces	282 594	315 121	348 194	466 022	466 022	466 022	602 756	715 793	906 856
HIV and AIDS	29 188	31 126	32 994	35 292	35 292	35 292	37 610	39 765	42 686
National School Nutrition Programme	181 420	242 251	239 372	260 006	260 006	260 006	376 435	432 381	559 247
FET College Sector Recapitalisation grant	-	-	90 000	115 453	115 453	115 453	162 974	-	-
Total receipts	13 064 089	14 704 334	16 136 078	18 576 821	18 733 629	18 733 629	21 389 127	23 914 043	26 420 070
Total payments	13 033 271	15 030 000	16 218 726	18 576 821	18 836 900	19 003 096	21 389 127	23 914 043	26 420 070
Surplus/(Deficit) before financing	30 818	(325 666)	(82 648)	-	(103 271)	(269 467)	-	-	-
Financing									
of which									
Provincial roll-overs	4 625	46 016	-	-	46 271	46 271	-	-	-
Provincial cash resources	-	-	-	-	57 000	57 000	-	-	-
Surplus/(deficit) after financing	35 443	(279 650)	(82 648)	-	-	(166 196)	-	-	-

The department receives four national conditional grants over the 2008/09 MTEF, namely the Infrastructure Grant to Provinces, as well as the HIV and AIDS, National School Nutrition Programme and FET College Sector Recapitalisation grants, of which the first three show steady increases over the period under review.

The Infrastructure Grant to Provinces caters mainly for physical infrastructure needs of schools of a capital and current nature. A small portion of the grant may also be utilised to develop appropriate infrastructure capacity both internal and external to the department.

The HIV and AIDS conditional grant funds a life skills programme, aimed at creating awareness among learners and educators.

The National School Nutrition Programme is aimed at feeding learners from Grade R to Grade 7 in Quintiles 1 and 2. The increase over the MTEF is to consolidate the programme in the primary school phase by covering all eligible learners up to Grade 7, improving the quality of meals and providing meals on more school days. The allocation also makes provision for inflationary costs in respect of food prices.

The FET College Sector Recapitalisation grant is geared to ensure that the delivery of 11 priority skills programmes takes place by the end of March 2009. The focus is on development of modern, high level vocational programmes and preparation for their implementation, as well as strengthening the programmes to provide work place experience for students. The grant is phased into the equitable share with effect from 2009/10, as also reflected in Table 5.4.

The department remained within budget in 2004/05, but over-spent by R279.7 million in 2005/06, largely as a result of the carry-over of unprocessed invoices. The roll-over of R46 million in 2005/06 relates to the under-spending of R13 million and R33 million on the HIV and AIDS and National School Nutrition Programme grants, respectively.

The department's over-expenditure of R82.6 million in 2006/07 can be attributed to a decrease of R100 million in the department's budget during the 2006/07 Adjustments Estimate. The reduction in the 2006/07 allocation was based on slow spending of the capital budget by mid-year. Off-setting the over-expenditure was an amount of R46.3 million which was under-spent against the NSNP conditional grant. This amount was rolled over to the 2007/08 financial year in the Adjustments Estimate.

The department projects an over-expenditure of R166.2 million in 2007/08 and this is attributable to the implementation of the FET Act, support to learners who failed the Senior Certificate Examination under the old curriculum and the anticipated implementation of the Occupation Specific Dispensation for educators. However, the shortfall on OSD is based on the proposals served before the Education Labour Relations Council, and no agreement has been reached as yet. Furthermore, the over-expenditure excludes the financial impact of recovery of salaries in terms of the 'No work, no pay' policy.

The department is showing a balanced budget over the 2008/09 MTEF.

4.2 Departmental receipts collection

Table 5.2 below illustrates the revenue collected by the Department of Education over a seven-year period. Details of these receipts are presented in Table 5.A in the *Annexure – Vote 5: Education*.

The major source of own revenue for the department falls under *Sale of goods and services other than capital assets*. This category consists mainly of administration fees, which include commission earned on payroll deductions such as insurance and garnishees, examination and remarking fees, as well as fees for the viewing of scripts, housing and parking rental for staff members. There is a steady increase over the 2008/09 MTEF against this item.

Revenue collected under *Financial transactions* consists mainly of debts owed to the department, as well as refunds relating to previous years' expenditure. While 2006/07 indicated an increase in respect of *Financial transactions*, the Main Budget for 2007/08 was revised downwards. This can be attributed to the department's drive to recover outstanding staff debt, which was initiated in 2005/06, and which reached a peak in 2006/07 and was thus expected to decline from 2007/08 onwards. However, original estimations for 2007/08 as reflected in the Main Budget proved to be too conservative, and the 2007/08 Estimated Actual by far exceeds the budget. It is, however, difficult to accurately forecast recoveries against this item, hence the conservative forecasting over the MTEF.

Table 5.2: Details of departmental receipts

	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10
R000									
Tax receipts	-	-	-	-	-	-	-	-	-
Non-tax receipts	18 343	20 585	23 268	23 323	23 323	24 034	25 678	28 666	31 533
Sale of goods and services other than capital assets	18 343	20 400	22 913	23 155	23 155	23 735	25 500	28 475	31 323
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	185	355	168	168	299	178	191	210
Transfers received	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions	16 719	35 414	42 842	9 286	9 286	32 458	5 491	4 841	3 892
Total	35 062	55 999	66 110	32 609	32 609	56 492	31 169	33 507	35 425

4.3 Donor funding

Table 5.3 below reflects donor funding received by the Department of Education.

Table 5.3: Donor funding

Name of Donor Organisation	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Donor funding	7 907	1 934	19 435	29 607	29 607	40 000	38 000	19 000	-
Flemish Government	6 595	-	-	-	-	-	-	-	-
South African Sugar Association	145	-	-	-	-	-	-	-	-
Royal Netherlands embassy	-	1 934	19 435	28 007	28 007	40 000	38 000	19 000	-
New Zealand Government	1 167	-	-	1 600	1 600	-	-	-	-
Total	7 907	1 934	19 435	29 607	29 607	40 000	38 000	19 000	-

The department receives donor funds from the Flemish and New Zealand governments and the Royal Netherlands Embassy. Funds from the Flemish and New Zealand governments are paid directly into the Education Development Trust, whereas funds from the Royal Netherlands Embassy are paid directly over to the department for developing educational training centres. Although the 2007/08 Estimated Actual is higher than the Adjusted Budget, this does not represent over-spending, as there is an agreement with the Royal Netherlands Embassy that an amount of R50 million will be paid over by the end of the year.

The Flemish Government Co-operative development programme focuses on training ward councillors and Foundation phase literacy and numeracy, as well as FET phase science and mathematics. The New Zealand donor funds are earmarked for various projects in the Ugu and Sisonke District Municipalities, such as training of educators in the Foundation and Senior Primary phases, and the installation of computers for ICT training in the FET phase.

5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 5: Education*.

5.1 Key assumptions

The following key assumptions were used in formulating the 2008/09 MTEF budget:

Compensation of employees

- Salary adjustments of 7.1 per cent, 5.2 per cent and 5.1 per cent over the 2008/09 MTEF, as well as filling of additional posts were catered for;
- In addition, the cost associated with the implementation of the OSD for the last quarter of the 2007/08 financial year (thus impacting on the Estimated Actual) was calculated using the figures as per the proposal which is still being negotiated by the Education Labour Relations Council. Similarly, the MTEF figures were calculated using the proposed notches;
- Costs relating to performance rewards and performance incentives for educators were not factored in, as this is still under discussion and is a major point of dispute in the present bargaining process;
- Provision was made for 2 509 substitute educators; and
- The progressive filling of vacancies for subject advisors over the MTEF was factored in at 20 per cent per annum.

Goods and services

- Increases are based on the projected CPIX over the MTEF period; and
- Provision was made for a total of 3 382 No Fee Schools in Quintiles 1 and 2, representing 45 per cent of poorest learners and 57 per cent of schools in 2008/09.

5.2 Additional allocation for the 2006/07 to 2008/09 MTEF

Table 5.4 shows additional funding received by the department over the three MTEF periods: 2006/07, 2007/08 and 2008/09. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The table serves as a reminder of the number of new priorities that are funded on an annual basis – often without the success thereof being monitored from a policy implementation perspective.

The carry-through allocations for the 2006/07 MTEF period (i.e. for the financial years 2009/10 and 2010/11) are based on the incremental percentage used in the 2007/08 MTEF and 2008/09 MTEF. A similar approach was used for the carry-through allocations for the 2007/08 MTEF period.

It is important to explain how this table should be read and interpreted. The total additional funding in any given year shows how much a department received in addition to the increases which already existed in its 2005/06 MTEF baseline. The sum of the total additional provincial allocations across the five financial years shows cumulative amounts received over and above the cumulative baseline budget for that period.

Table 5.4: Summary of additional provincial allocations for 2006/07 to 2010/11

R000	2006/07	2007/08	2008/09	2009/10	2010/11
2006/07 MTEF period	61 954	410 900	538 183	578 547	613 260
Information and Communication Technology	-	40 000	80 000	86 000	91 160
EMIS	26 727	27 062	28 108	30 216	32 029
National Curriculum Statement	13 227	14 838	16 625	17 872	18 944
ABET - Masifundisane	25 000	100 000	165 000	177 375	188 018
FET - Colleges	20 000	40 000	50 000	53 750	56 975
No Fee Schools - 10% of the poorest learners in 2006/07 & 40% thereafter	50 000	189 000	198 450	213 334	226 134
2006/07 Adj. Estimate - Reduction in infrastructure budget & additional funding for Umzimkhulu	(73 000)	-	-	-	-
2007/08 MTEF period ¹	-	779 096	969 031	1 853 147	1 964 335
Net financial implication of demarcation (Net of Umzimkhulu and Matatiele)	-	373 112	391 768	421 150	446 419
National priorities:					
Personnel (mainly for 2007 Wage Agreement)		96 984	120 744	245 808	260 556
Personnel - (mainly for 2008 Wage Negotiations)		-	432 519	865 039	916 941
Teacher Development		16 000	-	-	-
Learner Transport for Special Schools		20 000	-	-	-
Systemic Evaluation		20 000	-	-	-
Quality Improvement Development Support and Upliftment Programme		40 000	24 000	146 000	154 760
Phasing-in of the FET College Sector Recapitalisation Grant		-	-	175 150	185 659
2007/08 Adj. Estimate - Comp. of employees		213 000	-	-	-
2008/09 MTEF period ¹	-	-	827 153	1 057 349	1 942 433
National Priorities (2007/08 MTEF not catered for in outer years)			59 360	62 921	66 696
Teacher Development			16 960	17 977	19 056
Learner Transport for Special Schools			21 200	22 472	23 820
Systematic Evaluation			21 200	22 472	23 820
National Priorities (2008/09 MTEF)			91 989	323 770	919 353
Education Personnel			-	86 791	260 806
Early Childhood Development (0-4)			21 662	32 547	97 802
Textbooks for Grades 10-12 to support the NCS			30 327	43 396	54 335
Expansion of Grade R			-	97 640	282 540
Expansion of Inclusive Education (learners with disabilities)			40 000	63 396	223 870
Provincial priorities			675 804	670 658	956 384
Carry-through of 2007/08 Adj. Estimate - OSD additional cost			60 705	64 043	67 245
Personnel inflation adjustment			139 283	245 412	301 572
Government Employees Medical Scheme			172 816	203 203	421 627
Boarding Schools			12 000	24 000	26 000
FET Colleges			174 000	-	-
FET Training 2010			18 000	21 000	-
Expansion of Inclusive Education (learners with disabilities)			20 000	-	-
Learner Transport			49 000	87 000	139 940
2007 Senior Certificate Failure Rate			30 000	26 000	-
Total	61 954	1 189 996	2 334 367	3 489 043	4 520 028

1. Excludes function shift from Provincial Treasury i.r.o banking and tax function

808 1 319 1 370 1 420

The department received significant increases to its 2006/07 MTEF baseline, of which substantial amounts were in respect of *Masifundisane*, FET Colleges and No Fee Schools.

In the 2006/07 Adjustments Estimate the budget was, due to slow spending on infrastructure by mid-year, reduced by an amount of R100 million. This reduction was off-set by an additional allocation made to address the shortfall in respect of the incorporation of Umzimkhulu into the province.

As Table 5.4 shows, additional funding of R779.1 million, R969 million and R1.9 billion was allocated over the 2007/08 MTEF towards the following initiatives:

Net financial implications of the Umzimkhulu/Matatiele demarcation adjustments

From 2007/08, the department was responsible for service delivery in Umzimkhulu, and additional funds were provided over the 2007/08 MTEF for this purpose.

