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ANNUAL REPORT 2015-2016

KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

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...Championing Quality Education - Creating and Securing a Brighter Future









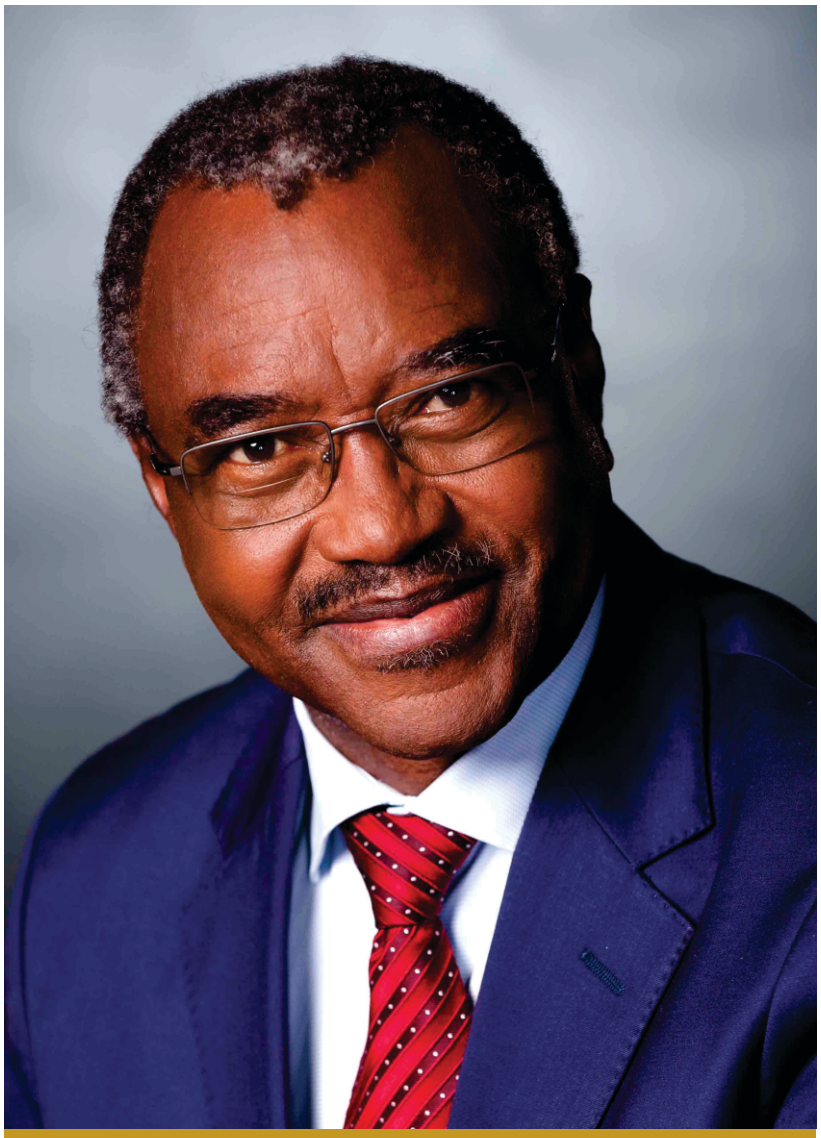




KWAZULU-NATAL DEPARTMENT OF EDUCATION **VOTE 5**



His Excellency Mr Jacob G. Zuma
The President of the Republic of South Africa



Hon. Mr Willies Mchunu, MPL
Premier of the Province of KwaZulu-Natal

KwaZulu-Natal Department of Education



Hon. Mthandeni Dlungwane, MPL
KwaZulu-Natal Legislature MEC: Education
KwaZulu-Natal Provincial Government

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PART A

GENERAL INFORMATION



...Championing Quality Education - Creating and Securing a Brighter Future

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

ABET	Adult Basic Education and Training
ACE	Advanced Certificate in Education
AET	Adult Education and Training
AGSA	Auditor General of South Africa
AO	Accounting Officer
ASER	Age Specific Enrolment
AFS	Annual Financial Statement
BREPRCO	Budget Revenue Expenditure Performance and Reporting Committee
CAPS	Curriculum Assessment Policy Statement
CASS	Continuous Assessment
CEM	Council of Education Ministers
CHE	Committee on Higher Education
CPF	Community Policing Forum
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
DTC	Departmental Training Committee
ECD	Early Childhood Development
EE	Employment Equity
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
EFA	Education for All
ETDP	Education, Training and Development Practices
EWP	Employee Wellness Programme
FET	Further Education and Training
FETC	Further Education and Training Certificate
FETMIS	Further Education and Training Management Information System
FTE	Full-time Equivalent
GET	General Education and Training

GETC	General Education and Training Certificate
HEDCOM	Heads of Education Departments' Committee
HEI	Higher Education Institution
HRD	Human Resource Development
HSRC	Human Sciences Research Council
ICT	Information and Communication Technology
IDP	Integrated Development Programme
IP	Infrastructure Plan
IQMS	Integrated Quality Management System
ICT	Information and Communication Technology
IQMS	Integrated Quality Management System
KZN	KwaZulu-Natal
KZNDoE	KwaZulu-Natal Department of Education
LSEN	Learners with Special Education Needs
LTSM	Learner Teacher Support Materials
LURITS	Leaner Unit Record Information and Tracking System
MDG	Millennium Development Gaols
MEC	Member of the Executive Council
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MST	Mathematics, Science and Technology
NCS	National Curriculum Statements
NEIMS	National Education Infrastructure Management System
NEPA	National Education Policy Act
NGO	Non-Governmental Organisation
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NSSF	Norms and Standards for School Funding

PAJA	Promotion of Administrative Justice Act
PED	Provincial Department of Education
PEDs	Provincial Education Departments
PFMA	Public Finance Management Act of 1999
PGDP	Provincial Growth Development Plan
PGDS	Provincial Growth Development Strategy
PPP	Public-Private Partnership
PSA	Public Service Act of 1994
RCL	Representative Council of Learners
RPL	Recognition for Prior Learning
SACMEQ	Southern Africa Consortium for Monitoring Educational Quality
SIAS	Screening, Identification, Assessment and Support (SIAS) Strategy
SAQA	South African Qualifications Authority
SASA	South African Schools Act of 1996
SASAMS	South African School Administration and Management System
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SDP	School Development Plan
SGB	School Governing Body
SITA	State Information Technology Agency
SMME	Strategic Management, Monitoring and Evaluation
SMS	Senior Management Service
SMT	School Management Team
Stats-SA	Statistics South Africa
WSE	Whole-School Evaluation

3. FOREWORD BY THE MEC



Honourable Mthandeni Khethomthandayo Dlungwane, MPL
MEC:Education KwaZulu-Natal Provincial Government

The NDP recognizes that the quality of education for most children is poor and states that by 2030 South Africa needs quality school education, with globally competitive literacy and numeracy standards. This has informed our ten (10) Pillars which are the strategic drivers for the period 2015/16 to 2019/20. These pillars are the: Transformation of the Schooling System; Curriculum Delivery and Assessment; Teacher Provisioning Development and Support; Leadership and Management; Planning and Resourcing; Infrastructure Development and Maintenance; Information and Communication Technology; Social Cohesion and Integration of Schools; School Functionality and Community Involvement; and Early Childhood Development.

We are pleased with the strides that we have made in education in this Province so far. We are also very excited about the vision for education in KwaZulu-Natal over the next few years. We have no doubt that the interventions we are introducing will improve learner outcomes and the opportunities open to our young people.

The Department has intensified the implementation of educational programmes to deliver on quality education and the intervention programmes across all schools in KwaZulu-Natal. The multifaceted approach the Department took to deliver quality education resulted in improved functionality of schools.

Despite the vast gains made in the various phases of the schooling system, the 2015 results indicated a drastic decline compared to the previous year. Due to this, the department developed an academic improvement plan which focuses on basic school functionality, curriculum delivery and learner attainment, teacher development and reading promotion.

Maintaining the high standards we are striving for is becoming increasingly difficult in the current fiscal climate. We face increasing financial constraints. We have to do more and more with less and less. The transformation of the schooling system continues to be implemented, with the focus on community involvement, through the resuscitation of the Quality Learning and Teaching Committees (QLTC), bearing in mind the need to intensify parental involvement as part of curriculum management and delivery. These committees are constituted by stakeholders at various levels, aimed at ensuring they are actively involved in education. The alignment of schools remains a focus for the department. As such, special focus will be paid to multi-grade schools through the introduction of the specially designed toolkit for these schools, through the rural academic support section of the department. A budget has been set aside to continue with the incremental provision of the skills base of the province through the agricultural, maritime and other types of technical

schools. This will be achieved through the resourcing of these schools. The recommendations arising from the pilot programme will be implemented with a view of improving education outcomes. We are particularly proud of the various initiatives we have taken in order to assist our poorer learners and schools. Access to schooling has been improved through poverty alleviation programmes such as Scholar Transport, the School Nutrition Programme, and the implementation of the No Fee School Policy which alleviated pressure from parents to pay school fees. In the financial year under review, the Department put in place financial and accountability measures to improve on public accountability in respect of the funds voted to the Department to deliver quality education. I am pleased that the Department has managed to achieve its second consecutive unqualified audit opinion.

White Paper 5 of 2000 set specific targets with regard to five-year olds that were supposed to be in Grade R by 2014. It should be noted that this is a framework with various targets for the provision of ECD services and programmes to children aged from birth to 5 years. The department reached and exceeded this target as 93 per cent of five-year olds were in Grade R classes by 2014, however, the challenge now is to improve the quality of education that is offered.

In the Pre-Grade R sub-programme, provision has been made for the training of practitioners, payment for stipends for practitioners in community centres with Grade R classes and the provision of core material. The pilot programme to investigate the concept of model crèches is underway in 15 crèches in the districts of Umzinyathi, Uthukela and Amajuba. The department will continue to train the care-givers in curriculum delivery. The Grade R classes in public schools will benefit through the provision of additional equipment and furniture where this may be inadequate.

The supply of qualified educators into the system remains a constraint towards the delivery of quality education, particularly in gateway subjects like Mathematics and Science. In addition to the provision of bursaries to attract young people into the teaching profession, the department will be engaging with the Department of Higher Education and Training with a view to dealing with this issue. As such, some funding has been set aside with a view to funding non-employees who meet the necessary criteria and wish to pursue a qualification in the teaching profession. Support to educators will be provided as part of the overall curriculum content implementation, management and delivery. Subject specialists will contribute towards the educator support.

ICT is seen as a catalyst in terms of continuing with the quest for quality education. Various ICT platforms have been introduced in the province and the department will strengthen these. A cyber school technology solution is being investigated. This provides technology based educational services offering integrated offline and online solutions aimed at empowering teachers and engaging students better in the teaching and learning of Mathematics and Sciences and other subjects. If successful, this tool will be used to provide quality educational services to enhance the online educational environment. This will be a one-stop site for development, e-learning and communication solutions that work with experienced educators across the globe in designing and developing digital educational resources, portal and learning management systems. At an administration level, the progressive upgrading of IT infrastructure will continue. Furthermore, investigations into various administrative systems are being pursued with a view to improving the efficiencies of the administration.

The Education Management Information System (EMIS) will be strengthened in order to improve the credibility of data submitted by schools and to ensure minimum human intervention in the process. This will assist the department in having accurate data at any given point in time.



Honourable Mthandeni Khethomthandayo Dlungwane, MPL
MEC:Education KwaZulu-Natal Provincial Government

4. REPORT OF THE ACCOUNTING OFFICER



Advocate B.M. Masuku Acting Head of Department: Education

OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT:

1. Transformation of the schooling system

The Department embarked on the transformation of the schooling system in November 2012. The programme is based on 12 pillars which seek to ensure that schools provide quality education that benefits all learners regardless of their location.

1.1 Consolidation of small and non-viable schools

To date notable achievements have been made, namely, the rationalisation of 171 small and non-viable schools and satellites, the renaming of 51 schools and the streamlining of typology in 121 schools.

The Department has identified a total of 708 primary schools, 201 secondary schools and 454 combined schools which will be targets for rationalisation in 2016/17 onwards. The successful rationalisation of schools requires subsidised, dedicated learner transport which is currently hamstrung by insufficient budgets.

1.2 Learner transport services

In terms of the policy on learner transport the following is provided for:

- The Learners must travel more than 3 kilometres.
- The Learners must attend a nearest appropriate school with appropriate grades.
- The Learners must attend a school of need not of choice.
- The provision of subsidised dedicated learner transport is to Public ordinary schools and Special schools.