Personnel

Additional funding was allocated in 2007/08 to provide for the scaling up of the remuneration packages of principals and the employment of additional administrative staff in schools from 1 April 2007. The allocation in respect of the 2008 Wage Negotiation was earmarked for teacher assistants, reducing class size, support staff and remuneration in line with the OSD.

Teacher development

Funding of R16 million was allocated in 2007/08 for the implementation of the Continuing Professional Development System, project development and project management with higher Education Institutions. The aim is to upgrade under-qualified educators in all phases, including those in Inclusive Education, FET and in Early Childhood Development through the National Professional Diploma in Education for teachers, and the Advanced Certificate in Education Management and Leadership for principals.

Learner Transport for Special Schools

The allocation is for the acquisition of specialised vehicles for the transportation of learners with special needs to schools.

Systemic evaluation

Funds have been allocated to gauge average educational performance prior to Grade 12. There is a need for rigorous evidence of what schooling resources and management practices should be prioritised to get quality in the context of constrained resources. A systemic evaluation will be conducted, similar to Grade 3 and 6 assessments in South Africa. Such evaluations are common in developing countries, where universal testing is not feasible. The focus will be on monitoring, understanding and tackling school quality challenges in the GET band.

Quality Improvement Development System and Upliftment Programme (QIDS-UP)

The objective of QIDS-UP is to address the lack of basic resources in a number of schools servicing poor learners, especially in Quintiles 1, 2 and 3. The programme aims to provide equipped media centres, computers and fully equipped science laboratories to schools.

FET College Sector Recapitalisation

The FET College Sector Recapitalisation grant will be phased into the equitable share (provincial allocation) from 2009/10 onwards.

Adjustments Estimate – 2007/08

The additional allocation in the 2007/08 Adjustments Estimate was in respect of *Compensation of employees*, in particular towards the additional costs of the 2007 Wage Agreement (R156 million), implementation of the Occupational Specific Dispensation in the first quarter of the 2008 school year (R57 million) and incorporation of personnel following the decentralisation of the Banking and Tax function (R808 000).

In addition to the carry-through of the allocations made in the 2007/08 MTEF, further funding of R827.2 million, R1.1 billion and R1.9 billion has been allocated over the 2008/09 MTEF in respect of the following national and provincial priorities:

- Education Personnel: for the implementation of the Occupational Specific Dispensation;
- Early Childhood development (0 to 4): for the training of ECD practitioners, cooks and gardeners;
- Text books for Grades 10 to 12 to support the NCS;
- Expansion of Grade R;
- Expansion of Inclusive Education (learners with disabilities);
- Personnel inflationary adjustment in respect of the annual salary increase;
- Government's contribution towards the Government Employees Medical Scheme (GEMS);
- Boarding schools;
- FET Colleges: for implementation of the National Certificate (Vocational) (NC(V)) programmes while simultaneously phasing out NATED certificate courses;
- FET Training 2010: for courses geared specifically at skills needed for the 2010 Football World Cup;
- Learner Transport; and
- Support to repeaters of the 2007 Senior Certificate.

5.3 Summary by programme and economic classification

Tables 5.5 and 5.6 provide a summary of the vote's expenditure and budgeted estimates by programme and economic classification respectively, for the seven-year period from 2004/05 to 2010/11.

Table 5.5: Summary of payments and estimates by programme

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2004/05	2005/06	2006/07				2007/08	2008/09	2009/10
1. Administration	725 790	856 766	946 066	1 084 282	1 140 789	1 083 609	1 199 591	1 237 649	1 365 830
2. Public Ordinary School Education	11 502 760	13 030 333	14 152 487	16 078 596	16 177 308	16 344 330	18 184 148	20 631 781	22 557 139
3. Independent School Subsidies	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
4. Public Special School Education	253 063	274 397	300 706	359 296	383 414	385 137	469 166	523 653	720 422
5. Further Education & Training	222 660	317 637	373 341	401 275	427 718	494 537	701 086	540 715	559 893
6. Adult Basic Education & Training	49 734	85 761	72 641	106 968	108 002	108 448	116 004	125 388	135 963
7. Early Childhood Development	79 697	61 760	97 723	167 697	169 612	167 736	208 234	336 202	608 363
8. Auxiliary & Associated Services	162 232	347 142	200 403	330 005	381 355	369 486	458 788	462 794	412 689
Special Functions	3 770	10 590	27 563	-	-	8	-	-	-
Total	13 033 271	15 030 000	16 218 726	18 576 821	18 836 900	19 003 096	21 389 127	23 914 043	26 420 070

Note: Programme 1 includes MEC remuneration payable. Salary: R590 459. Car allowance: R147 614

Table 5.6: Summary of payments and estimates by economic classification

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates			
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10	2010/11
Current payments	11 901 164	13 536 573	14 543 373	16 488 355	16 628 434	16 812 588	18 738 152	21 219 786	23 048 005	
Compensation of employees	10 862 890	11 879 394	12 951 146	14 767 800	15 031 608	15 272 459	16 572 749	18 699 302	20 182 101	
Goods and services	1 034 504	1 646 589	1 564 307	1 720 555	1 596 826	1 540 121	2 165 403	2 520 484	2 865 904	
Other	3 770	10 590	27 920	-	-	8	-	-	-	
Transfers and subsidies to:	646 962	752 855	927 895	1 054 089	1 174 089	1 235 509	1 391 426	1 133 318	1 188 417	
Local government	31 076	34 643	8 708	-	-	-	-	-	-	
Non-profit institutions	568 938	664 647	856 335	1 007 384	1 127 384	1 192 162	1 338 434	1 076 563	1 128 499	
Households	34 984	42 681	49 503	46 705	46 705	43 246	52 992	56 755	59 918	
Other	11 964	10 884	13 349	-	-	101	-	-	-	
Payments for capital assets	485 145	740 572	747 458	1 034 377	1 034 377	954 999	1 259 549	1 560 939	2 183 648	
Buildings and other fixed structures	440 999	687 673	696 952	902 055	882 055	879 438	1 134 918	1 313 184	1 831 053	
Machinery and equipment	44 146	52 864	50 385	132 322	152 322	75 425	124 631	247 755	352 595	
Other	-	35	121	-	-	136	-	-	-	
Total	13 033 271	15 030 000	16 218 726	18 576 821	18 836 900	19 003 096	21 389 127	23 914 043	26 420 070	

The services rendered by the department are categorised under eight programmes, in accordance with the revised sector specific structures for all provincial Education Departments.

The department's budget grows from R18.8 billion in the 2007/08 Adjusted Budget to R21.4 billion in 2008/09 and to R26.4 billion by 2010/11. All programmes show positive growth over the 2008/09 MTEF, except for Programme 8: Auxiliary and Associated Services, which declines in the outer year.

Programme 2: Public Ordinary School Education shows a marked increase in the 2007/08 Adjusted Budget, mainly due to additional allocations made towards OSD, 1.5 per cent shortfall in respect of the 2007 Wage Agreement, as well as the NSNP roll-over. The Estimated Actual exceeds the budget in respect of this programme, and also *Compensation of employees*, as the projection includes anticipated costs of support to learners repeating Grade 12 and OSD. It must, however, be noted that, at the time of print, the OSD was not finalised and the projections are based on the proposal put forward to the bargaining chamber. Furthermore, the end-of-year projection excludes the 'No work, no pay' deductions, which are expected to reduce the over-expenditure considerably.

The substantial increase against Programme 2 from 2008/09 onwards can largely be attributed to the additional funds provided towards the 2008 Wage settlement, textbooks for Grades 10 to 12, learner transport, boarding schools, support to learners in respect of the 2007 Senior Certificate Curriculum, as well as the Infrastructure Grant to Provinces.

Programme 4: Public Special School Education increases over the MTEF, mainly as a result of the additional allocation in respect of expansion of inclusive education.

Programme 5: FET is projecting over-expenditure in 2007/08 which relates to implementation of the FET Act and introduction of NC(V) courses, while phasing out old NATED courses. The growth in 2008/09 results from the once-off allocation for implementation of the new legislation, in addition to the allocation made for 2010 training in 2008/09 and 2009/10.

The growth against Programme 7: Early Childhood Development over the MTEF is largely as a result of the allocation received for ECD and expansion of Grade R.

The slowed growth and decrease against Programme 8: Auxiliary and Associated Services over the outer two years is largely due to the expected drop in number of exam papers, as it is anticipated that the old curriculum for both FET and GET levels, as well as the *Masifundisane* programme will be phased out by 2010/11.

The *Goods and services* budget shows a decrease in the 2007/08 Adjustments Estimate, largely due to a change in the procurement strategy for stationery for the 2008 school year. In the absence of a managing agent, stationery was not procured by the department, but funds were rather transferred to qualifying schools. There is a substantial increase over the MTEF, which is mainly attributed to the increased per learner allocation for the 2008/09 financial year, which subsequently increases the LTSM allocation. Furthermore, additional allocations in respect of text books, FET colleges, learner transport, Grade R and ECD impacted positively on the budget.

Transfers and subsidies to: Non-profit institutions increased in the 2007/08 Adjusted Budget, mainly as stationery funds have been transferred to schools, as mentioned above. The decrease in the 2009/10 budget is largely due to the fact that the FET College Sector Recapitalisation grant will form part of the equitable share, and the entire budget will thus not be transferred to the colleges. The apparent decrease in transfers to FET colleges is as a result of a further split across various items. However, the baseline allocation to the FET Colleges has not decreased over the MTEF.

Transfers and subsidies to: Households caters for voluntary severance packages, leave and death gratuities, and the major fluctuations can be ascribed to the difficulty in budgeting for this item, because of the number of unplanned exits.

With regard to *Buildings and other fixed structures*, the decrease in the 2007/08 Adjustments Estimate is the result of the department moving funds from *Other capital projects* to *Current*, in order to address an inaccuracy in the original *Capex* budget. The 2008/09 MTEF sees an increased injection into various infrastructure projects and the provision for maintenance, primarily due to the increased allocation in respect of the Infrastructure Grant to Provinces. This will assist the department to fund school infrastructure needs, address backlogs in infrastructure provision, prioritising the eradication of unsafe facilities, as well as to support the development of appropriate capacity to deliver and manage infrastructure.

It is projected that *Machinery and equipment* will be under-spent in 2007/08, largely due to the department implementing measures to realise savings in order to fund other areas of spending pressure. The sharp increases over the 2008/09 MTEF are mainly associated with the equipping and furnishing of boarding schools and Grade R and ECD facilities, as well as IT infrastructure for office accommodation.

5.4 Summary of expenditure and estimates by district municipal area

Table 5.7 provides details of the department's spending within district municipal areas, excluding operational costs.

Spending levels in all areas are set to increase on a similar scale over the 2008/09 MTEF. The highest spending occurs in the eThekweni, Zululand, uMgungundlovu, uThungulu and Ugu District Municipal areas, mainly due to the number of schools and training institutions located in these areas.

Table 5.7: Summary of expenditure and estimates by district municipal area

District Municipal Area	Outcome Audited	Estimated Actual	Medium-term estimates		
			2008/09	2009/10	2010/11
R000	2006/07	2007/08			
eThekweni	3 405 019	4 004 717	4 289 377	4 816 100	5 053 170
Ugu	935 403	962 860	1 176 294	1 305 450	1 396 830
uMgungundlovu	4 207 718	4 725 371	5 314 773	5 817 529	6 052 700
Uthukela	843 023	887 595	1 060 629	1 176 524	1 258 880
Umzinyathi	683 172	701 661	839 232	930 426	995 556
Amajuba	604 143	638 401	759 956	843 142	902 164
Zululand	1 295 974	1 536 717	1 630 650	1 808 665	1 935 271
Umkhanyakude	851 174	1 536 717	1 070 918	1 187 891	1 271 045
uThungulu	1 202 033	889 877	1 513 013	1 677 558	1 794 987
Ilembe	824 202	1 330 325	997 132	1 106 502	1 184 034
Sisonke	665 050	817 404	838 261	930 375	995 483
Total	15 516 911	18 031 645	19 490 235	21 600 162	22 840 120

5.5 Summary of infrastructure expenditure and estimates

Table 5.8 below presents a summary of infrastructure expenditure and estimates by category for the vote, including both capital and current expenditure on infrastructure for the period 2004/05 to 2010/11. Detailed information on infrastructure is given in the *Annexure – Vote 5: Education*.

Table 5.8: Summary of infrastructure expenditure and estimates

	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
R000					2007/08				
Capital	308 859	687 673	696 952	902 055	882 055	879 438	1 134 918	1 313 184	1 831 053
New construction	173 079	343 836	348 475	560 886	560 886	628 446	894 016	949 525	1 392 012
Rehabilitation/upgrading	127 957	309 453	313 629	281 295	281 295	206 118	130 000	287 983	354 983
Other capital projects	7 823	34 384	34 848	59 874	39 874	44 874	110 902	75 676	84 058
Infrastructure transfer									
Current	109 610	60 000	70 544	72 000	92 000	92 000	92 000	94 495	100 000
Total	418 469	747 673	767 496	974 055	974 055	971 438	1 226 918	1 407 679	1 931 053

The bulk of the infrastructure allocation falls under Programme 2: Public Ordinary School Education. The department managed to improve its capacity to spend through the 'Fast-track' programme, which uses a number of smaller contractors managed by the department to accelerate delivery of education infrastructure. This resulted in increased capacity to deliver the required number of classrooms within the shortest possible time. The department is currently in the process of sourcing human resources to ensure effective implementation of the Infrastructure Development Improvement Programme (IDIP). During the 2007/08 Adjustments Estimate, an amount of R20 million was moved from *Capital* to *Current* to address the shortfall in maintenance funding.

The infrastructure budget from the 2008/09 financial year onwards shows positive growth and should enable the department to make provision for pressing infrastructural needs, particularly in respect of the roll-out of Grade R, the building of special schools and non-school buildings. Over the new MTEF, the infrastructure deliverables will, in addition to classrooms and toilets, also include laboratories, computer centres and ECD spaces. The increase in the budget is commensurate with the increase in the Infrastructure Grant to Provinces, which specifically focuses on the backlogs in education and school infrastructure needs, including the replacing of unsafe and inappropriate school structures, maintenance and improving infrastructure delivery capacity. The *Current* infrastructure budget shows a decreasing trend due to the general age of infrastructure, and the larger maintenance activities thus taking place under the category *Rehabilitation/Upgrading*.

As mentioned above, IDIP is being implemented in the department. It is envisaged that this programme, with its accompanying resources and skills in the form of a Provincial Technical Assistant Team (PTAT) dedicated to the department, will improve infrastructure planning and will facilitate the achievement of short and long term infrastructure targets.

5.6 Transfers to other entities

Table 5.9 provides details of transfers made to other entities over the seven-year period under review.

Table 5.9: Summary of departmental transfers to other entities

	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
R000					2007/08				
Section 20 and 21 Schools	433 632	436 581	596 101	719 598	839 598	838 448	785 663	829 594	883 135
Section 21 Schools	-	-	-	678 998	678 998	679 003	715 663	753 594	802 575
Section 20 Schools (petty cash)	-	-	-	40 600	160 600	159 445	70 000	76 000	80 560
Independent Schools	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
Special Schools	42 938	42 646	43 488	50 547	50 547	51 014	59 389	63 843	68 312
FET Colleges	58 727	139 801	168 945	183 582	183 582	248 764	433 804	108 546	90 662
Early Childhood Development	76	5	-	4 955	4 955	3 604	7 468	18 719	26 619
Other	11 964	10 884	374	-	-	628	-	-	-
FASSET	-	-	12 980	-	-	-	-	-	-
Total	580 902	675 531	869 684	1 007 384	1 127 384	1 192 263	1 338 434	1 076 563	1 128 499

The largest portion of transfers is in respect of Section 21 schools, and the increase in 2006/07 is mainly due to the increase in the number of Section 21 schools and the transfer payments to No Fee Schools (Section 20) at the beginning of the 2007 school year. This also accounts for the increase in the 2007/08 Main Budget, which was further adjusted upwards during the 2007/08 Adjustments Estimate, due to funds being moved into *Transfers* for schools to procure their own stationery.

FET colleges reflect an over-expenditure in the 2007/08 Estimated Actual, largely as a result of the implementation of the FET Act, which mandates the introduction of the National Vocational Curriculum in 2007, whereas the department needs to concurrently cater for the phasing out of the NATED curriculum, i.e. there are two curricula being offered concurrently in 2007/08 and 2008/09. This is also largely responsible for the spike in 2008/09. In addition, funds were received in 2008/09 and 2009/10 in respect of 2010 training programmes. The decrease from 2009/10 is largely due to the decision taken by the department to initially, upon the phasing-in of the FET College Sector Recapitalisation grant into the equitable share, manage the funds internally, and not to transfer all funds to the colleges.

Additional allocations in respect of Expansion of Grade R and Early Childhood Development contribute to the increase over the MTEF against the Early Childhood Development *Transfer* category.

5.7 Transfers to local government

Table 5.10 below provides transfers to municipalities by the department. The amounts reflected pertain to payments made in respect of the Regional Service Council Levy which ceased at the end of June 2006. There are no anticipated transfers to local government over the 2008/09 MTEF.

Table 5.10: Summary of departmental transfers to local government by category

Table 10: Summary of departmental transfers to local government by category									
R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2004/05	2005/06	2006/07						
Category A	5 500	7 812	1 968	-	-	-	-	-	-
Category B	1	3	2	-	-	-	-	-	-
Category C	25 575	25 037	6 385	-	-	-	-	-	-
Unallocated	-	1 791	353	-	-	-	-	-	-
Total	31 076	34 643	8 708	-	-	-	-	-	-

6. Programme description

The services rendered by this department are categorised under eight programmes for the current MTEF, which conform to the generic budget structure for all provincial Departments of Education. The payments and estimates for each programme are summarised in terms of economic classification, and detailed in the *Annexure – Vote 5: Education*.

6.1 Programme 1: Administration

Programme 1: Administration has six sub-programmes that are responsible for providing:

- The functioning of the Office of the Member of the Executive Council (MEC) for education;
- Overall management of the education system;
- Education management services for the education system;
- Human resource development for office-based staff;
- HIV and AIDS as priorities by the sector and funded by conditional grants; and
- Education Management Information System (EMIS).

Tables 5.11 and 5.12 below reflect payments and budgeted estimates relating to this programme for the period 2004/05 to 2010/11. Historic data has been restated for comparison purposes.

Table 5.11: Summary of payments and estimates - Programme 1: Administration

	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10
R000									
Office of the MEC	7 458	17 230	19 026	14 090	14 272	13 169	15 234	19 869	21 528
Corporate Services	244 987	273 921	302 472	319 801	339 319	343 787	340 646	346 686	388 765
Education Management	458 887	520 842	556 397	618 799	654 218	645 189	725 602	746 677	821 460
Human Resource Development	12 885	6 647	7 340	61 441	62 283	21 957	43 513	45 688	49 172
Conditional Grant - HIV/AIDS	-	31 126	34 441	35 292	35 292	27 792	37 610	39 765	42 686
Education Management Information System (EMIS)	1 573	7 000	26 390	34 859	35 405	31 715	36 986	38 964	42 219
Total	725 790	856 766	946 066	1 084 282	1 140 789	1 083 609	1 199 591	1 237 649	1 365 830

Table 5.12: Summary of payments and estimates by economic classification - Programme 1: Administration

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	692 102	836 328	895 631	938 288	1 014 795	1 016 333	1 044 332	1 100 532	1 186 223
Compensation of employees	385 588	441 725	510 723	537 007	643 514	648 110	587 387	631 812	679 434
Goods and services	306 514	394 603	384 551	401 281	371 281	368 223	456 945	468 720	506 789
Other	-	-	357	-	-	-	-	-	-
Transfers and subsidies to:	14 651	7 293	6 339	20 000	20 000	15 216	21 200	22 578	24 045
Local government	1 806	1 756	579	-	-	-	-	-	-
Non-profit institutions	160	-	5	-	-	527	-	-	-
Households	12 685	5 537	5 590	20 000	20 000	14 574	21 200	22 578	24 045
Other	-	-	165	-	-	115	-	-	-
Payments for capital assets	19 037	13 145	44 096	125 994	105 994	52 060	134 059	114 539	155 562
Buildings and other fixed structures	321	1 396	13 326	53 874	33 874	33 874	96 902	63 201	68 021
Machinery and equipment	18 716	11 749	30 654	72 120	72 120	18 072	37 157	51 338	87 541
Other	-	-	116	-	-	114	-	-	-
Total	725 790	856 766	946 066	1 084 282	1 140 789	1 083 609	1 199 591	1 237 649	1 365 830

The budget increases sharply from 2005/06 onwards, largely due to the costs associated with a major restructuring exercise completed during 2005/06, as well as the non-educator pay progression paid in 2005/06 mainly against the Corporate Services and Education Management sub-programmes. These sub-programmes increased further in the 2007/08 Main Budget to provide for the filling of management and administrative posts, and were again adjusted upwards in the 2007/08 Adjustments Estimate to cater for the shortfall in respect of the 2007 Wage Agreement and incorrect classification of *Compensation of employees* expenditure against Programme 2.

The Human Resource Development sub-programme includes additional funding in the 2007/08 Main budget for Teacher Development. The projected under-expenditure against this programme can largely be ascribed to the department implementing measures to curtail expenditure in order to fund spending pressures relating to the phasing out of the old FET curriculum, support to Grade 12 learners who failed the Senior Certificate exams in 2007, and anticipated implementation of the OSD for educators. The HIV and AIDS conditional grant is also under-spent in 2007/08, mainly due to delays in the awarding of tenders for training materials.

Goods and services decreased in the 2007/08 Adjusted Budget and Estimated Actual, as the department moved funding to address the impending pressure in respect of personnel costs, which is reflected against *Compensation of employees*. Further, as part of the cost cutting measures in order to contain expenditure for 2007/08, the department took a decision to scale down on the programme expenditure.

Payments for capital assets increased in the 2007/08 Main Budget, mainly due to the planned provision of accommodation and teaching aids. However, a moratorium was placed on the acquisition of office accommodation and the funds were not spent, thus having a decreasing effect on the 2007/08 Adjusted Budget and Estimated Actual against *Buildings and other fixed structures*. This funding was moved to *Goods and services* to address a shortfall in maintenance funding. The provision for *Machinery and equipment* was drastically increased in 2006/07 and in the 2007/08 Main Budget, in anticipation of huge expenditure as a result of restructuring. However, due to cost cutting measures and the delay in the acquisition of the office accommodation, funds were not spent as planned. In line with this projected under-expenditure, the budget for 2008/09 was adjusted accordingly.

Service delivery measures – Programme 1: Administration

Table 5.13 below illustrates the main service delivery measures relevant to Programme 1: Administration. The department has, as far as possible, complied with the service delivery measures as prescribed by the Education Sector.

Table 5.13: Service delivery measures – Programme 1: Administration

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
1.1 To bring about effective management at all levels of the system	• Number of schools implementing the School Administration and Management Systems	694	1 560
	• Number of schools that can be contacted electronically by the department	2 428	2 488
1.2 To realise optimal distribution of financial, physical and human resources across the system	• Number of black women in senior management positions	44	50
	• Percentage of current expenditure going towards non-personnel expenditure	21%	21%
1.3 Maximise education outcomes its access and quality	• Number of children of compulsory school going age that attend schools	1 696 172	1 800 000
	• Number of youths above compulsory school going age attending schools and other educational institutions	1 080 604	1 080 604
	• Public expenditure on the poorest learners compared to public expenditure on the least poor learners	1:50	1:53
	• Years input per FETC graduate	15	14
1.4 Ensure education output is in line with economic and social needs	• Average highest school grade attained by adults in population	8	8
1.5 To build a society that is literate	• Adult literacy rate	62.5	62.5

6.2 Programme 2: Public Ordinary School Education

This programme houses the core function of the department, and its aim is the provision of public ordinary schools from Grades 1 to 12, in accordance with the South African Schools Act. This programme has seven sub-programmes, which have the following objectives:

- To provide specific public primary ordinary schools with resources for the Grade 1 to 7 levels;
- To provide specific public secondary ordinary schools with resources for the Grade 8 to 12 levels;
- To provide departmental services for the professional and other development of educators and non-educators in public ordinary schools;
- Human resource development for educators and non-educators;
- To provide additional and departmentally managed sporting and cultural activities in public ordinary schools; and
- To provide for the National School Nutrition Programme, funded by a conditional grant.

Tables 5.14 and 5.15 reflect payments and budgeted estimates for the period 2004/05 to 2010/11.