The benefit for the needy learners was that they were moved to more resourced schools with specialised educators offering diverse curriculum. Young vulnerable learners travelling long distances were accommodated in boarding schools.

The Department has been successful in increasing the number of learners benefitting from Learner Transport to 43 451; however audits conducted on learners in need of transport reveal that more than 73 000 learners are in need of subsidised dedicated learner transport. The beneficiaries of learner transport are as follows:

DISTRICT	NUMBER OF SCHOOLS	NUMBER OF LEARNERS BENEFITING 2015/2016
Zululand	21	4 626
Uthukela	30	4 755
Umzinyathi	37	4 255
Amajuba	32	2 889
Sisonke	30	2 562
Ilembe	28	3 263
Pinetown	20	2 524
Ugu	23	3 009
Umlazi	18	4 162
Uthungulu	22	5 000
Umkhanyakude	25	4 426
TOTAL	**316**	43 451

1.3 Renaming of schools

The Department is working with stakeholders and communities (involving leaders such as izinduna, amakhosi and others) to rename school with names which may not inspire and are not linked to their communities. The Department will proceed with involving all stakeholders; and ensure that the name of a school generates a sense of ownership by the community and that it also conveys the centrality of quality education. Schools with belittling, gender insensitive and uninspiring names will be renamed. By the end of 2016/17, a total of 5 schools out of the total of 23 identified schools will be renamed.

1.4 Typology of schools

In 2015/16 the Department continued to align schools into primary or secondary schools in line with national policy. Sixty seven (67) schools have been re-aligned into fully-fledged secondary or primary schools. Where there are pressing needs for additional classrooms an estimated budget of R20 million has been set aside to procure mobile classrooms in 2016/17.

1.5 Model School and Ndumo School of Excellence

The Department has conducted a thorough needs analysis and identified 198 schools to be designated model schools. The Department decided that these schools would be resourced in a special manner. In addition to the 136 model schools that have already been allocated two security guards each, the Department aims to provide security guards to 10 more schools in 2016/17 supported by the EPWP funding. In prioritising the infrastructure assessments required to change these schools into model schools, an amount of about R475, 989,320 is required by the Department and 20% from this projected costing will be utilised to resource the identified model schools in 2016/17.

The Ndumo Model School in Umkhanyakude District is part of the Inkululeko Development Project which is the flagship project of the KwaZulu-Natal Department of Education. The completion and resourcing of Ndumo School of Excellence will be prioritised during the 2016/17 financial year. Soon after completion, the Ndumo School of Excellence will operate as a model school that will see the initial implementation of quality education; prioritising gateway subjects and monitoring learner attainment closely by all stakeholders as the Department in collaboration with stakeholders move education forward towards increasing learner output in mathematics and science, as well as bachelor passes. The school is to provide quality education with an emphasis on

Mathematics, Science, Technology (mechanical, electrical, and civil) as well as Tourism and Hospitality. The school is designed to accommodate 1 600 learners.

1.6 Revitalization and expansion of Technical High Schools

Thirty two (32) High Schools were recapitalized and repaired during this strategic cycle. In 2015/16, six (6) of these schools received additional workshops for all technical subjects, as well as machinery for workshops and equipment. In 2016/17 the Department will target the repairing of 7 more technical high schools out of the total of 32 identified schools and teacher training will continue to take place at George Campbell for all the identified schools in Mechanical Technology, EGD and Electrical Technology whilst the training for educators in Civil Technology will continue to be done at Meadowlands Technical High during 2016/17.

1.7 Expansion of Agricultural High Schools

The Department has not been able to increase the number of Agricultural High Schools due to financial constraints. In the Province there are still only 4 Agricultural High Schools. A total of 55 schools offer one agricultural subject, *viz.* Agricultural Science. Five (5) schools offer at least two agricultural subjects, *viz.* Agricultural Science and Agriculture Management Practices and three (3) schools offer three agricultural science subjects. Shakaskraal High School has started operating as an Agricultural School.

In its quest to establish fully fledged agricultural high schools, the Department will provide training in one other agricultural subject to teachers in the 4 schools that offer two agricultural subjects with a view that the teachers will ultimately be competent to offer the full agricultural science offering and the schools are fully-fledged agricultural high schools by 2019. However, for the other school, the Department will provide special focus on it with the aim that it is provided with the full support, training and resourcing to be a fully-fledged agricultural high school. This implies that in 2016/17 the Department plans to add one school from the identified ones as an agricultural high school.

Revitalisation of the 4 Agricultural science schools will continue in partnership with the Department of Agriculture. This will be accomplished within the MTEF whereby these schools shall have been upgraded to deal with all the requirements of the subjects and will be used as training centres for communities.

1.8 Maritime Schools

The schools offering maritime studies do not have the adequate number of suitably qualified teachers to teach maritime studies in all grades. The Department does not have posts for subject advisors to provide support to teachers in schools offering maritime studies. In order to mitigate these challenges, qualified personnel in maritime studies from the Defence Force is providing tuition to learners and providing guidance and support to teachers in JG Zuma Secondary, Sithengile Secondary and New Forest Secondary. This is a pilot project aimed at enhancing the capacity of teachers whilst ensuring that learners are afforded an opportunity to receive tuition from adequately qualified practitioners in the field of maritime studies. The Department envisages that this support from the Department of Defence will continue in 2016/17 with special focus in the next grade which is grade 9 so that by the end of the strategic cycle the teachers have been adequately guided in all the grades. The plan to convert Acton Road into a Maritime School of Excellence is underway.

1.9 La Mercy Maths and Science Academy

The process of establishing a Maths and Science Academy in an identified La Mercy School has taken a step forward when the planning stage for the building of the Academy commenced. The Department aims to utilise this Academy in preparing learners to enter specialised fields in maths and science nationally and internationally. The Department will ensure this is done through recruiting dedicated high quality teachers to provide quality teaching and learning in order to achieve the purpose of the Academy - that of high performance in maths and science. In 2016/17 the Department will plan for resourcing of the Academy, commence the plans for the recruitment of the Academy staff, and prepare admission criteria for learners into the Academy whilst the Academy is under construction.

1.10 Multigrade Teaching

The Department rolled out the Multi-grade Teaching (MGT) Toolkit in 2015 to all the Multi-grade schools. The lesson plans and assessment tasks were work-shopped with teachers and Subject Advisors prior to the roll-out. This is an important step for effective monitoring and support for teachers and principals in schools practicing MGT. The schools targeted for MGT are the rural schools, and because of the preponderance of hugely 'disadvantaged' rural schools in the Province, the Department had to prioritise rural schools in extremely dire circumstances. Those include rural schools:

- which still practice multi-grade teaching
- without basic necessities e.g. electricity
- operating in farm schools
- with serious technological distress

Further, the multi-grade programme will include the piloting of the Multi-grade Teaching (MGT) Toolkit followed by the training of GET Subject Advisers supporting MGT schools, the roll-out of the Life Players to schools without electricity, the training of MGT teachers in collaboration with CPUT and DBE, the supply and monitoring of the use of the Kidsmart Computer Units, the Research Study on the teaching of Reading in Rural Schools as well as the piloting of the Alumni Project in previously disadvantaged communities. These programmes will be rolled out to all schools doing multi-grade teaching.

2. Curriculum and assessment for an empowering curriculum

2.1. Curriculum and Assessment Policy Statements (CAPS)

The Grade 12 class of 2015 was the second group to write the CAPS aligned examination, which had been incrementally implemented through all the Grades. In support of the implementation and to ensure readiness, educators were trained on CAPS delivery in the classroom. The National Senior Certificate (NSC) and the Annual National Assessment (ANA) 2014 results showed that further training was required. The provincial turn-around strategy called Operation Bounce Back was introduced in January 2015.

The strategy was aimed at improving the NSC and ANA results in 2015. It also provided for the general training of educators in content and methodology. An amount of R50 million was provided for the implementation of the strategy. As a result, intensive training of educators was undertaken for areas identified in the diagnostic reports in subjects like Mathematics, Physical Science, Life Science, Accounting, Business Studies, Economics, and Languages.

In order to accommodate the 9 000 progressed learners (pupils who failed Grade 11 twice and were promoted to Grade 12 without meeting the passing criteria) who were part of the 162 568 learners who wrote the NSC in 2015, winter and spring classes and camps for learners were held. Revision material was developed and sourced in those subjects that contributed to the decline in the 2014 NSC and ANA results. Lead teachers were utilised to teach on Saturdays, and during winter and spring classes, as well as camps.

The implementation of CAPS in Grade 9 proved to be a challenge to most educators, especially in respect of Mathematics. To support schools and teachers in the improvement of Mathematics results in Grade 8 and 9, a programme was implemented whereby Grade 9 teachers taught for four days a week and attended a workshop for one day a week called the 1 plus 4

programme. The 1 plus 9 programme was also implemented whereby the subject advisors and lead teachers were trained over five days in order to go and train all 2 650 Grade 9 Mathematics educators at a cluster level. Science and Technology curriculum workbooks from Sasol Inzalo Foundation were printed and distributed to schools for both teachers and learners. However, the ANA was not marked for the year under review, and hence the effectiveness of this programme could not be determined.

2.2. Curriculum coverage monitoring tool

This strategy commenced in 2013 to ensure standardisation of managing teaching and learning in schools across the province. One of the components of the strategy was to monitor and measure curriculum coverage to ensure that all schools completed the syllabus before the end-of-year assessments. The strategy brought about strategic alignment of inputs toward curriculum delivery by the respective components, thereby ensuring that teaching and learning targets were met.

2.3. Technical secondary schools

The recapitalisation of Technical Secondary Schools programme, which was introduced in 2011, resulted in the renovation of infrastructure and resources in these schools. In 2013/14, there were only 17 schools in six districts that offered a full set of four technology subjects (i.e. Civil Technology, Electrical Technology, Mechanical Technology and Engineering Graphics and Design – EGD). In 2015, these schools increased to 255 with 36 schools offering EGD, 65 offering Mechanical Technology, 88 offering Civil Technology and 66 offering Electrical Technology. Natural Sciences resources worth R1.5 million were procured and distributed to four schools offering/piloting Natural Sciences. Maritime Economics resources worth R3 million were procured and distributed to schools offering the subject.

2.4. Mathematics, Science and Technology strategy

In order to enhance educator development and thus produce better learning outcomes with regard to Mathematics and Science, the department developed a Mathematics, Science and Technology strategy (MST). The strategy focuses on resourcing classrooms, provision of laboratories (mobile and fixed), provision of Science consumables, interactive digital content on MST, provision of dictionaries, as well as further development of educators. Through the MST grant, 1 301 educators from 88 FET focus schools received training in Mathematics, Physical Science, Life Science and Mathematical Literacy. The General Education and Training (GET) focus schools were also provided with laptops with pre-loaded educational software to enhance curriculum delivery in Mathematics, Sciences and other subject areas.

2.5. Literacy and numeracy strategy

In response to the outcomes of ANA results of prior years, the implementation of the Literacy and Numeracy strategy (Grades R-9) continued. The strategy was further supported by the implementation of CAPS and the use of literacy and numeracy workbooks in Grades R-9, with progress measured by assessment tools. Central to the strategy, was the investment in the establishment of reading corners in schools, the revitalisation of library spaces in schools, the implementation of a compulsory daily reading period in all schools and the launching of the reading mentors programme. Furthermore, an amount of R40 million was invested into the procurement of library books in order to enhance the implementation of the programme.

2.6. Examinations and assessments

The use of examinations and assessment tools as a measure for improvement of quality has received attention in recent years. The number of entrants for the 2015 NSC examination in KZN was 162 658 which is the highest number ever recorded. However, the department recorded a decline in the NSC examination from 69.7 per cent in 2014 to 60.7 per cent in 2015. These figures are not inclusive of the supplementary examination results.

3. Teacher provisioning, development and support

An important pillar towards the realization of our vision of "A well- educated, skilled and highly developed citizenry" is that of educators who are trained adequately to meet the demands of the curriculum. It is generally accepted that the output/supply of such educators from the Higher Institutions of Learning does not meet the demand that currently exists.

In 2014/15 the department took a firm decision in terms of converting the Provincial Training Academy to a fully-fledged Teacher Development Institute. In light of this decision, an initial amount of R50 million was made available of which R27 million was spent in 2015/16 whilst additional preparatory work was done for implementation in 2016/17. A significant R122 million has been set aside where such allocation will go a long way to ensure that the decision highlighted in 2014/15 is ultimately realized towards the physical refurbishment of this institute, which will ensure the curtailment of expenditure aligned with training of employees.

Teacher shortage has and continues to be one of the challenges experienced by the department. This is evidenced by the high number of resignations in the past academic year. Notwithstanding, the department has continued to invest in our young people by making bursaries available for them to pursue a career in education. In this regard, an amount of R32 million in total , including the current commitments, has been set aside to recruit learners in the Mathematics, Science, Technology and Accounting subjects in order for them to start their teaching careers in 2017.

To boost our human resources a total of 144 office-based employees were appointed between 1 April 2015 and 31 March 2016. These included 60 Subject Advisors in the gateway subjects and 84 Circuit Managers in all Districts. School-based educator posts are filled as vacancies arise and in line with the Post Provisioning Norm determined by the Executive Authority.

4. Development of Strong Leadership and Management

Effective and visible management at all levels of the department is the key catalyst which drives the implementation of all the department's programmes. With regard to management at the district level, an initiative known as the KZN Programme for the Improvement of Learning Outcomes (PILO), which was launched in 2014 as Jika Imfundo, was piloted in the districts of uThungulu and Pinetown. This programme focused on the management of five priority areas that need the focus of a district manager, these being:

- Data management, in respect of learner numbers, educator numbers, etc.
- Human resource management.
- Curriculum coverage (balanced multi-discipline groups).
- Governance and financial management.
- LTSM management in terms of utilisation and delivery.

The evaluation report on the effectiveness of this programme and the recommendations thereof will form part of the necessary intervention programmes for the department for the forthcoming years. Training on financial management was extended to principals and deputy principals, school governing body (SGB) chairpersons, treasurers, and finance officers at school level.

All the Circuit Managers in the province have been workshopped on Curriculum Management, including ensuring that all teachers, school level HODs, Principals, Circuits, Circuit Management Centres, Districts and Province must have set realistic targets and how these should be monitored to maximize the potential for predictability of learners' performance. As part of the engagements with Circuit Managers, a point was made about how the Department is going about institutionalizing accountability across all levels of the system. To that extent, subject teachers, school level HODs, Principals, Subject Advisors, Circuit Managers, Circuit Management Centre Managers, District Managers and provincial officials are expected, as part of curriculum management, to hold regular accountability sessions and to keep accountability files.

The Provincial Improvement Plan isolates the management of curriculum at school and district levels as a critical area of intervention. To that extent, the Department has developed a School Management Team Toolkit on Curriculum Management. It carries all the key tools and instruments that they need in order to manage curriculum at school level.

At least 10 000 SMT Toolkits have been printed to allow every HOD, Deputy Principal, Principal and even Circuit Manager to know exactly what must be monitored and managed at the school for effective curriculum implementation and delivery to take place.

5. Infrastructure Development and Maintenance

5.1. New Schools

The Department completed eight (8) new schools in 2015/16 namely, Mgezeni High School in Uthungulu, Quarry Heights Primary in Umlazi, Groutville High School in iLembe, Mvuzo High School in Umgungundlovu, Busana High School in Umzinyathi, and Mbaliyethu Primary, Kasturba Gandhi Primary as well as Khalipha Primary School in Ethekwini Metro.

Twenty seven (27) schools are under construction as from the 2015/16 financial year which include among others, Emadungeni High School and Xoloxolo Primary School in Harry Gwala, Illovu High School in eThekwini Metro, Mlokothwa High School in Zululand, Inanda Special School and JG Zuma High School in Ethekwini Metro, Cosmo Primary in Umgungundlovu, and La Mercy Maths and Science Academy in Pinetown which will start in June 2016.

5.2. Special schools infrastructure

The scaling up of special schools infrastructure remained an important effort in terms of granting access to education for learners with special needs

There are 101 schools which have been converted into full service schools, with 26 Special Schools serving as Resource Centres. In the 2015/16 financial year the Department has been improving facilities at existing full service schools. Two new special schools have been established in areas where they have been non-existent - bringing the number of registered special schools to 72. Twenty-eight (28) support centres have been constructed for the provision of psycho-social and psycho-educational programmes in full-service schools. The nature of support that the learners with special needs require account for the planned low learner: educator ratio of 1:10.

5.3. Public Private Partnerships (PPP)

Pursuant to the appointment of the Transaction Advisors (TAs) in 2013/14, a steering committee was formed and four possible nodes/packages for the provision of school infrastructure were identified for consideration. In the context of the lack of correlation between the backlogs and the available budget, the realisation of the PPP would be to accelerate the speed with which the department achieves the outcomes of the Minimum Uniform Norms and Standards for Public School Infrastructure. However, this is dependent on the availability of funding. The approach being adopted for this project is to develop specialist facilities such as Science laboratories, multi-purpose classrooms, computer rooms and media centres as new build “add-in centres” into existing secondary schools in the pilot nodes. The project has reached the completion of the feasibility study stage of its project cycle and is awaiting a decision to continue to the next stage in obtaining National Treasury approval.

5.4. School infrastructure

The department continues to demonstrate improvement in the application of the Infrastructure Delivery Improvement Programme (IDIP). Infrastructure planning and delivery continues to improve, as evidenced by the department’s ability to spend its infrastructure allocation every year. The planning process has embraced the recently published infrastructure norms and standards in the provision of learning spaces. However, the reduction of the budget to fund rising *Compensation of employees* costs has had a negative impact on the roll-out of the infrastructure programme.

Unpredictable weather patterns continued to disrupt the normal roll-out of infrastructure programmes and had an adverse impact on schools. The costs of these repairs are mainly borne by the department, as the disaster funds received from national are minimal. The consequence of this was that other infrastructure programmes such as the construction of new schools, upgrades and additions, as well as maintenance had to be postponed in order to deal with emergency situations at the affected schools.

5.5. ECD infrastructure

As a consequence of White Paper 5 of 2001, where universal access to Grade R by 2014 was promulgated, the department was engaged in an aggressive programme to provide Grade R facilities to meet this target which was estimated at 200 classes to be built. Over and above the schools identified by districts to receive these facilities, through a dedicated ECD budget, the inclusion of ECD facilities at all new primary schools and upgrades to existing primary schools are now the norm.

The Department is also making its contribution on the employment of indigent women. The EPWP programme targets unemployed women and youth. A total of 213 beneficiaries are involved in the cleaning of school gardens and ablution facilities. The targeted districts are Zululand, Umzinyathi, uMkhanyakude and Pinetown. The programme will continue in the current financial year as its benefits have been realized in the affected districts. In addition the youth is engaged in the Siyazenzela Youth Development Programme in partnership with Coastal TVET College. The youth is given artisan skills training through the TVET College and the Department allocates them work through the maintenance programme. The programme is piloted in Nongoma and Phongola under Zululand district.

6. Learner Teacher Support Material

The provision and availability of LTSM on the first day of school at all schools is essential to the provision of quality education. As such, with regard to the schools that the department procures on behalf of, 99.8 per cent of textbooks requisitioned were delivered by the end of November 2015, with the remaining 0.2 per cent being finalised between 11 and 15 January 2016 and thus were available on the first day, while stationery deliveries to schools were finalised by 30 October 2015.

The province made LTSM budget provisions for 5 912 public ordinary schools. Three thousand one hundred and fifty five (3 155) of those were schools without Function C and the other 2 757 were schools with Function C. Grade R LTSM for the 3 964 classrooms included stationery, textbooks and core materials for the 2016 school year.

The Department has prioritized the provision of Braille and Large print material. There are 6 schools in KwaZulu-Natal that cater for the needs of learners who are blind and learners who have low vision. In addition, 4 Special Schools have established specialized units and programs to accommodate blind / low vision learners. In 2015/2016 an amount of R550 000, 00 was factored into the subsidy allocation to these schools for the required devices and equipment, LTSM and training in Braille and the use of related technology in education of the blind learners.

7. Information and Communication Technology

The KwaZulu-Natal Department of Education is mindful of the fact that ICT has been used to accelerate service delivery and improve peoples' lives. The Department has embarked on a number of ICT in Education initiatives to support teaching and learning and improve learner attainment. These initiatives include the provision of ICT resources and infrastructure to schools; the development and distribution of apposite and interactive digital content to learners and teachers; the use of ICT platforms to ease the administrative burden; the professional development of educators (school and office-based) on the use of ICT to deliver, manage and support curriculum.

Numerous projects have been identified to improve and expand connectivity to schools in the province. Establishing broadband connectivity and having a sound ICT infrastructure in schools remains crucial in ensuring that schools get access to email and other related ICT services.

During the course of 2015/16 the department was actively involved in exploiting a number of projects with a view to hike the number of schools that can be contacted via e-mail.

The following projects are underway:

- Telkom 2010 legacy project;
- Independent Communications Authority of South Africa connectivity project;
- PRASA connectivity project; and
- ICT & MST school lab project

8. Social Cohesion and Integration of Schools

The Department is implementing various programmes in order to monitor the involvement of all racial groups in the planning coordinating, implementation and monitoring of the co-curricular programme. The Department has worked to preserve the talent identified at Provincial SASCE competitions through workshops and academies with the help of stakeholders. The purpose is to provide the *not so academically inclined learners* with a pathway to success. To strengthen admiration of National symbols, all schools must have a National Flag. The installation should be completed by end of the year 2019. To ensure adherence to these principles that are designed to instil and strengthen patriotism, district officials have been deployed to schools to monitor the running of the sports programmes and the singing of the national anthem as prescribed. The African Union Anthem must be sung at least once a month in all our schools. These initiatives are aimed at promoting social cohesion.

The co-curricular programmes have been extended to all learners irrespective of gender race and disabilities. Programmes offered in Co-Curricular Services are meant for all schools. In sports, it is mainly evident in athletics where there is mass participation and integration. This is also evident in choral music which caters for a variety of cultures. Hence all racial groups irrespective of gender, disabilities, age and economic status do take part in the programme.

As a form of support to the country's programme of action to overcome the historical exclusion of some sectors of society, the Department developed a plan to ensure inclusivity. Our projects are capable of promoting social cohesion by way of bringing socially and culturally diverse people that were separated by the segregation policies in the past. Co-curricular programmes are all inclusive; be it schools' league, moot court, choral music multi-cultural cuisine, language festival indigenous music and dance. Districts also allow all forms of traditional music and dance to cater for various African cultures, like Xhosa, Bhaca, and Mpondo at Sisonke, Sotho at Umzinyathi and Thonga at Umkhanyakude.

The Department in collaboration with the Department of National Arts and Culture has installed flags in a number of schools. The National Anthem is sung in all schools on designated days once a week. In 2013 the National anthem was prescribed for the FET Band competitions to ensure it is sung correctly. The preamble to the Constitution is recited in schools once a week. A book consisting of national symbols was distributed to all schools.

The Curricular programmes have opened up talent opportunities and dealt robustly with poverty alleviation. Through schools' leagues learners have acquired Ministerial bursaries worth a hundred thousand rand (R100 000) per learner per annum. The programmes have produced the likes of Siyabonga Nkosi in football, Pretty Yende in music, Chad Le Clos in swimming, and others. The programmes also offer opportunities to small and big businesses and is also supported by various sponsors like the Motsepe Foundation.

Some of the benefits of the co-curricular programmes are the combatting of crime in communities and the fight against social ills and teenage pregnancy. Co-curricular programmes have provided a conducive environment to deal with the issues of drug and alcohol abuse, crime and teenage pregnancy.

9. School Functionality and Community Involvement

The School Functionality Monitoring Programme initiated in 2006, continues to provide an important monitoring intervention towards achieving functional schools throughout the province. This programme provides valuable inputs and guidance to the department's management on strategies to deal with various challenges that make schools dysfunctional and work as barometers indicating policy implementation failures or successes.

One of the most important indicators of school functionality is School Safety. The violence experienced in communities, which at times spill over to schools are a cause for great concern as they compromise school functionality. The Department has implemented a school safety programme which is aimed at training school safety committees and liaise with South African Police Services (SAPS) Station Commanders to fight against theft and vandalism in schools.

The Department is also implementing the Quality Learning and Teaching Campaign (QLTC) in order to assist schools to get support from communities in the areas where they are located.

Seeing that School Functionality greatly influences the pass rate of any school, the Department has made school functionality one of the priority areas. To this end, the Department is implementing the strategy to improve learner outcomes which focuses on school management and the delivery of the curriculum. This programme is currently piloted in the two districts of uThungulu and Pinetown and aims to empower, strengthen district management and also improve the learner outcomes from primary to secondary schools.