This programme includes the budget for educators, their salaries, and development needs. The largest portion of the budget under this programme is allocated to the sub-programme: Public Primary Schools, in proportion to the number of institutions and learners attending these schools.

Table 5.14: Summary of payments and estimates - Programme 2: Public Ordinary School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Public Primary Schools	7 157 821	7 975 400	8 433 641	9 389 593	9 416 504	9 454 029	10 769 738	11 449 609	12 458 610
Public Secondary Schools	4 005 015	4 693 537	5 337 480	6 192 436	6 212 285	6 353 768	6 785 326	8 480 786	9 232 314
Professional Services	78 553	82 342	91 320	79 331	82 171	164 104	86 260	93 142	100 241
Human Resource Development	-	11 264	7 956	126 780	128 201	69 817	133 279	140 111	168 250
Financial Management and Quality Enhancement	71 144	33 190	-	-	-	3	-	-	-
In-school Sport and Culture	29 895	35 624	27 687	30 450	31 870	17 680	33 110	35 752	38 477
National School Nutrition Programme	160 332	198 976	254 403	260 006	306 277	284 929	376 435	432 381	559 247
Total	11 502 760	13 030 333	14 152 487	16 078 596	16 177 308	16 344 330	18 184 148	20 631 781	22 557 139

Table 5.15: Summary of payments and estimates by economic classification - Programme 2: Public Ordinary School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	10 544 616	11 801 255	12 792 439	14 466 205	14 467 917	14 644 117	16 380 884	18 671 308	20 249 613
Compensation of employees	9 917 932	10 695 089	11 732 182	13 381 850	13 527 291	13 758 419	15 034 069	17 018 560	18 371 142
Goods and services	626 684	1 106 166	1 060 257	1 084 355	940 626	885 698	1 346 815	1 652 748	1 878 471
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	493 784	513 073	658 625	744 598	864 598	865 927	815 663	861 844	917 466
Local government	27 752	30 954	7 700	-	-	-	-	-	-
Non-profit institutions	433 228	436 581	596 101	719 598	839 598	838 448	785 663	829 594	883 135
Households	20 840	34 654	41 640	25 000	25 000	27 491	30 000	32 250	34 331
Other	11 964	10 884	13 184	-	-	(12)	-	-	-
Payments for capital assets	464 360	716 005	701 423	867 793	844 793	834 286	987 601	1 098 629	1 390 060
Buildings and other fixed structures	440 498	677 835	683 626	823 412	800 412	800 412	948 256	1 000 633	1 243 638
Machinery and equipment	23 862	38 135	17 792	44 381	44 381	33 852	39 345	97 996	146 422
Other	-	35	5	-	-	22	-	-	-
Total	11 502 760	13 030 333	14 152 487	16 078 596	16 177 308	16 344 330	18 184 148	20 631 781	22 557 139

The significant increase in Public Primary and Public Secondary Schools from 2005/06 onwards can mainly be attributed to additional funding received for the reduction of the learner: educator ratio, provision for substitute teachers and 1 per cent pay progression for educators.

In 2006/07, additional funding was received in respect of the National Curriculum Statement and No Fee Schools (10 per cent of the poorest learners in 2006/07 and 40 per cent thereafter).

The 2007/08 Main Budget against the Public Primary Schools and Public Secondary Schools sub-programmes increased substantially, largely due to additional funding for the net financial implications of the demarcation (net of Umzimkhulu and Matatiele) and national priorities relating to QIDS-UP and Personnel. Furthermore, additional amounts were allocated from 2007/08 for the Infrastructure Grant to Provinces. The department also received allocations in respect of the national priorities of Teacher Development and Systemic Evaluation. The 2007/08 Main Budget was adjusted upwards during the Adjustments Estimate, to cater for the 1.5 per cent deficit in respect of the wage settlement increase and the projected shortfall for the first quarter of the 2008 academic year for the OSD. This increase is reflected against *Compensation of employees*. The increase was partly off-set by the virement to Programme 1 to address discrepancies in the salary payment and pay-point system, which resulted in some officials being paid from the incorrect programme.

The projected over-expenditure for 2007/08 against the Public Primary and Secondary Schools and Professional Services sub-programmes, as well as *Compensation of employees*, is mainly attributable to the shortfall in the funding for the OSD, of which the full cost implication for the first quarter is assumed to be implemented retrospectively from 1 January 2008, at the proposed notches which are currently being negotiated, as well as the cost of the strike action. At the time of the printing of the Budget Statements, the department had not yet finalised the recovery of salaries in line with the 'No work, no pay' policy, which stipulates that striking employees would not get remunerated for days not worked. To date, the department has recovered R94 million, and it is anticipated that another R200 million will be collected, which will reduce the projected over-expenditure substantially.

Furthermore, the 2007 academic year was the last year in which the old Senior Certificate was written in Public Secondary Schools. Due to the changes in the curriculum, learners who failed to obtain their Senior Certificate at the end of the year cannot be accommodated in the 2008 Grade 12 classes, due to a difference in subject offerings and the fact that the available infrastructure is inadequate to accommodate these learners. These learners have until 2011 to obtain their Senior Certificates, and it is therefore incumbent on the department to offer support to these learners until they write their examination in May/June 2008. This support comes in the form of hiring venues for both tuition and examinations, making LTSM available and payments to educators for extra hours that they will be working.

Further increases in *Compensation of employees* over the 2008/09 MTEF can be attributed to the increase in the number of staff and improvements in conditions of service, filling of vacant posts, as well as the impact of various related policy changes within the education sector.

The increase in the NSNP conditional grant in 2006/07 includes a roll-over in respect of committed expenditure carried forward from 2005/06. Similarly, in the 2007/08 Adjusted Budget, unspent committed funds were rolled over from 2006/07. Once again, the department projects to under-spend against this grant, largely as a result of the expectation that invoices for February and March will not be processed by the end of the financial year, as has been the trend over the last few years. The NSNP grant is allocated further funds over the 2008/09 MTEF to consolidate the programme in the primary school phase by covering all eligible learners (Quintiles 1 and 2) up to Grade 7, improving the quality of meals and providing meals on more school days.

Included in the *Goods and services* items are the LTSM and basic allocation for Section 20 schools, as well as school maintenance, as reflected in the *Annexure – Vote 5: Education*. The high expenditure in 2005/06 against *Goods and services* is mainly attributable to the carry-over of expenditure related to unpaid invoices from 2004/05. The department did not appoint a managing agent in 2007/08, and it was subsequently decided to transfer stationery allocations to Section 20 schools with the necessary capacity, instead of procuring stationery on their behalf. This necessitated a movement of funds from *Goods and services* to *Transfers and subsidies to: Non-profit institutions* in the 2007/08 Adjusted Budget. This is partly off-set by the roll-over from 2006/07 in respect of the NSNP. From 2008/09, the stationery budget for Section 20 Schools is once again reflected against *Goods and services*. The budget increases steadily over the MTEF to allow for inflationary increases.

Section 21 schools are paid under *Transfers and subsidies to: Non-profit institutions*, and a marked increase is noted in 2006/07, mainly as a result of the increase in the number of Section 21 schools that qualify for funds in line with the National Norms and Standards policy. The norms and standards provision caters for transfers to Section 21 schools, whereas the Section 20 schools receive only 10 per cent as *Transfer payments* in the form of petty cash. Details of the norms and standards allocations are reflected in *Annexure – Vote 5: Education*.

The capital infrastructure allocation relating to primary and secondary schools is included under *Buildings and other fixed structures*. The department experienced some serious delays and problems in infrastructure delivery during 2004/05. However, measures and processes such as the 'Fast-track' project were put in place to address these shortcomings, resulting in increased expenditure from 2005/06 onwards. The 2007/08 Adjusted Budget was reduced slightly in order to correctly allocate the capital budget for Further Education and Training facilities to Programme 5. The budget against this item grows considerably over the 2008/09 MTEF, mainly as a result of the additional funding towards Boarding Schools, as well as the significant injection in respect of the Infrastructure Grant to Provinces.

The large increase in the *Machinery and equipment* from 2007/08 includes an additional allocation in respect of QIDS-UP for the provision of media centres, computers and science laboratories. The department, however, projects to under-spend against this item in 2007/08, largely as a result of cost-cutting measures implemented to realise savings to be used in other areas of spending pressure. The significant increases in 2009/10 and 2010/11 are mainly due to additional funding provided for Boarding Schools and QIDS-UP.

Service delivery measures – Programme 2: Public Ordinary School Education

Table 5.16 below illustrates the main service delivery measures relevant to Programme 2. The department has, as far as possible, complied with the service delivery measures as prescribed by the Education Sector.

Table 5.16: Service delivery measures – Programme 2 : Public Ordinary School Education

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
1. Public Ordinary Schools			
1.1 To provide access in the public ordinary schooling system in accordance with policy	<ul style="list-style-type: none"> Number of learner days covered by the nutrition programme Number of learners benefiting from scholar transport 	237 720 798 1 480	238 794 798 5 000

Table 5.16: Service delivery measures – Programme 2 : Public Ordinary School Education

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
1.2 To put the basic infrastructure for public ordinary schooling in place in accordance with policy	<ul style="list-style-type: none"> Number of public ordinary schools with a water supply Number of public ordinary schools with adequate number of toilets Number of public ordinary schools with electricity 	4 970 3 792 4 260	5 200 4 200 4 610
1.3 To increase access to learning	<ul style="list-style-type: none"> Number of learners in public ordinary schools with special needs Expenditure on maintenance as a percentage of the value of school infrastructure (estimated R18 billion) Number of schools with more than 40 learners per class Number of non-section 21 schools with all LSMs and other required materials delivered on day one of the school year Number of schools with Section 21 status Number of working days lost due to educator absenteeism in public ordinary schools 	14 630 R120 million 2 280 3 129 3 912 7	34 621 R135 million 1 800 2 950 3 912 8
2. Public Primary Schools			
2.1 To increase access to quality learning	<ul style="list-style-type: none"> Repetition rate in Grades 1 to 7 Number of learners in Grade 3 attaining acceptable outcomes in mathematics, literacy and natural science Number of learners in Grade 6 attaining acceptable outcomes mathematics, literacy and natural science 	2.1% 201 000 168 200	2% 210 327 176 660
3. Public Secondary Schools			
3.1 To increase access to quality learning	<ul style="list-style-type: none"> Number of girl learners who take mathematics and science in Grades 10 to 12 Repetition rate in Grades 8 to 12 Pass ratio in Grade 12 examinations Pass ratio in Grade 12 for mathematics and science Number of learners in Grade 9 attaining acceptable educational outcomes 	327 462 15 6.7:10 5.3:10 177 812	343 835 14 6.8:10 5.6:10 193 237

6.3 Programme 3: Independent School Subsidies

The purpose of this programme is to support independent schools, in accordance with the South African Schools Act. One of the main aims of this programme is to ensure timeous and orderly registration of independent schools in terms of the South African Schools Act, as well as other legislative frameworks. These schools are evaluated and monitored by the department, and their capacity is developed to ensure the effective functioning of these schools and their governing bodies.

Independent schools provide education and training to learners in the same way as public schools do, but are not governed by the same legislation as public schools. For quality purposes, independent schools are registered with the Association for Independent Schools, and have an Independent Examination Board.

Tables 5.17 and 5.18 below reflect information relating to this programme. The sub-programmes are split by education phase category, as reflected in the table below. The allocation over the period is based on the number of enrolments at independent schools.

Due to financial constraints, the growth in the programme from 2005/06 to 2008/09 is below inflation. However, from 2009/10 nominal growth picks up to around 7 per cent per annum.

Table 5.17: Summary of payments and estimates - Programme 3: Independent School Subsidies

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Primary Phase	22 889	27 853	27 921	29 708	29 708	29 881	31 787	34 075	36 460
Secondary Phase	10 676	17 761	19 875	18 994	18 994	19 924	20 323	21 786	23 311
Total	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771

Table 5.18: Summary of payments and estimates by economic classification - Programme 3: Independent School Subsidies

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
Local government	-	-	-	-	-	-	-	-	-
Non-profit institutions	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
Households	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771

Service delivery measures – Programme 3: Independent School Subsidies

Table 5.19 below illustrates the main service delivery measure relevant to Programme 3.

Table 5.19: Service delivery measures – Programme 3 : Independent School Subsidies

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
To ensure that quality education occurs in independent schools	<ul style="list-style-type: none"> Number of funded independent schools visited for monitoring purposes 	103	106

6.4 Programme 4: Public Special School Education

The purpose of this programme is to provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on Inclusive education. The sub-programmes are aimed at providing:

- Specific public special schools with resources;
- Educators and learners in public special schools with departmentally managed support services;
- Departmental services for the professional and other development of educators and non-educators in public special schools; and
- Additional and departmentally managed sporting and cultural activities in public special schools.