The other elements of school functionality are good co-ordination and support. The Department provides co-ordination and support to all District offices in order to enhance good governance, management, school functionality, community involvement and to make the school environment conducive to teaching and learning for the effective delivery of the core business of the Department.

In order to ensure that this coordination and support is done effectively, the Department continued to perform the following in the 2015/16 financial year:

- Ensure that the basic annual management processes occur across all schools in the province in a way that contributes towards a functional school environment and improve learner attainment.
- Improve management and governance of schools.
- Ensure that all schools are funded at least at the minimum per learner levels determined nationally and that funds are utilised transparently and effectively.
- Broaden access to quality education by providing adequate school infrastructure which complies with minimum standards and norms in order to support effective teaching and learning.
- Use the school as a location to promote access amongst children to the full range of public health and poverty reduction interventions.
- Broaden access to learners with disability and barriers to learning.
- Improve rapport and formalise engagements between circuit management and local community structures.
- Improve the frequency and quality of the monitoring and support services provided by district offices to schools.
- Develop, implement, monitor and evaluate District, Circuit and School Improvement Plans.
- Monitor the functionality of school structures, viz.: SMT, Subject Committees, Phase Committees, Assessment Committees, SGBs, RCLs and IQMS structures.
- Monitor compliance with the non-negotiables: Teachers and learners in class, teachers teaching prepared lessons and time keeping by teachers and learners.
- Monitor the implementation of Quarter-Specific activities by Circuit Management and other sub-directorates.
- Strengthen the implementation of IQMS, PMDS and EPMDS.
- Develop Turn-Around strategies for under-performing schools and Academic Performance Improvement Plans.
- Improve District, Circuit and school functionality.

- Improve schools' functionality and nurture the institutionalization of schools' functionality.

- Develop and implement a specific strategy for dealing with schools with persistent problems / instability.
- Deal effectively with late coming of learners and reduce it.
- Establish partnerships for District improvement of learner attainment and strengthen viable partnerships with District and Local Municipalities.
- Strengthen viable partnerships with sister departments through Operation Sukuma Sakhe.
- Provide training and orientation programmes on psycho-social support services and roll out advocacy and awareness campaigns on psycho-social issues.
- Provide learner support on career guidance and develop, print and distribute materials to support career pathing.
- Promote programs with regard to HIV/AIDS and life skills.
- Promote mass participation in co-curricular activities and support the curriculum with relevant programmes to enhance the holistic development of the learner.
- Facilitate capacity building programmes for educators and learners to effectively deliver co-curricular activities and promote nation building programmes with a focus on building "unity in diversity".
- Identify, present and implement the Department's infrastructure needs in terms of its strategic objectives.
- Implement the School Infrastructure Norms and Standards.
- Contribute to social responsibility of upgrading of contractors in lower grades.
- Implement the Transformation of the Schooling System.
- Allocate funds to public ordinary schools, review contestations and compensate schools that implement the fee exemptions policy.
- Conduct all prescribed SNAP and Annual Surveys.
- Implement the South African School Administration and Management System (SASAMS).
- Facilitate the provision of Learner Transport in rural areas.
- Implement White Paper 6 on Inclusive Education.
- Compile and align District Action Plans with the Branch Programme of Action and report quarterly.

10. Stakeholder Participation to improve Learner Attainment

The following stakeholder participation programmes are in place to improve learner attainment in 2016.

- Adopt-a-school program by Members of the Legislature, Senior Managers, District Officials, SGB Associations and Business.
- Adopt a District by Senior General Managers.
- Monitoring of Hot Sport schools/ Districts by Social Cluster Departments under the leadership of the MEC of Education.
- Implementation of Quality Learning and Teaching Programme.
- Holding of quarterly Provincial Learner Attainment Strategy Review sessions (Accountability sessions).
- Holding of quarterly roundtable discussions for Grade 8-9 as an additional support to these grades.
- Collaboration with Organised Labour and COSAS.

11. Early Childhood Development

White Paper 5 of 2000 set specific targets with regard to five-year olds that were supposed to be in Grade R by 2014. The Department reached and exceeded this target, as 93 per cent of five-year olds were in Grade R classes by 2014 and 97% are in Grade R currently. Therefore, the target for access has been reached and the challenge is to improve the quality of education that is offered. Of significance, is the pilot programme that was implemented in 15 crèches in the districts of Umzinyathi, Uthukela and Amajuba, as the Department investigated the concept of model crèches. The Department trained the care-givers in curriculum delivery and the Grade R classes in public schools benefitted through additional provision of equipment and furniture where this may have been inadequate.

There are 3 893 public schools that offer Grade R in the province with a total learner enrolment of 180 752. There are 4 933 Grade R practitioners employed in public ordinary schools. One hundred percent (100%) of Grade 1 learners in the province have received formal Grade R education.

The Department of Social Development, Department of Education and Department of Health are implementing the integrated ECD plan (which includes the Buffalo City resolutions) and has partnered with ILIFA Labantwana (NGO) to implement the ECD massification program. DAC is implementing toy libraries in all public libraries with a view to making libraries attractive establishments to young children. Coupled with this is gaming at your library which also seeks to attract young children to libraries through gaming.

12. National School Nutrition Programme

The NSNP was initiated in 1994 as a poverty relief programme for learners hailing from destitute families. In addition to reducing short term hunger amongst children of school going age, the NSNP is also one of the instruments used by government to address economic inequalities and reducing unemployment by creating job opportunities.

In KwaZulu – Natal, the NSNP is one of the key strategies of the Department that seeks to address poverty amongst the poor communities by identifying and developing local co-operatives to participate in the programme as service providers and thereby contributing to the enhancement of job opportunities for local people. In the 2015/16 financial year the programme employed the services of 1 900 service providers, who were either SMMEs or co-operatives that are contracted to supply meals to learners. There are also 10 973 parents of learners in participating schools that are employed as food handlers to prepare meals for the learners and are allocated a stipend of R1 000 per month at a ratio of 1:200 learners.

The NSNP provides nutritious meals to 2 273 395 learners in 5 277 schools throughout the province. Learners are served with a standardized menu on a daily basis that is comprised of a balanced meal which includes starch, vitamins, minerals, necessary micronutrients, protein and vegetables.

13. 'NO FEE' Schools

Government introduced the no-fee schools policy to end the marginalisation of poor learners. This is in line with the country's Constitution, which stipulates that citizens have the right to basic education regardless of the availability of resources. The Department has continued to provide free education to learners in about eighty per cent (80%) of all our schools in the province through the "No Fee' Schools' Policy. This translates to 1 965 951 of our learners benefitting from the "No Fee" Schools' Policy.

14. School Sports, Arts and Culture and Youth Development

In a bid to promote sport participation and physical education at schools within KwaZulu - Natal (KZN), the Department of Sport and Recreation (DSR) in collaboration with the Department of Education (DoE), implemented the School Sport Programme. The programme is funded through the Mass Participation and Sport Development Conditional Grant.

The primary objective of the programme is to promote mass participation in sport amongst school learners, with emphasis on previously disadvantaged urban and rural schools. This is achieved through the provision of equipment and sports attire, capacity building of trainers and provision of funding from DSR. DSR furthermore assists in providing additional training for educators in code specific coaching, technical officiating, team management and sports administration. DSR and DoE have undertaken to revive the culture of school sport, especially in rural and township schools through the implementation of the School Sport Programme in 6 000 schools by 2019. The programme therefore assists schools in promoting sports participation and physical education, providing them with the necessary equipment, attire and training for staff. Sports participation, skills development and talent identification is furthermore facilitated through the establishment of District and Provincial school sport structures in addition to various leagues and tournaments throughout KZN. KZN is in a process of establishing the Youth Development Directorate which will be fully responsible for skills development in youth in support of the Economic Growth Strategy of the Province. Amongst the number of areas where the Directorate will be focusing on, is the coordination of all programmes aimed at assisting learners who fail their Grade 12 (second chance programme).

As part of the Province's prioritisation of youth empowerment, in line with the Transformation, Modernisation and Reindustrialisation agenda, the department of education is facilitating youth access to economic opportunities through training,

learnerships, internships, etc. Our intention is to ensure that our learners are adequately equipped and can competently face up with the challenges of the world of work or to meet the demands of further and higher education.

15. Facilities Management

The Department occupies a total of 82 office buildings and is responsible for 488 State Residential Houses and 35 Education Centres spread over a wide geographical area in KwaZulu-Natal. The buildings are occupied by officials of Head Office, District Offices and Circuit Offices. Of the 82 buildings, 54 are provincially owned and 28 are leased. A total of approximately R 60 million is utilized for the payment of rental in respect of the leased premises. Every attempt is made to reduce the hiring of lease premises resulting in a reduction of financial commitment towards leases. A case in point is the Uthukela District which was accommodated in three lease buildings since 1 November 2015. The District has been accommodated in a single building resulting in an estimated saving of R10 million over a 5 year period. In order to decrease the number of lease buildings, the Paulpieresburg, Pongola and Stanger Circuits are in the process of being accommodated in State Owned premises.

With regards to official houses, it was established that according to the records maintained by the Department, rental payments are not being received from the occupants. In order to improve the management and administration of official rented houses, a policy and tenancy lease agreement has been formulated. A data base of all houses has been compiled. Legal and illegal occupants have been identified. The occupants who are evading rental payments have been identified. The necessary process is being followed to evict the illegal tenants and to recover rental payments.

Ex-Dokkies has been identified as critical in the implementation of the sustained teacher development initiatives in the province. The refurbishment and upgrading of ex-Dokkies will make provision for the functioning of Provincial Teacher Development Institute thus becoming a physical site that will serve as a base from which the Department of Education will co-ordinate and deliver the provincial priority of Continuing Professional Teacher Training. The estimated cost for the upgrading and refurbishment of the institution including the hostel is R400 million .The refurbishment process is expected to commence in August 2016.

With regards to Umkhanaykude District, the process of upgrading of offices has commenced and the estimated cost is R65 million which will be phased over three years. The upgrading will make provision for office space for Human Resource and Finance Components who are presently accommodated in Ulundi.

16. Overview of Financial Results of the Department

The overview of the financial results of the Department is covered in pages 108 to 113 of the Annual Financial Statements published as Part E: Financial Information



Advocate B.M. Masuku
Acting Head of Department: Education
Date: 31 August 2016

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2016.

Yours faithfully



Advocate B.M. Masuku
Acting Head of Department: Education
Date: 31 August 2016

6. STRATEGIC OUTCOME ORIENTED GOALS

The strategic goals are instruments focusing the Department in achieving the vision using the mission as a vehicle. The articulation of the goals contributes to a concerted effort in ensuring that goals achieve the vision which in turn achieves the Provincial, National and International mandates of the education sector. The strategic goals of the Department are:

STRATEGIC GOAL 1	BROADEN ACCESS TO EDUCATION AND PROVIDE RESOURCES
Strategic Objective 1.1	To increase access to education in public ordinary schools.
Strategic Objective 1.2	To provide infrastructure, financial, human and technological resources.
Strategic Objective 1.3	To implement teaching, management and governance support programmes at all schools.
Strategic Objective 1.4	To provide diverse curricula and skills oriented programmes across the system.

STRATEGIC GOAL 2	IMPROVE SCHOOLS' FUNCTIONALITY AND EDUCATIONAL OUTCOMES AT ALL LEVELS.
Strategic Objective 2.1	To implement quality assurance measures, assessment policies and systems to monitor success of learners.
Strategic Objective 2.2	To develop and enhance the professional quality and academic performance of managers and teachers in all institutions.
Strategic Objective 2.3	To administer effective and efficient examination and assessment services.

STRATEGIC GOAL 3	DEVELOP HUMAN RESOURCE AND ORGANISATIONAL CAPACITY AND ENHANCE SKILLS
Strategic Objective 3.1	To develop the skills of the Department's workforce at all levels.
Strategic Objective 3.2	To ensure equitable distribution of human resource in the Department.

STRATEGIC GOAL 4	DEVELOP SCHOOLS INTO CENTRES OF COMMUNITY FOCUS, CARE AND SUPPORT
Strategic Objective 4.1	To implement an integrated programme in dealing with the impact of communicable diseases, and HIV/AIDS in the workplace and in all institutions.
Strategic Objective 4.2	To provide support to mitigate the challenges of unemployment, and child-headed households.

STRATEGIC GOAL 5	ENSURE GOOD CORPORATE GOVERNANCE, MANAGEMENT AND AN EFFICIENT ADMINISTRATION
Strategic Objective 5.1	To implement administrative management systems and accounting procedures in order to ensure maximum support to curriculum delivery.
Strategic Objective 5.2	To implement the Batho Pele principles in all institutions.
Strategic Objective 5.3	To decisively deal with issues of fraud, corruption and maladministration.
Strategic Objective 5.4	To implement the Education Management System to improve information management.

STRATEGIC GOAL 6	PROMOTE NATIONAL IDENTITY AND SOCIAL COHESION
Strategic Objective 6.1	To promote youth development, arts, culture and sports in all institutions.
Strategic Objective 6.2	To preserve heritage through utilisation of national symbols in encouraging unity and patriotism amongst the people of KZN.
Strategic Objective 6.3	To develop strong partnerships with all education stakeholders.
Strategic Objective 6.4	To implement nation building programmes and projects.

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

7. STRATEGIC OVERVIEW

7.1. VISION

A well-educated, skilled and highly developed citizenry

7.2. MISSION

To provide equitable access to quality education for the people of KwaZulu-Natal

7.3. VALUES

The KwaZulu-Natal Department of Education adheres to the following values:

(i) Altruism

- Displaying unselfish concern for the welfare of others.
- Doing work for a greater course without the expectation of reward.
- Selflessness and dedication to the national course in the delivery of service and putting people first.

(ii) Empathy

- Discharging our duties with kindness and generosity.
- Being mindful of the circumstances of others, their needs, special requirements.
- Sharing another's concerns, emotions and feelings.
- Doing the right thing the first time around in discharging our duties with kindness and generosity.
- Being mindful of the circumstances of other people, their needs and special requirements.
- Vicarious identification with other employees' concerns, emotions and feelings through demonstrations of compassion, consideration and care.

(iii) Professionalism

- Producing the highest standard of work and demonstrating the highest standard of conduct in our professions.
- Being at the most acceptable behaviour all the times under all conditions.
- Showing emotional maturity.
- Focusing the Department on improving co-operation through shared common goals.
- Respect for self and others.
- Uplifting the Department to higher performance with high degree of commitment and responsibility.

(iv) Integrity

- Consistency of actions and conduct with the highest ethical and moral conduct.
- Abiding by the unwritten rules and doing the right thing even when no one is watching.
- Displaying honesty, intolerance to fraud, corruption, nepotism and maladministration.
- Straightforward communication, saying what needs to be said without withholding information.
- Treating all (employees, stakeholder and others) in a manner that is fair and just.
- The backbone to efficiency and upholding responsibility in a corrupt free environment.

(v) Openness and Transparency

- Taking conscious steps to share information that is relevant to a particular level uniformly.
- Treating all (employees, stakeholders and others) in a manner that is fair and just.

(vi) Excellence

- Maintaining high standards of performance and professionalism by aiming for quality and avoiding mediocrity in everything we do.
- Performing above minimum requirements the first time around without delays and avoiding repeats.

(vii) Teamwork

- Establishing and maintaining shared goals.
- Working together towards improving service delivery.

(viii) Ubuntu

- Ubuntu refers to respect, patience, tolerance, humility and caring; all of which should be embedded within every employee in performing everyday duties.
- Being open and available to others.
- Affirming others without feeling threatened.
- Belonging to a greater whole.
- Recognising that we are all bound together in ways that are invisible to the eye.
- Recognising that we achieve our individual selves by sharing ourselves with others, and caring for those around us.

8. LEGISLATIVE AND OTHER MANDATES

8.1. CONSTITUTIONAL MANDATES

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA ACT NO. 108 OF 1996

In terms of the Constitution, education other than higher education is a concurrent function shared by the national and provincial spheres of government. The MEC has overall responsibility for providing basic education and progressively providing further education and training. In the execution of his mandate, the Executive Authority operates within the framework of the Constitution and a number of other legislative prescripts and policies in the public service in general and the education sector specifically. The Constitution of the Republic of South Africa (1996) requires education to be transformed and democratised in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism. It guarantees access to basic education for all, with the provision that everyone has the right to basic education, including adult basic education.

8.2. LEGISLATIVE MANDATES

Since 1994, a number of policies have been implemented and legislation promulgated to create a framework for transformation in education and training. The fundamental policy framework of the Ministry of Education is stated in the Ministry's first White Paper: Education and Training in a Democratic South Africa: First Steps to Develop a New System, February 1995. This document adopted as its point of departure the 1994 education policy framework of the African National Congress. After extensive consultation, negotiations and revision, it was approved by Cabinet and has served as a fundamental reference for subsequent policy and legislative development.

A summary of key policies and legislation follows:

NATIONAL EDUCATION POLICY ACT NO. 27 OF 1996

The National Education Policy Act (NEPA) provides a framework for intergovernmental relations with regard to the provision of education. It establishes the roles of the Minister of Education in relation to those of the MECs of Education in provinces. NEPA promotes the spirit of co-operative governance. It was designed to inscribe into law the policies, as well as the legislative and monitoring responsibilities of the Minister of Education, as well as to formalise the relations between national and provincial authorities. NEPA laid the foundation for the establishment of the Council of Education Ministers (CEM), as well as the Heads of Education Departments Committee (HEDCOM), as inter-governmental forums that will collaborate in the development of a new education system. As such, it provides for the formulation of national policy in general, and further education and training policies for, inter alia, curriculum, assessment and language, as well as for quality assurance. NEPA embodies the principle of co-operative governance, elaborated upon in Schedule Three of the Constitution.

THE SOUTH AFRICAN SCHOOLS ACT (ACT NO. 84 OF 1996)

The South African Schools Act (SASA) promotes access, quality and democratic governance in the schooling system. SASA provides a framework for all learners to exercise their right of access to quality education without discrimination, and provides for compulsory education for children aged 7 to 15 (or 6 to 14). It provides for two types of schools, namely independent schools and public schools. The provision in the Act for democratic school governance, via school governing bodies, is now in place in public schools countrywide. The school funding norms, outlined in SASA, prioritise redress and target poverty with regard to the allocation of funds for the public schooling system. SASA has been amended by the Education Laws Amendment Act No. 24 of 2005, so as to authorise the declaration of schools in poverty-stricken areas as "no fee schools" and by the Education Laws Amendment Act No. 31 Of 2007 to provide among others for the functions and responsibilities of school principals, and matters pertaining to the control of substance abuse and other matters related thereto.

EMPLOYMENT OF EDUCATORS ACT NO. 76 OF 1998

The Employment of Educators Act provides for the employment of educators. The Act regulates the conditions of services for educators and also provides for educators' professional, moral and ethical responsibilities.

SOUTH AFRICAN COUNCIL FOR EDUCATORS ACT NO. 31 OF 2000

The South African Council for Educators Act provides for the governance of the professional teaching corps under a single act.

THE GENERAL AND FURTHER EDUCATION AND TRAINING QUALITY ASSURANCE ACT, (ACT NO. 58 OF 2001)

The General and Further Education and Training Quality Assurance (GENFETQA) Act provides for the establishment of uMalusi, which is charged with the provision of quality assurance in general and further education and training, the issuing of certificates at the various exit points, control over norms and standards of curricula and assessment, as well as conducting of the actual assessment.

8.3. POLICY MANDATES

THE EDUCATION WHITE PAPER 5 ON EARLY CHILDHOOD DEVELOPMENT (2000)

White Paper 5 provides for the expansion and full participation of 5-year-olds in pre-primary school reception grade education by 2010, as well as for an improvement in the quality of programmes, curricula and teacher development for 0 to 4-year-olds and 6 to 9-year-olds.

EDUCATION WHITE PAPER 6 ON INCLUSIVE EDUCATION (2001)

White Paper 6 describes the intent of the Department of Education to implement inclusive education at all levels in the system by 2020. Such an inclusive system will facilitate the inclusion of vulnerable learners and reduce the barriers to learning, via targeted support structures and mechanisms, which will improve the retention of learners in the education system, particularly those learners who are prone to dropping out.

EDUCATION WHITE PAPER 7 ON E-LEARNING

The Education White Paper 7 on e-learning provides a framework for the roll out of Information and Communication Technology (ICT) infrastructure in schools as well as curriculum delivery through ICTs.

NATIONAL CURRICULUM STATEMENTS (GRADES 10 TO 12)

The National Curriculum Statements embody the vision for general education to move away from a rote-learning model, to a learner-centred outcomes-based approach. In line with training strategies, the reformulation is intended to allow greater mobility between different levels and between institutional sites, as well as to promote the integration of knowledge and skills through learning pathways. Its assessment, qualifications, competency and skills-based framework encourage the development of curriculum models that are aligned to the NQF in theory and practice. The NCS was declared policy in November 2003 to roll out curriculum transformation to schools in the Further Education and Training Band (Grades 10-12). The first year of implementation was 2006 in Grade 10, with grades 11 implemented in 2007 and the first Grade 12 NCS results released at the end of the 2008 academic year.

8.4. RELEVANT COURT RULINGS

a) **CHRISTIAN EDUCATION OF SOUTH AFRICA V MINISTER OF EDUCATION (CCT 13/98) [1998] ZACC 16; 1999 (2) SA 83; 1998 (12) BCLR 1449 14 OCTOBER 1998.**
The decision of this case repealed moderate corporal correction and corporal punishment in independent schools.

b) **MEC FOR EDUCATION: KWAZULU-NATAL AND OTHERS vs. PILLAY 2008 (2) BCLR 99 CONSTITUTIONAL COURT**

This case raises the vital questions about the nature of discrimination under the provisions of the Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 as well as the extent of protection afforded to cultural and religious rights in the Public school setting. The Court decided on the place of religious and cultural expression in Public schools as are reflected in the Code of Conduct for Learners in those schools. The Constitutional Court found that the Code of Conduct for Learners for Durban Girls High School was discriminatory because it prohibited a Learner from wearing a nose stud which was an expression of her religion.

c) **GOVERNING BODY OF JUMA MUSJID PRIAMRY SCHOOL AND OTHERS vs. MEC FOR EDUCATION KWAZULU-NATAL AND OTHERS 2011 (8) BCLR (761) CONSTITUTIONAL COURT**

This is an application for leave to appeal against a decision of the KwaZulu-Natal High Court. The order of the High Court authorised the eviction, of a Public school conducted on private property. The dispute was between the Juma Musjid Trust which owned the property, the MEC for Education, KwaZulu-Natal as well as the School Governing Body. The case dealt with the right to education in terms of Section 29 of the Constitution and the Constitutional obligation of the State to respect, promote, protect and fulfil that right.

d) **KWAZULU-NATAL JOINT LIAISON COMMITTEE vs. MEC FOR EDUCATION, KWAZULU-NATAL 2013 (4) SA 262 CONSTITUTIONAL COURT**

The case involves the enforcement of payment by the State of subsidy to Independent schools. The Court found that once the Department has made an undertaking to pay subsidy to Independent schools, it is bound to honour that undertaking and is not entitled to reduce, retroactively, subsidies regardless of budgetary adjustments. Whilst affordability was considered as a major issue, the Court found that the set dates are of great significance and create a legal obligation to honour those dates. It was further found that responsibility and rationality demand that the Government prepare its budget to meet payment deadlines and it cannot reach back and diminish accrued rights in order to manage its own shortfalls.

i. HEAD OF DEPARTMENT, DEPARTMENT OF EDUCATION, FREE STATE PROVINCE VS WELKOM HIGH SCHOOL AND ANOTHER;

ii. HEAD OF DEPARTMENT, DEPARTMENT OF EDUCATION, FREE SATE PROVINCE VS HARMONY HIGH SCHOOL AND ANOTHER (2013) ZACC 25;

iii. HEAD OF DEPARTMENT, MPUMALANGA DEPARTMENT OF EDUCATION AND ANOTHER VS HOëRSKOOL ERMELO AND ANOTHER (2009) ZACC 32; 2010 (2) SA 415 (CC; 2010 (3) BCLR 177 (CC);

iv. MEC FOR EDUCATION VS GAUTENG PROVINCE AND OTHERS VS GOVERNING BODY OF RIVONIA PRIMARY SCHOOL AND OTHERS (CCT 135/12) (2013) ZACC 34.

- The abovementioned cases dealt with the powers of School Governing Bodies to determine and adopt Policies in relation to a number of issues (e.g. Admission policy, Language policy, Code of Conduct, etc.). The Head of Department cannot intervene or interfere by simply setting aside a policy developed by the School Governing Body. When the Head of Department or the MEC wants to intervene, he or she must act reasonably and in a procedurally fair manner and must be empowered or authorised by the relevant legislation.