To date, the department has 65 registered special schools, but more than 60 per cent of these are in urban areas. Furthermore, special schools are not inclusive and only admit learners according to the disability category that the school is registered for, thus excluding a number of learners who do not meet the requirement of the admission policies.

Tables 5.20 and 5.21 below reflect payments and budgeted estimates for the period under review.

Table 5.20: Summary of payments and estimates - Programme 4: Public Special School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Special Schools	252 848	274 242	300 706	356 924	381 042	383 403	466 675	520 679	717 240
Human Resource Development	215	155	-	2 372	2 372	1 734	2 491	2 974	3 182
Total	253 063	274 397	300 706	359 296	383 414	385 137	469 166	523 653	720 422

Table 5.21: Summary of payments and estimates by economic classification - Programme 4: Public Special School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	208 461	229 940	255 691	282 969	287 087	291 372	322 250	355 284	426 314
Compensation of employees	208 246	229 785	255 372	280 597	284 715	290 924	319 759	341 461	369 665
Goods and services	215	155	319	2 372	2 372	448	2 491	13 823	56 649
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	44 592	44 336	44 987	51 558	51 558	51 613	60 451	64 985	69 534
Local government	590	665	175	-	-	-	-	-	-
Non-profit institutions	42 938	42 646	43 488	50 547	50 547	51 014	59 389	63 843	68 312
Households	1 064	1 025	1 324	1 011	1 011	599	1 062	1 142	1 222
Other	-	-	-	-	-	-	-	-	-
Payments for capital assets	10	121	28	24 769	44 769	42 152	86 465	103 384	224 574
Buildings and other fixed structures	-	121	-	24 769	24 769	22 152	55 265	70 912	190 754
Machinery and equipment	10	-	28	-	20 000	20 000	31 200	32 472	33 820
Other	-	-	-	-	-	-	-	-	-
Total	253 063	274 397	300 706	359 296	383 414	385 137	469 166	523 653	720 422

The increase in the allocation against the Special Schools sub-programme over the period under review is indicative of the level of importance given to this function. An additional allocation was made in the 2007/08 Adjustments Estimate towards the purchase of specialised vehicles for learners with special needs, as well as the shortfall in respect of the Wage Settlement and OSD. A further additional allocation was made from 2008/09 onwards to expand inclusive education.

The department is in the process of converting special schools to be inclusive centres of learning, thereby increasing access to special schools, particularly to out-of-school youth with disabilities who require high levels of support. There are 12 special schools that have been identified for the first phase of the conversion programme over the MTEF. This is also reflected against *Buildings and other fixed structures* from 2007/08 onwards.

The increase against *Compensation of employees* in the 2007/08 Adjusted Budget is attributable to the additional funding received towards the wage agreement and OSD shortfall. The increase over the 2008/09 MTEF is related to the expansion of the programme.

An allocation is introduced against *Machinery and equipment* in the 2007/08 Adjusted Budget and Estimated Actual, as well as over the MTEF, largely due to the acquisition of specialised vehicles for transportation of learners with disabilities. This category increases further over the MTEF, to cater for the machinery and equipment requirements in line with the expansion of inclusive education facilities.

Service delivery measures – Programme 4: Public Special School Education

Table 5.22 below illustrates the main service delivery measures relevant to Programme 4.

Table 5.22: Service delivery measures – Programme 4 : Public Special School Education

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
To ensure that quality education occurs in special schools	• Number of children with special needs aged 6 to 15 not enrolled in educational institutions	n/a	108 000

6.5 Programme 5: Further Education and Training (FET)

The aim of this programme is to provide Further Education and Training (FET) at public FET colleges, in accordance with the Further Education and Training Act No. 6 of 2006. The objectives are:

- To provide specific public FET colleges with resources;
- To provide specific public youth colleges with resources;

- To provide educators and students in public FET colleges with departmentally managed support services;
- To provide departmental services for the professional development of educators and non-educators in public FET colleges;
- To provide additional and departmentally managed sporting and cultural activities in public FET colleges; and
- To provide for FET Recapitalisation as funded by the conditional grant.

Tables 5.23 and 5.24 reflect information related to this programme for the period under review. The budget of this programme has increased over the years, and is expected to increase further to meet the challenges resulting from the transformation of the FET sector.

Table 5.23: Summary of payments and estimates - Programme 5: Further Education and Training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Public Institutions	222 650	317 637	283 341	283 669	310 112	378 890	535 757	538 212	557 215
Human Resource Development	10	-	-	2 153	2 153	194	2 355	2 503	2 678
Cond. Grant - FET College Sector Recapitalisation	-	-	90 000	115 453	115 453	115 453	162 974	-	-
Total	222 660	317 637	373 341	401 275	427 718	494 537	701 086	540 715	559 893

Table 5.24: Summary of payments and estimates by economic classification - Programme 5: Further Education and Training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	163 175	177 004	203 858	217 011	220 454	222 253	242 071	283 648	308 231
Compensation of employees	158 406	166 069	198 045	217 011	220 454	220 135	242 071	258 648	280 770
Goods and services	4 769	10 935	5 813	-	-	2 118	-	25 000	27 461
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	59 406	140 633	169 483	184 264	184 264	249 284	434 520	109 316	90 662
Local government	450	483	134	-	-	-	-	-	-
Non-profit institutions	58 727	139 801	168 945	183 582	183 582	248 764	433 804	108 546	90 662
Households	229	349	404	682	682	520	716	770	-
Other	-	-	-	-	-	-	-	-	-
Payments for capital assets	79	-	-	-	23 000	23 000	24 495	147 751	161 000
Buildings and other fixed structures	-	-	-	-	23 000	23 000	24 495	100 000	100 000
Machinery and equipment	79	-	-	-	-	-	-	47 751	61 000
Other	-	-	-	-	-	-	-	-	-
Total	222 660	317 637	373 341	401 275	427 718	494 537	701 086	540 715	559 893

The department received an additional allocation in the 2007/08 Adjustments Estimate in respect of *Compensation of employees* for the full implementation of the wage agreement. In addition, the department moved funds from Programme 2, *Buildings and other fixed structures*, to Programme 5, to correct the mis-allocation of the infrastructure budget for FET colleges.

The department projects significant over-expenditure against this programme in 2007/08, which is attributed to the implementation of the FET Act. This Act has necessitated the Further Education and Training colleges to introduce new programmes (New Certificate Vocational), while still continuing their responsibilities to the currently enrolled learners, until such time that these students complete their courses in terms of the NATED curriculum. In order to offer quality education and skills required, additional properly qualified lecturers had to be appointed. While the new programmes get the first charge to the available budget, the NATED programmes continue to be an existing commitment for the department until the end of 2008/09.

However, an additional once-off allocation is made to the department in 2008/09 towards the implementation of the FET Act. The programme is further strengthened in 2008/09 and 2009/10 by an additional allocation for the 2010 Training programmes. These allocations are reflected against *Transfers and subsidies to: Non-profit institutions*, with a sharp increase in 2008/09 and subsequent decline from 2009/10, as the allocation is split across various economic classification categories. This also accounts for the sharp increases against *Buildings and fixed structures* in 2009/10 and 2010/11.

The FET College Sector Recapitalisation grant is phased into the equitable share from 2009/10. Although the department's ultimate aim is to transfer the funds to the FET Colleges and for them to be fully accountable, *Transfers* are initially lower than in 2008/09, as the allocation is further split and allocated to the relevant expenditure items, in order for the department to manage expenditure more effectively.

Service delivery measures – Programme 5: Further Education and Training

Table 5.25 below illustrates the main service delivery measures relevant to Programme 5. The 2008/09 Estimate under item 1.2 is expressed in terms of the NC(V) curriculum, while the 2007/08 Estimated Actual refers to the old FET curriculum, and this accounts for the decrease.

Table 5.25: Service delivery measures – Programme 5 : Further Education and Training

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
1.1 To ensure that quality education occurs in FET institutions	• Number of FET students relative to youth in the province	113 850	150 000
	• FET college throughput rate	74%	89%
1.2 To increase access to and relevance of FET learning opportunities	• Number of female students who are in technical fields	40 000	32 400
	• Number of learners placed in learnerships through FET colleges	2 625	6 000

6.6 Programme 6: Adult Basic Education and Training

The objective of this programme is to provide Adult Basic Education and Training (ABET) in accordance with the Adult Basic Education and Training Act. It therefore has the responsibility of implementing the national government initiative to afford adults the chance to improve their level of literacy and numeracy. To this end, this programme seeks to eliminate adult illiteracy, improve average levels of education attainment, and provide the skills necessary for adults to contribute to the growth of the economy.

Tables 5.26 and 5.27 below reflect payments and budgeted estimates relating to this programme for the seven-year period 2004/05 to 2010/11.

Table 5.26: Summary of payments and estimates - Programme 6: Adult Basic Education and Training

Table 5.26: Summary of payments and estimates – Programme 6: Adult Basic Education and Training										
R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates			
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10	2010/11
Public Centres	49 734	85 761	72 641	106 968	108 002	108 448	116 004	125 388	135 963	
Total	49 734	85 761	72 641	106 968	108 002	108 448	116 004	125 388	135 963	

Table 5.27: Summary of payments and estimates by economic classification - Programme 6: Adult Basic Education and Training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited				2007/08	2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07							
Current payments	49 458	85 417	72 357	105 746	106 780	107 572	114 696	123 982	134 455	
Compensation of employees	44 928	78 829	66 616	97 394	98 428	100 759	105 764	113 173	122 893	
Goods and services	4 530	6 588	5 741	8 352	8 352	6 813	8 932	10 809	11 562	
Other	-	-	-	-	-	-	-	-	-	
Transfers and subsidies to:	100	172	37	12	12	7	14	15	20	
Local government	95	152	37	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	5	20	-	12	12	7	14	15	20	
Other	-	-	-	-	-	-	-	-	-	
Payments for capital assets	176	172	247	1 210	1 210	869	1 294	1 391	1 488	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	176	172	247	1 210	1 210	869	1 294	1 391	1 488	
Other	-	-	-	-	-	-	-	-	-	
Total	49 734	85 761	72 641	106 968	108 002	108 448	116 004	125 388	135 963	

The payments and estimates show a consistent increase over the seven-year period under review. The current level of expenditure is consistent with the national policy on Adult Basic Education and Training, and is expected to grow even further with the implementation of the proposed ABET Norms and Standards Model. As part of the broader transformation process in the education system, the ABET delivery sub-system is progressively being put in place.

The dip in 2006/07 is as a result of the department deliberately cancelling training programmes over the Christmas holiday period and introducing cost cutting measures, following a comprehensive audit. Savings were used in other areas of spending pressure.

The budget, which is channelled to public centres, reflects a modest increase of 5 per cent in the 2008/09 financial year, after which it picks up slightly to around 7 per cent.

Service delivery measures – Programme 6: Adult Basic Education and Training

Table 5.28 below illustrates the main service delivery measures relevant to Programme 6.

Table 5.28 : Service delivery measures – Programme 6 : Adult Basic Education and Training

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
To ensure that all adults without basic education have access to ABET centres	• Number of ABET learners relative to adults in the province	53 970	57 000

6.7 Programme 7: Early Childhood Development

The objective of this programme is to provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White Paper 5 on ECD. The main services are:

- To provide specific public ordinary schools with resources required for Grade R;
- To support particular community centres at the Grade R level;
- To provide particular sites with resources required for pre-Grade R;
- To provide educators and learners in ECD sites with departmentally managed support services; and
- To provide departmental services for the professional and other development of educators and non-educators in ECD sites.

Tables 5.29 and 5.30 reflect expenditure and budgeted estimates for the period 2004/05 to 2010/11.