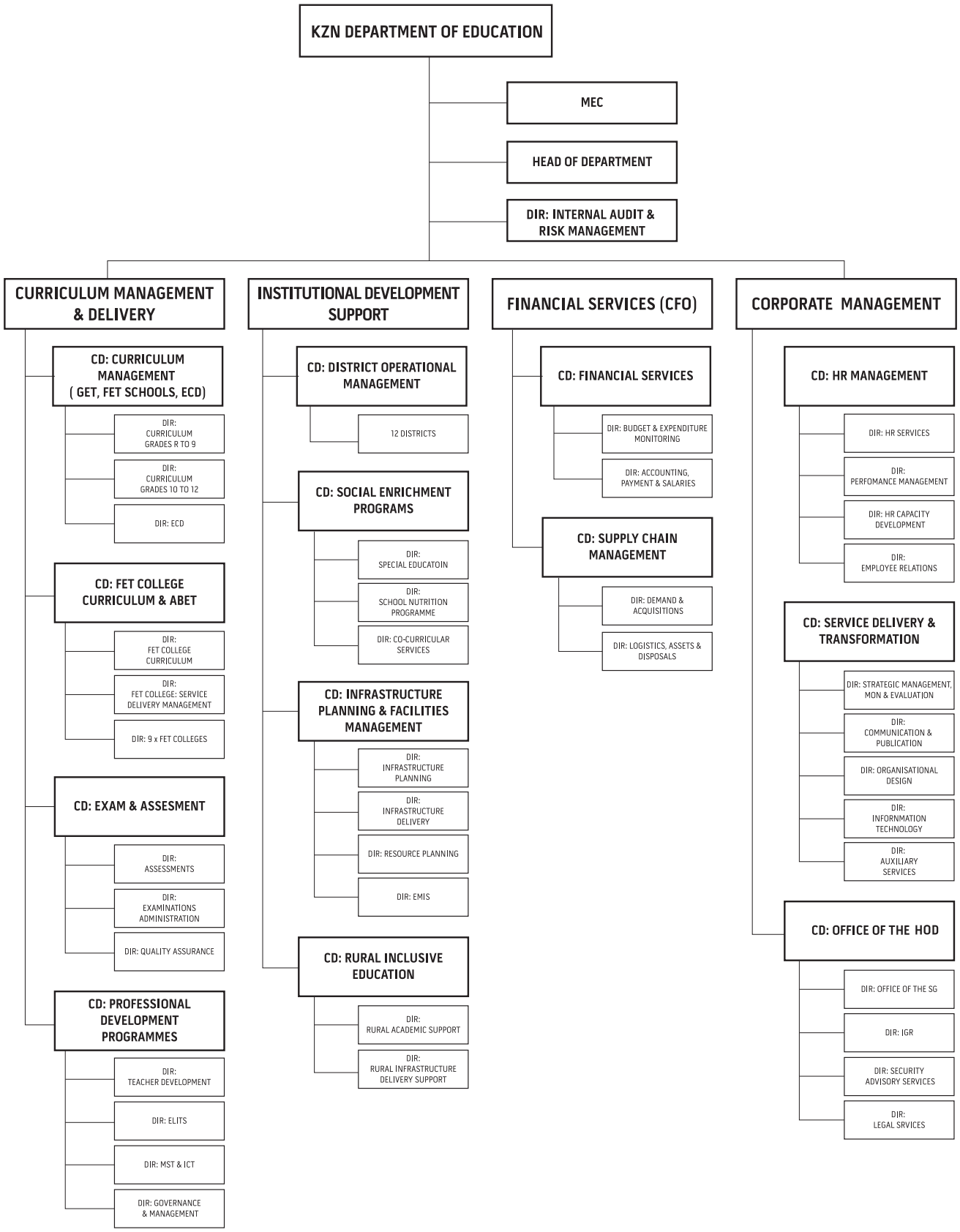
- The Welkom High School and Harmony High School cases dealt with the Code of Conduct for Learners. It provided that learners who fell pregnant could not proceed with attending school until they had given birth. They could be admitted back to school a few months after giving birth. This policy was adopted by the Governing Body after it had gone through a consultative process within the school community. This policy was glaringly discriminatory and could not stand the constitutional scrutiny. The Head of Department attempted to intervene by setting aside this policy but the Court ordered that as much as the policies were discriminatory, the Head of Department must act rationally and in a fair and procedural manner to set aside the policy developed by the Governing Body.

- Hoërskool Ermelo and Rivonia Primary School cases dealt with the admission of Learners to Public schools, powers and obligations of the School Governing Bodies and the Head of Department in relation to admission to Public schools.

e) BEAUVALLON SECONDARY SCHOOL AND ITS GOVERNING BODY AND 16 OTHER SCHOOLS VS THE MEC OF WESTERN CAPE DEPARTMENT OF EDUCATON – CASE NO 865/13 – SUPREME COURT OF APPEAL OF SOUTH AFRICA

This case dealt with the closure of Public schools in terms of Section 33 of the South African Schools Act, 1996. The question was whether the MEC is acting in terms of Section 33 of the South African Schools Act when she was performing a function which is reviewable under the provisions of the Promotion of Administrative Justice Act, 2000 or was she performing an executive function that is not subject to review under the Promotion of Administrative Justice Act, 2000. The Court decided that when the MEC is performing functions in terms of Section 33, such functions is reviewable under the provisions of the Promotion of Administrative Justice Act, 2000.

8. ORGANISATIONAL STRUCTURE



PART B

PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 102 to 106 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Department has performed well in the year under review. Whilst the Annual National Assessments were not conducted, there has been very good progress with the delivery of basic services and access to primary services. In terms of management practices, the Department has improved its efficiencies in managing performance information, improved financial management, reduced teacher absenteeism, improved learner attendance, increased the number of learners benefitting from national school nutrition programme, increased the number of learners benefitting from learner transport and performance information.

The Department has continued to provide free education to learners in about eighty per cent (80%) of all our schools in the province through the 'no fee' paying schools policy. This is a policy which gives all learners attending quintile 1 to 3 schools a right to attend a school without having to pay any school fees.

In implementing "Schooling 2025" through Action Plan to 2019, the progress on the 27 goals is good. Whilst the baseline percentage for the NSC results in 2015 reflects a steep decline of 9% from 69,7% to 60,7%, the total contribution made by the Department to the national passes was an overall average output of around 100 000 NSC passes; a contribution of about 22% for the country. It is important to note that this is the highest contribution made by a province in the NSC results where other provinces contributed as little as 2% in the national pass rate.

It is a cause for concern that the diagnostic assessments which had reflected a good story in the last assessments of 2014 could not be reported on as there were challenges around their administration countrywide. However, the baselines of 71% in Grade 3 numeracy and literacy, 36,4% in Grade 6 mathematics, 77% in Grade 6 home language, 42,3% in Grade 6 First Additional Language and 36,4% in Grade 6 mathematics demonstrates a positive upward trajectory in pursuit of an improved quality of education and is consistent with an improving education system.

These baselines though a year old, are indicators confirming that the Department's interventions are making a positive difference and good progress towards an improved quality of education. These developments point to a schooling system that is succeeding in improving the quality of learning outcomes, sometimes in line with targets, sometimes below the target levels, depending on what indicator one looks at. This is an indication that at least some of government's interventions over the years are making a positive difference. In a system as complex as the schooling system, it is difficult to know exactly how positive change is brought about. But the fact that movement is in the right direction suggests that in the coming years consolidation of existing initiatives, must be a strategic priority.

The Department has made good progress in its infrastructure spend for the year under review. Whilst the annual spending on infrastructure has continued to increase nation-wide; there is a decrease in the infrastructure spend in the Department in order to cover the wage bill. Considering this situation, the Department is exploring alternative better ways of achieving planned targets by

nurturing a culture of accelerating the building of projects through close monitoring so that there is a shortest possible period spent by contractors on a building site. In that way there will savings done by all in the value chain.

The implementation of the Transformation of the Schooling System programme has assisted in ensuring that there is community involvement through the resuscitation of the Quality Learning and Teaching Campaign (QLTC). QLTC is comprised of committees constituted by various stakeholders at various levels, with a view of getting them actively involved in education.

The alignment of schools remains a focus for the Department in order to ensure that there are only primary and secondary schools. As such, the Department paid special focus to the consolidation of small and non-viable schools and the multi-grade schools through the introduction of the specially designed toolkit for these schools, through the rural academic support unit.

The Department developed an academic improvement plan to improve learner attainment also known as Operation Bounce Back focusing on the following areas:

- Enhanced accountability at all levels of the system.
- Greater focus on basic functionality of schools.
- Protecting time for teaching and learning.
- Improved support for teaching and learning.
- Increased efforts on time on task (monitoring tool to ensure educators are in class on time and teaching).
- Resource provisioning.

With regards to assessment, the Department continued its comprehensive planning and vigorous monitoring of the various examinations that it administered. In the analysis of learner performance in the examinations, the Department prepared plans to mitigate poor curriculum delivery or content knowledge, as well as poor learner preparation or response to questions. Schools, through districts, were also encouraged to set, write and mark various tests that were to assist in the assessment of learner attainment at all levels.

Learner performance with regard to mathematics and science remains a concern to the Department. The maths and science strategy continued to be implemented, monitored and evaluated, covering a wider base of schools, educators and needs. In this regard, plans are underway to establish a Mathematics and Science Academy in La Mercy through donor funding to foster the culture of strengthening the teaching of mathematics and sciences in the province. It should be noted that this is still in the discussion and planning phase.

The strengthening of the Education Management Information System (EMIS) in order to improve the credibility of data submitted by schools and to ensure minimum human intervention in the process, has assisted the department in having accurate data at any given point in time and in providing adequate statistics for analytic and budget purposes.

The Department perceives ICT as a catalyst in terms of the quest for quality education. With the various ICT platforms introduced in the province a cyber-school technology solution is being investigated. If successful, this tool will be used to provide of quality educational services to enhance the online educational environment. This will be a one-stop site for development, e-learning and, communication solutions that work with experienced educators across the globe in designing and developing digital educational resources, portal and learning management systems.

At an administration level, the progressive upgrading of IT infrastructure has continued with the investigations into various administrative systems being pursued with a view to improving the efficiencies of the administration.

2.2. Organisational environment

The Department has implemented the organogram however, there were serious challenges with the commissioning of certain districts insofar as the provision of additional office accommodation, information technology connectivity, tools of trade and the filling of posts are concerned as the National Treasury imposed stringent austerity measures thereby hampering the functionality thereof. Having regard to the National Treasury's financial directives the MEC engaged in a process of assessing whether the

department's structure was still geared towards implementing education priorities efficiently and effectively. To this effect an Organogram Task Team (OTT) comprising senior departmental officials and organised labour was constituted with the overarching aim to identify organisational gaps and variances and provide necessary resolutions so as to ameliorate the challenges currently hampering service delivery. The scope of work of the Task Team included extensive consultation with all stakeholders in the education sector to solicit views and recommendations to enhance and align the organizational structure. The methodology of the task team also entailed research into reports emanating from oversight committees such as Provincial Treasury, PSC and DPSA. Furthermore, the organograms of other departments both within and outside the province were analyzed. After careful consideration of the context and reviewing the literature by DPSA on organizational diagnosis and design; the Task Team agreed to follow the DPSA Toolkit in determining the nature and shape of the organizational structure of the envisaged high performing Department.

The Task Team also perused the generic functional models for the Education Sector as well as Corporate Services developed by DPSA and the Government Gazette Notice 300 of 2013 dated 24 February 2013, Policy on the Organizational, Roles and Responsibilities of Education Districts. Furthermore as directed by a Presidential Proclamation (Proclamation No 44 of 2009) pertaining to the function shift in respect of the FET and AET sectors, the department had concluded the transfer of the respective head office components as well as its colleges and relevant personnel to the Department of Higher Education and Training (DHET) with effect from 1 April 2015. The excising of this chief directorate from the organogram has undoubtedly impacted on the hierarchical structuring of the relevant branch and would need to be reconfigured accordingly.

Notwithstanding the above, the Department has recently approved its strategic plan 2015/16-2019/20 with the strengthening of the strategic goals and objectives especially in the areas of key deliverables focusing on both core and support functions. The impact on the service delivery model insofar as the modus operandi to be adopted on the delivery thereof is critical to the way the department performs in the next five years. To give impetus to the strategic plan it is of necessity that the department institute an organisational transformation exercise that would better equip the system to deliver on its legislative mandate. The review of the organisational structure is therefore seen as a principle mitigating factor that would provide the means for effective service delivery.

The Task Team considered all relevant directives and mandates from Provincial Treasury, DPSA, and DBE in the review process. In addition the following guiding principles were determined:

- The cost of the reviewed organizational structure should be affordable.
- A leaner Head Office and robust and strengthened District Office.
- To make all districts fully functional with respect to HR and Finance functions.
- Addressing duplication and alignment of functions.
- Clarifying the role of Head Office *vis-a-vis* Districts.
- The review should not result in job losses.
- Address the span of control of District Managers.

After protracted engagements with organised labour and other stakeholder the Task Team is in the process of compiling a draft organogram for consultation with MEC for Education.

The implementation of norms for support personnel at LSEN and Boarding Schools brought to the fore the challenges in a number of schools where enrolment had decreased substantially over the years. In this regard schools with enrolments of fifty and below were severely affected as the staff provisioning in terms of the norms would render them dysfunctional. Hence the Department is in the process of seeking alternative resolutions for such schools.

The organisational landscape within the education sector is complex and challenging, however the Department has set in motion the relevant processes geared towards ensuring the administrative architecture actualises the strategic objective of quality public education to all our learners based on the principles of redress and equity.

2.3. Key policy developments and legislative changes

There are no significant revisions to the legislative or other mandates since the Strategic Plan 2015/16 – 2019/20 was compiled.

3. PERFORMANCE INFORMATION BY PROGRAMME

3.1 PROGRAMME 1: ADMINISTRATION

Programme Purpose

The purpose of Programme 1: Administration is to provide for the overall management of the education system in accordance wit the National Education Policy Act., the Public Finance Management Act, and other policies. Programme 1 includes publicly funde goods and services, in particular teachers, non-teachers and office items, utilised for governance, management, research an administration, as well as general office services, e.g. cleaning and security services, if utilised in the provincial head office and it subsidiary district and circuit offices.

ANALYSIS BY PROGRAMME

Sub-programmes
This programme has six sub-programmes analysed as follows:

- **Office of the MEC**

  The office of the MEC is central in the provision of strategic direction within the Medium Term Strategic Framework, guiding programmes of national and provincial government towards the achievement of the core business of providing quality education. To this end, education statistical information will be updated regularly so that the extent to which interventions deliver on the ground can be measured.

- **Corporate Services**

  To provide management services that are not education specific for the education system; as well as to make limited provision for and maintenance on accommodation needs.

- **Education Management**

  To provide education management services for the education system.

- **Human Resource Development**

  To provide human resource development for office-based staff.

- **Education Management Information System (EMIS)**

  To provide education management information in accordance with the National Education Information Policy.

PROGRAMME OBJECTIVE:

To provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other policies.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 101: Number of public schools that use the schools administration and management systems to electronically provide data to the national learner tracking system	5 959	5 987	5 390	-597	-9%	5 390 Schools are using the school administration management systems to provide data to the national learner tracking system, while the deficit of 597 do their uploading at the nearest Service Centre.
PPM 102: Number of public schools that can be contacted electronically (e-mail)	3 096	5 987	1 835	-4152	-69%	A Microsoft Schools Agreement is in the process of being finalized and in its implementation will assist in providing schools in the province access to unique and meaningful email addresses. In the interim there is a strong indication that all schools can be contacted electronically via private cell phones used by principals.
PPM 103: Percentage of education current expenditure going towards non-personnel items	10.2%	8.7%	10 %	1.3%	1.3%	The achievement was due to more being spent on Goods and Services.
PPM 104: Number of schools visited by district officials for monitoring and support purposes.	5 952	5 987	4 226	-1761	-29%	4 226 Schools were visited by district officials for monitoring and support purposes. The remaining schools were visited in this quarter by other officials but not necessarily by district officials. In this way the shortfall in the output by district officials was addressed.

PROGRAMME 1: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Percentage of office-based women in Senior Management Service	40%	42%	2%	2%	The target has been achieved; however the Department has not met the national target of 50% due to contextual factors.
Percentage of women school principals	45%	41%	-4%	-4%	The target has not been achieved. The Department is providing training to SGB selection committees to address this backlog.
Percentage of women employees	67%	68%	1%	1%	Target has been achieved.

3.2. PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

PROGRAMME PURPOSE

The purpose of Programme 2 is to provide education in public primary and secondary schools from Grades 1 to 12, in accordance with the South African Schools Act.

ANALYSIS BY PROGRAMME

This programme has six sub-programmes, analysed as follows:

- **Public Primary Schools**
  To provide specific public primary ordinary schools with resources required for the Grade 1 to 7.
- **Public Secondary Schools**
  To provide specific public secondary ordinary schools with resources required for the Grade 8 to 12
- **Professional Services**
  To provide teachers and learners in public ordinary schools with departmental support services.
- **Human Resource Development**
  To provide for the professional and other development services for teachers and non-teachers in public ordinary schools.

- **In-School Sport and Culture**
  To provide learners in public ordinary schools with sports and cultural programmes.

- **Conditional Grant**

  - To provide for projects specified by the Department of Basic Education that is applicable to more than one programme and funded from conditional grants.
  - To provide identified poor and hungry learners in public ordinary schools with the minimum food they will need.
  - To learn effectively in school through the National School Nutrition Programme (NSNP).
  - To provide infrastructure at public schools.
  - To recapitalize the technical schools.
  - To provide support to Dinaledi school

Programme Objective:

To provide quality public ordinary school education from Grade 1 to 12 in accordance with the South African Schools Act and other relevant legislation.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 201: Number of full service schools servicing learners with learning barriers	101	113	101	-12	-10%	The target was overstated. The Department has 101 Full Service Schools. No increase was planned for in 2015/16. The Department has been improving facilities at existing full service schools with the financial resources allocated.
PPM 202: Number of primary schools with an overall pass rate in ANA of 50% and above	New PPM	2 344	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 203: Number of secondary schools with an overall pass rate in ANA of 40% and above	New PPM	323	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.
PPM 204: Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	1 399	1 469	804	-665	-45%	KZNDOE commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
PPM 205: The percentage of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	58.0%	65.0%	69.42%	4%	4%	The target has been achieved.
PPM 206: The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	41.0%	52.0%	61.2%	9%	9%	The target has been achieved.
PPM 207: Number of schools provided with media resources	New PPM	600	600	0	0	Despite an inadequate budget the Department has made great strides in providing schools with media resources by introducing innovative measures such as the mobile libraries and library trolleys.
PPM 208: Learner absenteeism rate	New PPM	10%	1.8%	8.2%	8.2%	The capture of learner absentee statistics is slow and not all statistics are captured by the closing date of the Quarterly Performance Report; therefore the absentee rate may appear lower than what it actually is.
PPM 209: Teachers absenteeism rate	New PPM	8%	0.03%	7.97%	7.97%	The capture of teacher absentee statistics is slow and not all statistics are captured by the closing date of the Quarterly Performance Report; therefore the absentee rate may appear lower than what it actually is.
PPM 210: Number of learners in public ordinary schools benefiting from the "No Fee Schools" policy	1,932,441	1,872,325	1 965 951	9 3626	0.5%	Contestations from schools regarding quintile rankings and subsequent re-ranking contributed to the overachievement.
PPM 211: Number of educators trained in Literacy/Language content and methodology	New PPM	42 504	20 465	-22 039	-51%	In the GET phase the achievement was 9 980 while the achievement in the FET phase was 10 485.
PPM 212: Number of educators trained in Numeracy/Mathematics content and methodology	New PPM	42 504	11 611	-33 893	-79%	In the GET phase the achievement was 5 816 while the achievement in the FET phase was 5 795.

PROGRAMME 2: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Percentage of learners benefiting from National School Nutrition Programme (NSNP)	87%	83%	-4%	-4%	NSNP targets are set before the beginning of the financial year and therefore the total enrolment figure of learners benefiting is likely to increase or decrease by the time the application and approval process of schools is finalized. In this instance there were fewer applications approved resulting in a drop in the percentage of learners benefiting from the NSNP.
Number of learner days covered by nutrition programme	196	188	-8	-4%	The Feeding calendar was adjusted in line with the closure of schools for the first school term (March 2016) thus reducing the total number of learner days covered by nutrition programme to 188.
Number of public ordinary schools with all LTSMs and other required materials delivered by day one of the school year as ordered	5 952	5 952	0	0	The target was achieved

3.3 PROGRAMME 3: INDEPENDENT SCHOOLS

PROGRAMME PURPOSE

The purpose of Programme 3 is to support independent schools in accordance with the South African Schools Act as enshrined in the Norms and Standards for School Funding Regulations. One of the main aims of this programme is to ensure timely and an orderly registration process of independent schools in terms of the South African Schools Act, as well as other applicable legislative frameworks. These schools are evaluated and monitored by the Department. The Department has a duty to support independent schools, especially in catering for poor communities.

Independent schools provide education and training to learners in the same way as public schools do, but they are not governed by the same legislation as public schools. For quality and monitoring purposes, independent schools affiliate with the Association for Independent Schools, and their examining authorities for quality examinations bodies (NSC, IEB and others) and accredited by the Council for Quality Assurance in General and Further Education and Training (UMalusi).

ANALYSIS BY PROGRAMME

This programme has two sub-programmes, analysed as follows:

- **Primary Phase**
  To support independent schools offering Grades 1 to 7

- **Secondary Phase**
  To support independent schools offering Grades 8 to 12

Programme Objective:

To support independent schools in accordance with the South African Schools Act.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 301: Number of subsidised learners in registered independent schools	30,323	29 314	28 781	-533	-1.8%	Some schools did not enrol to their full capacity as originally planned as some applicants had not turned up for admission.
PPM 302: Percentage of registered independent schools receiving subsidies	New PPM	53.0%	78%	25%	25%	Newly registered independent schools and the re-instatement of subsidies to some schools resulted in the target being exceeded.
PPM 303: Percentage of registered independent schools visited for monitoring and support	New PPM	100%	74.8%	-25%	-25%	While all schools cannot be visited physically for monitoring and support, there are measures in place to electronically monitor all schools.

PROGRAMME 3: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Number of funded independent schools visited for monitoring purposes	127	114	-13	-10%	Thirteen schools did not qualify i.e. did not meet the criteria for eligibility; hence they were not visited.
Percentage of schools achieving between 90% to 100% pass rate	84%	78%	-6%	-6%	The target was over-stated.

3.4 PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

PROGRAMME PURPOSE

The purpose of this programme is to provide compulsory public education and resources for learners experiencing barriers to learning in mainstream schools, full-service schools, special schools and special schools as resource centres in accordance with relevant Acts and policies, e.g. the Constitution, SASA, White Paper 6 on Inclusive Education. Education White Paper 6 indicates how the current special education system should be transformed into an inclusive education and training system that will increase access to education by providing for learners experiencing barriers to learning within a 3 tier system: in mainstream schools, full-service schools and special schools as resource centres. This programme also facilitates the attainment of strategic goal 3 of an efficient, effective and development oriented public service and an empowered fair and inclusive citizenship.

ANALYSIS BY PROGRAMME

This programme has five sub-programmes analysed as follows:

- **Schools**
  To provide specific public mainstream schools, full service schools and special schools with resources, increase access to education in public ordinary schools and provide infrastructure, financial, human, technological and support resources.

- **Professional Services**
  To provide teachers and learners in public mainstream schools, special schools and full-service schools with departmentally managed support services.

- **Human Resource Development**
  To provide for the professional development and other development of teachers and non-teachers in mainstream schools, public special schools and full-service schools and provide diverse curricula and skills oriented programmes across the system.

- **In-School Sport and Culture**
  To provide learners in special schools with sports and cultural programmes.

- **Expansion of Inclusive Education**
  To provide full-service (FSS's) and Special Schools as Resource Centres (SSRC's) with resources (specialist staff, material resources; care and support budgets and programmes) to address additional support needs of learners experiencing barriers to learning and development.