Table 5.29: Summary of payments and estimates - Programme 7: Early Childhood Development

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10
	Grade R in Community Centres	25 463	13 544	14 626	65 271	65 271	89 044	69 840	74 247
Grade R in Public Schools	47 921	46 992	83 097	101 163	103 078	78 206	115 386	227 976	469 452
Pre-grade R	-	-	-	-	-	-	21 662	32 547	97 802
Human Resource Development	6 313	1 224	-	1 263	1 263	486	1 346	1 432	1 532
Total	79 697	61 760	97 723	167 697	169 612	167 736	208 234	336 202	608 363

Table 5.30: Summary of payments and estimates by economic classification - Programme 7: Early Childhood Development

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	79 241	61 396	97 106	162 518	164 433	163 965	190 526	238 787	352 828
Compensation of employees	67 584	61 016	88 685	126 728	128 643	125 549	137 734	147 293	159 716
Goods and services	11 657	380	8 421	35 790	35 790	38 416	52 792	91 494	193 112
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	219	364	312	4 955	4 955	3 659	7 468	18 719	26 619
Local government	121	176	63	-	-	-	-	-	-
Non-profit institutions	76	3	-	4 955	4 955	3 604	7 468	18 719	26 619
Households	22	185	249	-	-	55	-	-	-
Other	-	-	-	-	-	-	-	-	-
Payments for capital assets	237	-	305	224	224	112	10 240	78 696	228 916
Buildings and other fixed structures	180	-	-	-	-	-	10 000	78 438	228 640
Machinery and equipment	57	-	305	224	224	112	240	258	276
Other	-	-	-	-	-	-	-	-	-
Total	79 697	61 760	97 723	167 697	169 612	167 736	208 234	336 202	608 363

The 2006/07 financial year saw a significant increase in the allocation to Grade R in Public Schools. This is reflective of the department's ratio of expenditure on Grade R between public schools and community centres at that point in time. However, in the 2007/08 Main Budget, both the Community Centres as well as Public Schools sub-programmes increase markedly, in line with the national priority aimed at strengthening pre-Grade 1 education and promoting access for the majority of citizens thereto.

The slight increase in the 2007/08 Adjusted Budget is to cover for under-provisioning in respect of the wage agreement, and this is also reflected against *Compensation of employees*.

The programme increases significantly in the 2008/09 MTEF, with the sub-programme: Grade R in Public Schools reflecting substantial growth, largely due to the additional funding received in 2008/09. Grade R in Community Centres shows a decreasing rate of growth from 2008/09 and decline in 2010/11, in line with the national sector strategy to formalise pre-school learning to a greater extent.

It is envisaged that, with the provision made against *Buildings and other fixed structures*, public schools will have the necessary additional infrastructure facilities to accommodate Grade R and pre-Grade R learners by 2010, thereby reducing the need for ECD programmes in community centres. Although the department had specific activities and set targets for naught to four year olds, the 2008/09 year is the first where a specific allocation is made in this regard. The additional allocations for Expansion of Grade R and Early Childhood Development (0-4) have been allocated across the various items, the balance (after *Payments for capital assets*) which is allocated to *Goods and services* and *Transfers and subsidies to: Non-profit institutions*.

Service delivery measures – Programme 7: Early Childhood Development

Table 5.31 below illustrates the main service delivery measures relevant to Programme 7.

Table 5.31: Service delivery measures – Programme 7: Early Childhood Development

Output type	Performance measures	Performance targets	
		2007/08 Est. Actual	2008/09 Estimate
To provide for publicly funded Grade R in accordance with policy	• Number of learners in publicly funded Grade R	248 410	310 512

6.8 Programme 8: Auxiliary and Associated Services

The purpose of Programme 8 is to provide examination support services to learners in the relevant grades, and ensure quality in the provision of education, through quality assurance. The objectives are as follows:

- To provide the education institutions as a whole with training and support;

- To provide employee Human Resource Development in accordance with the Skills Development Act;
- To provide for projects specified by the Department of Education that are applicable to more than one programme and funded with conditional grants;
- To provide for special departmentally managed intervention projects in the education system as a whole; and
- To provide for departmentally managed examination services.

Tables 5.32 and 5.33 reflect payments and estimates relating to the budget for Examination Services, Payments to SETA and Special Projects - *Masifundisane*.

Table 5.32: Summary of payments and estimates - Programme 8: Auxiliary and Associated Services

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Examination Services	162 232	347 142	195 490	215 237	266 587	262 485	277 887	268 160	339 714
Payments to SETA	-	-	-	14 768	14 768	14 768	15 901	17 259	22 975
Special Projects - Masifundisane	-	-	4 913	100 000	100 000	92 233	165 000	177 375	50 000
Total	162 232	347 142	200 403	330 005	381 355	369 486	458 788	462 794	412 689

Table 5.33: Summary of payments and estimates by economic classification - Programme 8: Auxiliary and Associated Services

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	160 341	334 643	198 728	315 618	366 968	366 968	443 393	446 245	390 341
Compensation of employees	80 206	206 881	99 523	127 213	128 563	128 563	145 965	188 355	198 481
Goods and services	80 135	127 762	99 205	188 405	238 405	238 405	297 428	257 890	191 860
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	645	1 370	316	-	-	(2)	-	-	300
Local government	262	457	20	-	-	-	-	-	-
Non-profit institutions	244	2	-	-	-	-	-	-	-
Households	139	911	296	-	-	-	-	-	300
Other	-	-	-	-	-	(2)	-	-	-
Payments for capital assets	1 246	11 129	1 359	14 387	14 387	2 520	15 395	16 549	22 048
Buildings and other fixed structures	-	8 321	-	-	-	-	-	-	-
Machinery and equipment	1 246	2 808	1 359	14 387	14 387	2 520	15 395	16 549	22 048
Other	-	-	-	-	-	-	-	-	-
Total	162 232	347 142	200 403	330 005	381 355	369 486	458 788	462 794	412 689

The 2005/06 Audited amount includes personnel and associated costs which had not been distributed across programmes during the budgetary restructuring exercise.

The decrease in 2006/07 can mainly be attributed to a lack of capacity under this programme, and concomitant delays in the *Masifundisane* project. The *Masifundisane* sub-programme budget increases substantially in the 2007/08 Main Budget, and is also reflected against *Compensation of employees* and *Goods and services*. The project is expected to be completed at the end of 2010, and there is thus an associated budget decrease in the outer year.

The allocation for the Examination Services sub-programme in the 2007/08 Main Budget was informed by the previous year's expenditure. However, the budget had to be increased in the 2007/08 Adjustments Estimate, to cater for the increased number of exams due to the expansion in the range of courses offered to learners, as well as the shortfall in the wage agreement.

The department projects slight under-expenditure against *Machinery and equipment* in the 2007/08 Estimated Actual, largely due to enforced savings in order to address other areas of spending pressure.

The allocation in respect of the Examination Services sub-programme decreases in 2009/10, as a result of the expectation that a smaller number of exams will be written, due to the phasing out of curricula for both the FET NATED programmes and the Senior Certificate. The department acknowledges that it may have to review this allocation in the 2009/10 budget process. The increase in the outer year is in line with

the anticipated increase in the uptake of NC(V) courses. These fluctuations are mainly reflected against *Goods and services* and, to a lesser extent, *Compensation of employees*.

7. Other programme information

7.1 Personnel numbers and costs

Table 5.34 below reflects personnel information per programme for Education, while Table 5.35 provides a further analysis of personnel information indicating the Finance and Human Resource components, as well as the various category of employee.

The personnel budget increases notably over the MTEF period, in line with the additional allocation in respect thereof. The unit cost per educator increases significantly, particularly from 2008/09, which is supportive of the sector priority aimed at improving the remuneration levels of teachers. However, the exact outcome of the 2008/09 wage negotiations has not yet been determined.

Table 5.34: Personnel numbers and costs per programme

Personnel numbers	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011
1. Administration	2 791	2 847	3 095	3 326	3 363	3 416	3 450
2. Public Ordinary School Education	78 459	80 028	84 961	89 697	90 277	91 257	93 082
3. Independent School Subsidies							
4. Public Special School Education	1 778	1 814	2 085	2 171	2 185	2 208	2 230
5. Further Education & Training	1 273	1 298	1 547	1 607	1 617	1 634	1 650
6. Adult Basic Education & Training	1 000	1 020	1 079	1 145	1 152	1 164	1 176
7. Early Childhood Development	1 280	1 306	1 245	1 715	1 739	1 338	1 351
8. Auxiliary & Associated Services	773	788	844	869	874	883	892
Total	87 354	89 101	94 856	100 530	101 207	101 900	103 831
Total personnel cost (R000)	10 862 890	11 879 394	12 951 146	15 272 459	16 572 749	18 699 302	20 182 101
Unit cost (R000)	124	133	137	152	164	184	194

Table 5.35: Details of departmental personnel numbers and costs

	Audited 2004/05	Audited 2005/06	Audited 2006/07	Main Budget	Adjusted Budget 2007/08	Estimated actual	Medium-term estimates		
							2008/09	2009/10	2010/11
Total for department									
Personnel numbers (head count)	87 354	89 101	94 237	100 530	99 892	99 892	101 207	101 900	103 832
Personnel cost (R000)	10 862 890	11 879 394	12 951 146	14 767 800	15 031 608	15 272 459	16 572 749	18 699 302	20 182 101
Human resources component									
Personnel numbers (head count)	600	649	907	1 096	1 096	1 096	1 172	1 208	1 268
Personnel cost (R000)	74 400	86 317	120 631	165 496	165 496	166 520	189 864	208 984	237 633
Head count as % of total for department	0.69	0.73	0.96	1.09	1.10	1.10	1.16	1.19	1.22
Personnel cost as % of total for department	0.68	0.73	0.93	1.12	1.10	1.09	1.15	1.12	1.18
Finance component									
Personnel numbers (head count)	433	448	507	657	657	657	700	718	742
Personnel cost (R000)	53 692	59 584	67 431	99 207	99 207	99 821	113 400	124 214	139 056
Head count as % of total for department	0.50	0.50	0.54	0.65	0.66	0.66	0.69	0.70	0.71
Personnel cost as % of total for department	0.49	0.50	0.52	0.67	0.66	0.65	0.68	0.66	0.69
Full time workers									
Personnel numbers (head count)	87 354	89 101	94 237	100 530	99 892	99 892	101 207	101 900	103 832
Personnel cost (R000)	10 858 677	11 874 971	12 947 113	14 398 377	14 653 223	14 887 918	16 167 921	18 247 408	19 708 308
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Personnel cost as % of total for department	99.96	99.96	99.97	97.50	97.48	97.48	97.56	97.58	97.65
Part-time workers									
Personnel numbers (head count)	435	457	284	504	504	504	544	555	585
Personnel cost (R000)	905	950	590	1 587	1 587	1 706	1 714	1 806	1 901
Head count as % of total for department	0.50	0.51	0.30	0.50	0.50	0.50	0.54	0.54	0.56
Personnel cost as % of total for department	0.01	0.01	0.00	0.01	0.01	0.01	0.01	0.01	0.01
Contract workers									
Personnel numbers (head count)	73	76	76	2 504	2 504	2 504	2 509	2 513	2 518
Personnel cost (R000)	3 308	3 473	3 443	367 836	376 798	382 835	403 114	450 088	471 892
Head count as % of total for department	0.08	0.09	0.08	2.49	2.51	2.51	2.48	2.47	2.43
Personnel cost as % of total for department	0.03	0.03	0.03	2.49	2.51	2.51	2.43	2.41	2.34

The tables above include both educator and non-educator salaries and numbers. The payment of educator salaries continues to be the major cost driver in the department. A total number of 90 119 educator positions, including teaching assistants, are budgeted for in 2008/09, gradually increasing to 95 763 posts in 2010/11. Preliminary surveys indicate that the HIV and AIDS infection rate among educators is high, and therefore provision was made for 2 509 substitute educators in the 2008/09 financial year. This was also necessitated, considering the problems the department experienced in prior years to fund substitute teachers (additional to the establishment) from within its baseline.

Although the personnel budget includes the estimated costs of the OSD, no provision was made for the other personnel interventions as identified by the sector, such as support staff, reducing the class size and teaching assistants. These initiatives have not yet been finalised and will only be communicated to the provincial departments during the course of the 2008/09 financial year.

7.2 Training

Table 5.36 reflects departmental expenditure on training per programme over the seven-year period under review. The substantial increase in the 2007/08 Main Budget can be attributed to the focus on increasing the quality of teaching and the capacitation drive undertaken by the sector to address skills shortages, in particular at educator levels.

Further increases over the MTEF are in line with the planned implementation of the new post establishment structure and skills development and capacity building of educators and non-educators, as reflected mainly against Programmes 1 and 2, with a large portion of the training occurring in the 2007/08 financial year.

Table 5.36: Expenditure on training

R000	Audited 2004/05	Audited 2005/06	Audited 2006/07	Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
					2007/08		2008/09	2009/10	2010/11
1. Administration	12 885	6 647	7 340	61 441	61 441	66 934	43 413	45 688	49 172
2. Public Ordinary School Education	-	11 264	7 956	126 780	126 780	126 780	116 319	122 134	130 138
3. Independent School Subsidies									
4. Public Special School Education	215	155	-	2 372	2 372	2 184	2 491	2 974	3 182
5. Further Education & Training	10	-	-	2 153	2 153	2 153	2 355	2 503	2 678
6. Adult Basic Education & Training	1 252	1 394	-	-	-	-	-	-	-
7. Early Childhood Development	6 313	1 224	-	1 263	1 263	1 263	1 346	1 432	1 532
8. Auxiliary & Associated Services	7 407	3 459	-	-	-	-	-	-	-
Total	28 082	24 143	15 296	194 009	194 009	199 314	165 924	174 731	186 702

ANNEXURE – VOTE 5: EDUCATION

Table 5.A: Details of departmental receipts

Outcome				Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
Audited 2004/05	Audited 2005/06	Audited 2006/07	2007/08				2008/09	2009/10	2010/11
R000									
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Motor vehicle licenses									
Horseracing									
Other taxes									
Non-tax receipts	18 343	20 585	23 268	23 323	23 323	24 034	25 678	28 666	31 533
Sale of goods and services other than capital asset	18 343	20 400	22 913	23 155	23 155	23 735	25 500	28 475	31 323
Sales of goods and services produced by dept.	18 343	20 400	22 913	23 155	23 155	23 735	25 500	28 475	31 323
Sales by market establishments									
Administrative fees	18 343	20 400	22 913	22 255	22 255	23 735	25 500	28 475	31 323
Other sales	-	-	-	900	900	-	-	-	-
Of which									
Loss control									
Debt recovery									
Rent	-	-	-	900	900	-	-	-	-
Other									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Fines, penalties and forfeits									
Interest, dividends and rent on land	-	185	355	168	168	299	178	191	210
Interest	-	185	355	168	168	299	178	191	210
Dividends									
Rent on land									
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Sales of capital assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets									
Other capital assets									
Financial transactions	16 719	35 414	42 842	9 286	9 286	32 458	5 491	4 841	3 892
Total	35 062	55 999	66 110	32 609	32 609	56 492	31 169	33 507	35 425

Table 5.B: Details of payments and estimates by economic classification

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited				2007/08	2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07							
Current payments	11 901 164	13 536 573	14 543 373	16 488 355	16 628 434	16 812 588	18 738 152	21 219 786	23 048 005	
Compensation of employees	10 862 890	11 879 394	12 951 146	14 767 800	15 031 608	15 272 459	16 572 749	18 699 302	20 182 101	
Salaries and wages	8 065 268	9 773 741	10 350 849	12 525 985	12 476 235	12 217 971	13 908 393	15 708 161	16 820 695	
Social contributions	2 797 622	2 105 653	2 600 297	2 241 815	2 555 373	3 054 488	2 664 356	2 991 141	3 361 406	
Goods and services	1 034 504	1 646 589	1 564 307	1 720 555	1 596 826	1 540 121	2 165 403	2 520 484	2 865 904	
of which										
External examinations	-	-	-	47 676	47 676	47 676	53 856	92 848	37 609	
Recurrent expenditure	109 172	140 420	119 417	346 456	309 249	309 249	372 025	398 574	409 096	
LTSM	229 986	697 894	384 381	384 381	333 432	333 432	435 507	470 050	502 748	
EMIS	-	-	26 447	34 859	34 859	34 859	36 602	38 432	40 776	
Interest and rent on land	-	-	357	-	-	-	-	-	-	
Interest	-	-	357	-	-	-	-	-	-	
Rent on land	-	-	-	-	-	-	-	-	-	
Financial transactions in assets and liabilities	3 770	10 590	27 563	-	-	8	-	-	-	
Unauthorised expenditure	-	-	-	-	-	-	-	-	-	
Transfers and subsidies to:	646 962	752 855	927 895	1 054 089	1 174 089	1 235 509	1 391 426	1 133 318	1 188 417	
Local government	31 076	34 643	8 708	-	-	-	-	-	-	
Municipalities	31 076	34 523	8 708	-	-	-	-	-	-	
Municipal agencies and funds	-	120	-	-	-	-	-	-	-	
Departmental agencies and accounts	11 964	10 884	13 349	-	-	101	-	-	-	
Social security funds	11 964	10 884	-	-	-	-	-	-	-	
Entities receiving funds	-	-	13 349	-	-	101	-	-	-	
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	
Public corporations	-	-	-	-	-	-	-	-	-	
Subsidies on production	-	-	-	-	-	-	-	-	-	
Other transfers	-	-	-	-	-	-	-	-	-	
Private enterprises	-	-	-	-	-	-	-	-	-	
Subsidies on production	-	-	-	-	-	-	-	-	-	
Other transfers	-	-	-	-	-	-	-	-	-	
Foreign governments & international organisations	-	-	-	-	-	-	-	-	-	
Non-profit institutions	568 938	664 647	856 335	1 007 384	1 127 384	1 192 162	1 338 434	1 076 563	1 128 499	
Households	34 984	42 681	49 503	46 705	46 705	43 246	52 992	56 755	59 918	
Social benefits	34 923	42 681	49 503	46 705	46 705	43 246	52 992	56 755	59 918	
Other transfers to households	61	-	-	-	-	-	-	-	-	
Payments for capital assets	485 145	740 572	747 458	1 034 377	1 034 377	954 999	1 259 549	1 560 939	2 183 648	
Buildings and other fixed structures	440 999	687 673	696 952	902 055	882 055	879 438	1 134 918	1 313 184	1 831 053	
Buildings	440 999	687 673	696 952	902 055	882 055	879 438	1 134 918	1 313 184	1 831 053	
Other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	44 146	52 864	50 385	132 322	152 322	75 425	124 631	247 755	352 595	
Transport equipment	-	-	-	-	20 000	20 000	21 200	22 472	45 868	
Other machinery and equipment	44 146	52 864	50 385	132 322	132 322	55 425	103 431	225 283	306 727	
Cultivated assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	35	121	-	-	136	-	-	-	
Land and subsoil assets	-	-	-	-	-	-	-	-	-	
Total	13 033 271	15 030 000	16 218 726	18 576 821	18 836 900	19 003 096	21 389 127	23 914 043	26 420 070	

Table 5.C: Details of payments and estimates by economic classification - Programme 1: Administration

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	692 102	836 328	895 631	938 288	1 014 795	1 016 333	1 044 332	1 100 532	1 186 223
Compensation of employees	385 588	441 725	510 723	537 007	643 514	648 110	587 387	631 812	679 434
Salaries and wages	230 799	303 031	408 578	445 716	534 117	518 488	482 955	519 695	552 657
Social contributions	154 789	138 694	102 145	91 291	109 397	129 622	104 432	112 117	126 777
Goods and services	306 514	394 603	384 551	401 281	371 281	368 223	456 945	468 720	506 789
of which									
Training Courses and seminars	33 686	68 274	72 730	88 748	88 748	88 748	94 960	102 160	108 392
Subsistence and transport	51 938	61 540	33 058	39 031	39 031	39 031	41 763	44 895	47 634
Recurrent expenditure	107 223	132 560	42 977	52 036	52 036	52 036	55 679	59 855	63 506
EMIS	-	-	26 447	34 859	34 859	34 859	36 602	38 432	40 776
Other	113 667	132 229	209 696	186 607	156 607	153 549	173 784	223 378	246 481
Interest and rent on land	-	-	357	-	-	-	-	-	-
Interest	-	-	357	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	14 651	7 293	6 339	20 000	20 000	15 216	21 200	22 578	24 045
Local government	1 806	1 756	579	-	-	-	-	-	-
Municipalities	1 806	1 636	579	-	-	-	-	-	-
Municipal agencies and funds	-	120	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	165	-	-	115	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	165	-	-	115	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Foreign governments & international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	160	-	5	-	-	527	-	-	-
Households	12 685	5 537	5 590	20 000	20 000	14 574	21 200	22 578	24 045
Social benefits	12 624	5 537	5 590	20 000	20 000	14 574	21 200	22 578	24 045
Other transfers to households	61	-	-	-	-	-	-	-	-
Payments for capital assets	19 037	13 145	44 096	125 994	105 994	52 060	134 059	114 539	155 562
Buildings and other fixed structures	321	1 396	13 326	53 874	33 874	33 874	96 902	63 201	68 021
Buildings	321	1 396	13 326	53 874	33 874	33 874	96 902	63 201	68 021
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	18 716	11 749	30 654	72 120	72 120	18 072	37 157	51 338	87 541
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	18 716	11 749	30 654	72 120	72 120	18 072	37 157	51 338	87 541
Cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	116	-	-	114	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	725 790	856 766	946 066	1 084 282	1 140 789	1 083 609	1 199 591	1 237 649	1 365 830

Table 5.D: Details of payments and estimates by economic classification - Programme 2: Public Ordinary School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	10 544 616	11 801 255	12 792 439	14 466 205	14 467 917	14 644 117	16 380 884	18 671 308	20 249 613
Compensation of employees	9 917 932	10 695 089	11 732 182	13 381 850	13 527 291	13 758 419	15 034 069	17 018 560	18 371 142
Salaries and wages	7 448 286	8 858 602	9 375 678	11 374 573	11 227 652	11 006 736	12 638 350	14 314 675	15 337 660
Social contributions	2 469 646	1 836 487	2 356 504	2 007 277	2 299 639	2 751 683	2 395 719	2 703 885	3 033 482
Goods and services	626 684	1 106 166	1 060 257	1 084 355	940 626	885 698	1 346 815	1 652 748	1 878 471
of which									
Stationery and textbooks	222 481	689 664	342 381	342 381	296 999	296 999	391 197	423 392	453 711
Maintenance of buildings	52 849	58 635	50 285	60 000	52 047	52 047	42 000	186 000	195 486
Teaching Aids	7 505	8 230	42 000	42 000	36 433	36 433	44 310	46 658	49 037
Recurrent expenditure (including non-LTSM)	-	-	70 399	280 708	243 501	243 501	301 675	323 175	329 147
Other (Including NSNP)	343 849	349 637	607 692	359 266	311 646	256 718	567 633	673 523	851 090
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	493 784	513 073	658 625	744 598	864 598	865 927	815 663	861 844	917 466
Local government	27 752	30 954	7 700	-	-	-	-	-	-
Municipalities	27 752	30 954	7 700	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	11 964	10 884	13 184	-	-	(12)	-	-	-
Social security funds	11 964	10 884	-	-	-	-	-	-	-
Entities receiving funds	-	-	13 184	-	-	(12)	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations	433 228	436 581	596 101	719 598	839 598	838 448	785 663	829 594	883 135
Non-profit institutions	20 840	34 654	41 640	25 000	25 000	27 491	30 000	32 250	34 331
Households	20 840	34 654	41 640	25 000	25 000	27 491	30 000	32 250	34 331
Social benefits									
Other transfers to households									
Payments for capital assets	464 360	716 005	701 423	867 793	844 793	834 286	987 601	1 098 629	1 390 060
Buildings and other fixed structures	440 498	677 835	683 626	823 412	800 412	800 412	948 256	1 000 633	1 243 638
Buildings	440 498	677 835	683 626	823 412	800 412	800 412	948 256	1 000 633	1 243 638
Other fixed structures									
Machinery and equipment	23 862	38 135	17 792	44 381	44 381	33 852	39 345	97 996	146 422
Transport equipment									
Other machinery and equipment	23 862	38 135	17 792	44 381	44 381	33 852	39 345	97 996	146 422
Cultivated assets									
Software and other intangible assets	-	35	5	-	-	22	-	-	-
Land and subsoil assets									
Total	11 502 760	13 030 333	14 152 487	16 078 596	16 177 308	16 344 330	18 184 148	20 631 781	22 557 139

Table 5.E: Details of Norms and Standard Funding included in Programme 2

R000	Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
		2007/08		2008/09	2009/10	2010/11
Current payments	670 433	670 433	670 433	715 766	815 431	918 527
LTSM ¹	384 381	384 381	384 381	435 507	470 050	552 588
Text & stationery	342 381	342 381	342 381	391 197	423 392	503 131
Teaching Aids	42 000	42 000	42 000	44 310	46 658	49 457
Maintenance	60 000	60 000	60 000	42 000	94 495	100 000
Basic allocation	226 052	226 052	226 052	238 259	250 886	265 939
Transfers	719 598	839 598	838 443	785 663	829 594	883 135
Section 21	678 998	678 998	678 998	715 663	753 594	802 575
LTSM ¹	429 675	429 675	429 675	452 877	476 880	509 258
Basic allocation	249 323	249 323	249 323	262 786	276 714	293 317
Section 20 (petty cash)	40 600	160 600	159 445	70 000	76 000	80 560
Capital	14 381	14 381	14 381	15 345	16 496	17 486
Equipment ¹	14 381	14 381	14 381	15 345	16 496	17 486
Total	1 404 412	1 524 412	1 523 257	1 516 774	1 661 521	1 819 148
¹ Total LTSM	828 437	828 437	828 437	903 729	963 426	1 079 332

Table 5.F: Details of payments and estimates by economic classification - Programme 3: Independent School Subsidies

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages									
Social contributions									
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
Local government	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations									
Non-profit institutions	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771
Households	-	-	-	-	-	-	-	-	-
Social benefits									
Other transfers to households									
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment									
Other machinery and equipment									
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	33 565	45 614	47 796	48 702	48 702	49 805	52 110	55 861	59 771

Table 5.G: Details of payments and estimates by economic classification - Programme 4: Public Special School Education

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	208 461	229 940	255 691	282 969	287 087	291 372	322 250	355 284	426 314
Compensation of employees	208 246	229 785	255 372	280 597	284 715	290 924	319 759	341 461	369 665
Salaries and wages	153 546	182 893	204 298	233 529	236 313	232 740	266 215	284 387	305 500
Social contributions	54 700	46 892	51 074	47 068	48 402	58 184	53 544	57 074	64 165
Goods and services	215	155	319	2 372	2 372	448	2 491	13 823	56 649
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	44 592	44 336	44 987	51 558	51 558	51 613	60 451	64 985	69 534
Local government	590	665	175	-	-	-	-	-	-
Municipalities	590	665	175	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations	42 938	42 646	43 488	50 547	50 547	51 014	59 389	63 843	68 312
Non-profit institutions	1 064	1 025	1 324	1 011	1 011	599	1 062	1 142	1 222
Households	1 064	1 025	1 324	1 011	1 011	599	1 062	1 142	1 222
Social benefits									
Other transfers to households									
Payments for capital assets	10	121	28	24 769	44 769	42 152	86 465	103 384	224 574
Buildings and other fixed structures	-	121	-	24 769	24 769	22 152	55 265	70 912	190 754
Buildings	-	121	-	24 769	24 769	22 152	55 265	70 912	190 754
Other fixed structures									
Machinery and equipment	10	-	28	-	20 000	20 000	31 200	32 472	33 820
Transport equipment	-	-	-	-	20 000	20 000	21 200	22 472	23 820
Other machinery and equipment	10	-	28	-	-	-	10 000	10 000	10 000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	253 063	274 397	300 706	359 296	383 414	385 137	469 166	523 653	720 422

Table 5.H: Details of payments and estimates by economic classification - Programme 5: Further Education and Training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2007/08	2008/09	2009/10
Current payments	163 175	177 004	203 858	217 011	220 454	222 253	242 071	283 648	308 231
Compensation of employees	158 406	166 069	198 045	217 011	220 454	220 135	242 071	258 648	280 770
Salaries and wages	119 174	133 600	158 436	180 405	182 977	176 108	199 253	212 992	228 269
Social contributions	39 232	32 469	39 609	36 606	37 477	44 027	42 818	45 656	52 501
Goods and services	4 769	10 935	5 813	-	-	2 118	-	25 000	27 461
of which									
Training courses	10	22	28	-	-	-	-	-	-
S & T	797	1 837	1 918	-	-	-	-	-	-
Other	3 962	9 076	3 867	-	-	2 118	-	25 000	27 461
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	59 406	140 633	169 483	184 264	184 264	249 284	434 520	109 316	90 662
Local government	450	483	134	-	-	-	-	-	-
Municipalities	450	483	134	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations									
Non-profit institutions	58 727	139 801	168 945	183 582	183 582	248 764	433 804	108 546	90 662
Households	229	349	404	682	682	520	716	770	-
Social benefits	229	349	404	682	682	520	716	770	-
Other transfers to households									
Payments for capital assets	79	-	-	-	23 000	23 000	24 495	147 751	161 000
Buildings and other fixed structures	-	-	-	-	23 000	23 000	24 495	100 000	100 000
Buildings	-	-	-	-	23 000	23 000	24 495	100 000	100 000
Other fixed structures									
Machinery and equipment	79	-	-	-	-	-	-	47 751	61 000
Transport equipment									
Other machinery and equipment	79	-	-	-	-	-	-	47 751	61 000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	222 660	317 637	373 341	401 275	427 718	494 537	701 086	540 715	559 893

Table 5.I: Details of payments and estimates by economic classification - Programme 6: Adult Basic Education and Training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	49 458	85 417	72 357	105 746	106 780	107 572	114 696	123 982	134 455
Compensation of employees	44 928	78 829	66 616	97 394	98 428	100 759	105 764	113 173	122 893
Salaries and wages	6 117	71 188	53 293	80 837	81 695	80 608	86 917	93 046	98 591
Social contributions	38 811	7 641	13 323	16 557	16 733	20 151	18 847	20 127	24 302
Goods and services	4 530	6 588	5 741	8 352	8 352	6 813	8 932	10 809	11 562
of which									
Training courses & seminars	1 252	1 682	1 783	6 988	6 988	5 449	7 473	9 257	9 902
Text books	821	720	763	625	625	625	669	720	770
Recurrent Expenditure	608	832	882	739	739	739	790	832	890
Other	1 849	3 354	2 313	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	100	172	37	12	12	7	14	15	20
Local government	95	152	37	-	-	-	-	-	-
Municipalities	95	152	37	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations									
Non-profit institutions									
Households	5	20	-	12	12	7	14	15	20
Social benefits	5	20	-	12	12	7	14	15	20
Other transfers to households									
Payments for capital assets	176	172	247	1 210	1 210	869	1 294	1 391	1 488
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures									
Machinery and equipment	176	172	247	1 210	1 210	869	1 294	1 391	1 488
Transport equipment									
Other machinery and equipment	176	172	247	1 210	1 210	869	1 294	1 391	1 488
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	49 734	85 761	72 641	106 968	108 002	108 448	116 004	125 388	135 963

Table 5.J: Details of payments and estimates by economic classification - Programme 7: Early Childhood Development

R000	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Budget	Budget	actual			
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	79 241	61 396	97 106	162 518	164 433	163 965	190 526	238 787	352 828
Compensation of employees	67 584	61 016	88 685	126 728	128 643	125 549	137 734	147 293	159 716
Salaries and wages	40 549	42 474	70 948	105 250	106 774	100 440	113 264	121 177	130 212
Social contributions	27 035	18 542	17 737	21 478	21 869	25 109	24 470	26 116	29 504
Goods and services	11 657	380	8 421	35 790	35 790	38 416	52 792	91 494	193 112
of which									
Remuneration : other	1 647	-	-	21 926	21 926	24 552	23 460	25 219	27 330
Training courses	6 313	-	-	6 194	6 194	6 194	6 629	7 126	7 482
Text books	13	-	-	-	-	-	-	-	-
Recurrent Expenditure	-	380	-	3 614	3 614	3 614	3 867	4 157	4 365
Other	3 684	-	8 421	4 056	4 056	4 056	18 836	54 992	153 935
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	219	364	312	4 955	4 955	3 659	7 468	18 719	26 619
Local government	121	176	63	-	-	-	-	-	-
Municipalities	121	176	63	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations									
Non-profit institutions	76	3	-	4 955	4 955	3 604	7 468	18 719	26 619
Households	22	185	249	-	-	55	-	-	-
Social benefits	22	185	249	-	-	55	-	-	-
Other transfers to households									
Payments for capital assets	237	-	305	224	224	112	10 240	78 696	228 916
Buildings and other fixed structures	180	-	-	-	-	-	10 000	78 438	228 640
Buildings	180	-	-	-	-	-	10 000	78 438	228 640
Other fixed structures									
Machinery and equipment	57	-	305	224	224	112	240	258	276
Transport equipment									
Other machinery and equipment	57	-	305	224	224	112	240	258	276
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	79 697	61 760	97 723	167 697	169 612	167 736	208 234	336 202	608 363

Table 5.K: Details of payments and estimates by economic classification - Programme 8: Auxiliary and Associated Services

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2004/05	Audited 2005/06	Audited 2006/07				2008/09	2009/10	2010/11
Current payments	160 341	334 643	198 728	315 618	366 968	366 968	443 393	446 245	390 341
Compensation of employees	80 206	206 881	99 523	127 213	128 563	128 563	145 965	188 355	198 481
Salaries and wages	66 797	181 953	79 618	105 675	106 707	102 851	121 439	162 189	167 806
Social contributions	13 409	24 928	19 905	21 538	21 856	25 712	24 526	26 166	30 675
Goods and services	80 135	127 762	99 205	188 405	238 405	238 405	297 428	257 890	191 860
of which									
Recurrent expenditure	1 341	6 648	5 159	9 359	9 359	9 359	10 014	10 555	11 188
Training courses & seminars	7 407	8 990	6 976	12 593	12 593	12 593	13 475	14 202	15 054
Printing	4 963	12 432	9 647	12 909	12 909	12 909	13 812	14 558	15 432
External examinations	-	-	-	47 676	47 676	47 676	53 856	92 848	37 609
Other	66 424	99 692	77 423	105 868	155 868	155 868	171 279	125 727	112 577
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	645	1 370	316	-	-	(2)	-	-	300
Local government	262	457	20	-	-	-	-	-	-
Municipalities	262	457	20	-	-	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	(2)	-	-	-
Social security funds									
Entities receiving funds	-	-	-	-	-	(2)	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments & international organisations									
Non-profit institutions	244	2	-	-	-	-	-	-	-
Households	139	911	296	-	-	-	-	-	300
Social benefits	139	911	296	-	-	-	-	-	300
Other transfers to households									
Payments for capital assets	1 246	11 129	1 359	14 387	14 387	2 520	15 395	16 549	22 048
Buildings and other fixed structures	-	8 321	-	-	-	-	-	-	-
Buildings	-	8 321	-	-	-	-	-	-	-
Other fixed structures									
Machinery and equipment	1 246	2 808	1 359	14 387	14 387	2 520	15 395	16 549	22 048
Transport equipment	-	-	-	-	-	-	-	-	22 048
Other machinery and equipment	1 246	2 808	1 359	14 387	14 387	2 520	15 395	16 549	-
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	162 232	347 142	200 403	330 005	381 355	369 486	458 788	462 794	412 689

Table 5.L Details of expense on infrastructure

Type of Infrastructure	Programme	Number of projects	Total costs	Medium-term estimates		
				2008/09	2009/10	2010/11
Capital		646	4 236 643	1 134 918	1 313 184	1 831 053
New constructions		360	3 235 553	894 016	949 525	1 392 012
1 - New Schools (classrooms & toilets)	2	11	571 294	99 000	151 676	320 618
2 - Upgrades and additions	2	155	930 289	396 790	273 499	260 000
3 - Accelerated Needs Delivery	2	40	490 000	200 000	140 000	150 000
4 - Curriculum Redress	2	12	225 909	25 909	100 000	100 000
5 - Water and Sanitation	2	80	88 000	33 000	25 000	30 000
6 - Mobile Classrooms	2	50	32 000	10 000	10 000	12 000
7 - ELSEN	4	12	316 931	55 265	70 912	190 754
8 - FET Sites	5	-	244 495	44 495	100 000	100 000
9 - Roll out of ECD and Pre-Grade R	7	-	317 078	10 000	78 438	228 640
10 - Fencing	2	-	19 557	19 557	-	-
Rehabilitation		240	772 966	130 000	287 983	354 983
1 - Repairs and renovations	2	200	-	90 000	234 983	294 983
2 - Emergency Repair Response	2	40	-	40 000	53 000	60 000
Other capital projects		46	228 124	110 902	75 676	84 058
1 - Non-school building	1	35	228 124	96 902	63 201	68 021
2 - Special Projects	2	10	-	8 000	6 037	10 037
3 - Technical Support	2	1	-	6 000	6 438	6 000
Infrastructure transfers		-	-	-	-	-
Current		2 500	-	92 000	94 495	100 000
Maintenance	2	2 500	-	92 000	94 495	100 000
Total		3 146	4 236 643	1 226 918	1 407 679	1 931 053

Note: Total costs represent total estimated expenditure of a particular project of which the project life span may not coincide fully with the MTEF period. Where projects are of a recurrent nature, the total costs are not depicted.