Programme objective:

To provide compulsory quality public education and resources in Mainstream Schools, Special Schools and Full Service Schools in accordance with the South African Schools Act and White Paper 6 on Inclusive Education: Building an Inclusive Education and Training System.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 401: Percentage of learners with special needs in special schools retained in schools until age 16	New PPM	100.0%	90%	-10%	-10%	The target has not been achieved as some parents remove their children from public special schools and place them in private institutions.
PPM 402: Percentage of special schools serving as Resource Centres	New PPM	34.0%	34%	0	0	Target achieved

PROGRAMME 4: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Number of learners accessing assessment, career guidance, remedial education, counseling and support programmes in mainstream, special and full service schools. (10% per year / annual) in line with the National Strategy of Screening, Identification, Assessment and Support (SIAS) Strategy	118 000	133 000	15 000	12%	Sponsored programmes by external stakeholders such as MIET contributed to the target being surpassed.
Number of educators employed in public special schools	1 468	1 437	-31	-2%	Educators exiting special schools through resignations, retirement or promotion to other Departments impacted on the output.
Number of professional non-educator staff employed in public special schools	366	193	-173	-47%	Health professionals leaving special schools through resignations, retirement or promotion to other Departments impacted on the output. Financial constraints also prevented the appointment of new personnel to these posts.
Number of learners enrolled in public special schools	17,517	18 470	953	5%	The early identification and correct placement of learners with barriers to learning led to the target being surpassed.

3.5 PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT

PROGRAMME PURPOSE

The purpose of Programme 5 is to provide Early Childhood Education and Development at Grade R and earlier levels in accordance with White Paper 5 and other relevant legislations and policies. As KZN has met 2010 deadlines with more than 85%, 5 year olds in Grade R classes, the focus presently is moving from access to quality education.

ANALYSIS BY PROGRAMME

This programme has six sub-programmes analysed as follows:

- **Grade R in Public Schools**
  To provide specific public ordinary schools with resources required for Grade R.
- **Pre Grade R**
  To provide support to pre Grade R at Community based sites.
- **Grade R in Partial Care Centres (Community based Sites)**
  To provide support to community based sites at Grade R.
- **Professional Services**
  To provide educators and learners in ECD sites with departmentally managed support services.
- **Human Resource Development**
  To provide for the professional and other development of educators and non-educators in ECD sites.
- **Conditional Grant**
  To provide for the infrastructure for ECD.

Programme objective:

To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White Paper 7.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 501: Number of public schools that offer Grade R	3,940	3 953	3 893	-60	-1.5%	The revitalisation programme led to the closure of small non-viable schools. Some of these schools offered Grade R. This resulted in the target being under-achieved
PPM 502: Percentage of Grade 1 learners who have received formal Grade R education	New PPM	97.0%	100%	3%	3%	The target has been achieved.
PPM 503: Percentage of employed ECD Practitioners with NQF level 4 and above	New PPM	50.0%	50%	0	0	The target has been achieved.

PROGRAMME 5: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Number of subsidised community based centres offering Grade R	30	50	20	66%	There is an increase due to the aggressive campaign to sensitize communities on the importance of ECD
Number of learners enrolled in Grade R in public schools	240 000	180 752	-59248	-24%	The number of leaners has decreased due to the increase in independent ECD sites, and merging of small non-viable schools.
Number of Grade R practitioners employed in public ordinary schools	5 803	4 933	-870	-15%	Normal attrition and the movement of practitioners with improved qualifications to other phases are some of the contributory factors that led to the target not being achieved.

3.6 PROGRAMME 6: INFRASTRUCTURE DELIVERY

PROGRAMME PURPOSE

The purpose of Programme 6 is to provide and maintain facilities for the administration of schools.

ANALYSIS BY PROGRAMME

This programme has four sub-programmes analysed as follows:

- **Administration**
  To provide effective management at all levels for the delivery of new school infrastructure and maintenance of current infrastructure in line with relevant legislation for public ordinary schools.

- **Public Ordinary Schools**
  To provide and maintain facilities in Public Ordinary Schools.

- **Special Schools**
  To provide and maintain facilities in Special Schools.

- **Early Childhood Development**
  To provide and maintain facilities in Early Childhood Development and Grade R.

Programme objective:

To provide and maintain infrastructure facilities for the administration and schools.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 601: Number of public ordinary schools provided with water supply	290	100	145	45	45%	The water supply programme has progressed well. An additional Incentive Grant was allocated to the province of which a portion was used for addressing backlogs in the provisioning of water supply
PPM 602: Number of public ordinary schools provided with electricity supply	8	50	3	-47	-94%	The department received an assessment report on 23 September 2015 for 50 schools. Three of these schools had the provision of electricity supply completed. The underperformance is as a result of the fact that the Department is dependent on the grid roll out from ESKOM for it to ensure that the electrification of schools proceeds as planned.
PPM 603: Number of public ordinary schools supplied with sanitation facilities	283	100	122	22	22%	The sanitation programme has progressed well. An additional Incentive Grant was allocated to the province of which a portion was used for addressing backlogs in the supplying of sanitation facilities; hence the over-achievement.
PPM 604: Number of classrooms built in public ordinary schools	170	955	309	-646	-67%	Achievements fell short of the target mostly due to the effects of having stopped projects in the last quarter of the previous financial year and regaining the momentum after restarting in the current financial year.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 605: Number of specialist rooms built in public ordinary schools	249	1 000	861	-139	-14%	The provision of specialist rooms is progressing well in comparison to the previous financial year.
PPM 606: Number of new schools completed and ready for occupation (includes replacement schools)	New PPM	10	7	-3	-30%	The under-achievement is as a result of the effects of having stopped projects in the last quarter of the previous financial year and the time taken to regain the momentum after restarting in the current financial year.
PPM 607: Number of new schools under construction (includes replacement schools)	New PPM	29	29	0	0	Target has been achieved. Twenty nine (29) new schools are in construction stage and are progressing well.
PPM 608: Number of Grade R classrooms built	New PPM	200	116	-84	-42%	The programme has experienced poor performance by emerging contractors and resulted in projects having to be cancelled and re-advertised.
PPM 609: Number of hostels built	New PPM	1	1	0	0	Target achieved
Ppm 610:Number of schools undergoing scheduled maintenance	New PPM	200	200	0	0	The Department undertakes ongoing planned school maintenance in line with maintenance plans.

PROGRAMME 6: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
Number of new schools to be built	10	7	-3	-30%	The under-achievement is as a result of the effects of having stopped projects in the last quarter of the previous financial year and the time taken to regain the momentum after restarting in the current financial year.

3.7 PROGRAMME 7: AUXIALIARY AND ASSOCIATED SERVICES

PROGRAMME PURPOSE

The purpose of Programme 7 is to provide specialist support services to Public Ordinary Schools, including examination support services and quality assurance.

ANALYSIS BY PROGRAMME

This programme has four sub-programmes analysed as follows:

- **Payments to SETA**
  To provide human resource development for employees in accordance with the Skills Development Act.

- **Conditional Grant Projects**
  To provide for projects specified by the Department of Basic Education that is applicable to more than one programme and funded from conditional grants.

- **Special Projects**
  To provide for special projects commissioned by the MEC as interventions for service delivery.

- **Examination**
  The purpose of this sub-programme is to provide access to an efficient and effective examination and assessment service which enjoys widespread acceptance at all levels within the National Framework.

  This is accomplished by the provision of the following key services:

  i. The Conduct of the National Senior Certificate (NSC) Examinations.
  ii. The Conduct of the Adult Education and Training (AET) Examinations.
  iii. The Conduct of the Senior Certificate (SC) Examinations.

Programme objective:

To provide specialist support services to Public Ordinary Schools, including examination support services and quality assurance.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 701: Percentage of learners who passed National Senior Certificate (NSC)	72.0%	75.0%	60.7%	-14%	-14%	The Department has under-performed. The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 702: Percentage of Grade 12 learners passing at bachelor level	25.7%	30.0%	21.4%	-8.6%	-8.6%	The Department has under-performed. The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
PPM 703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	14.4%	20.0%	12%	-8%	-8%	The Department has under-performed. The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
PPM 704; Percentage of Grade 12 learners achieving 50% or more in Physical Science	18.0%	24.0%	17.4%	-6.6%	-6.6%	The Department has under-performed. The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
PPM 705: Percentage of Grade 3 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	71.0%	74.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.
PPM 706: Percentage of Grade 3 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	71.0%	74.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.

Performance Measure	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016		Comment on Deviations
PPM 707: Percentage of Grade 6 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	60.0%	62.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.
PPM 708: Percentage of Grade 6 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	36.4%	39.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.
PPM 709: Percentage of Grade 9 learners achieving 50% and above in Home Language in the Annual National Assessment (ANA)	33.0%	34.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.
PPM 710: Percentage of Grade 9 learners achieving 50% and above in Mathematics in the Annual National Assessment (ANA)	10.7%	5.0%	No data	-	-	DBE has requested exemption to report on ANA 2015 results from the Department of Planning, Monitoring and Evaluation (DPME), the Auditor-General of South Africa (AGSA) and the National Treasury.

PROGRAMME 7: NON-CUSTOMISED INDICATORS

Non-Customised Performance Indicator	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2014/2015		Comment on Deviations
NSC pass rate	75.0%	60.7%	-14%	-14%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
Number of schools with an NSC pass rate below 60%	200	944	-744	-372%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
NSC pass rate of Quintile 1 schools [minimum school average of 60%]	75%	46.6%	-28%	-28%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
NSC pass rate of Quintile 5 schools [minimum school average of 60%]	97%	83.5%	-13.5%	-13.5%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
Percentage of learners passing NSC maths	45.75%	33.2%	-12.5%	-12.5%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
Percentage of learners passing NSC science	60.77%	51.8%	-8.9%	-8.9%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.
Percentage of bachelor passes	30.7%	21.4%	-9%	-9%	The Department commits to work harder to improve the results of 2016. To this end the Department has implemented various interventions such as the improved Provincial Academic Improvement Plan.

PART C

GOVERNANCE



1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

2. RISK MANAGEMENT

2.1. Risk Management Policy and Strategy.

The Department's Risk Management Policy was approved during the 2015/2016 financial year. The Department has a Risk Register which articulates all the risks identified and tabulates the action plans to be implemented to mitigate those risks. Progress on the actions plans are reported quarterly to the Cluster Audit and Risk Committee.

2.2. Risk Assessments

The Department has a unit responsible for monitoring the implementation of the action plans as espoused in the Risk Register. The responsibility, accountability and timeframe for the implementation of the action plans are articulated against each senior official in the Risk Register. Regular assessments of the implementation are conducted and progress reports are presented at Top Management and oversight committees like the Cluster for Audit and Risk Committee (CARC). During the year, new risks were identified and included in the Risk Register with action plans to be implemented by the relevant risk owners.

2.3. Risk Management

During the year the Department established the Risk Management Committee (RMC) which is an oversight committee responsible to the Head of Department for the monitoring, designing, implementing and coordinating the department's risk management initiatives. To ensure that the Department is in line with good governance practices, the RMC is responsible for formulating, promoting and reviewing the risk management strategy and progress at strategic and risk management level.

2.4. Audit Committee Advice on Risk Management

The Department works closely with the Risk Management Unit located within the Internal Audit Unit of the Department of Provincial Treasury. The development of a risk register is ratified at that level and the implementation of the action plans is being monitored regularly. The progress report is jointly presented at CARC which sits on a quarterly basis.

2.5. Progress in the Management of Risks

The culture of risk management is evolving in the Department. In addition to the existing risk register, the Department has developed an improvement plan on the basis of the risks identified and the outcome of the audit reports released. The implementation of the improvement plan and the risk register has intensified mitigating strategies and the interventions by respective branches, chief directorates and directorates.

3. FRAUD AND CORRUPTION

3.1. Fraud Prevention Plan

The Department has a Fraud Prevention Plan which provides guidelines in preventing, detecting and reporting fraudulent activities within the Department. The Fraud Prevention Plan includes a Fraud Policy and Response Plan and a Whistle Blowing Policy. The above Fraud Prevention Plan is currently being reviewed and will be finalized in the 2016/2017 financial year.

3.2. Mechanisms to Report Fraud and Corruption

All employees and stakeholders are encouraged to report suspicious fraudulent activities without fear of reprisals or recriminations to the Department. Employees and the public can report allegations of fraud anonymously to the National Anti-Corruption Hotline (NACH) established within the Public Service Commission.

3.3. Fraud Cases and Action Taken

Cases reported via the NACH hotline or internally are dealt with by way of investigation processes in line with forensic procedures. The Department also co-ordinates some of the cases with the South African Police Services (SAPS) and other law enforcement agencies. Once the investigations are concluded, some cases proceed to internal disciplinary processes, whilst others that are of a criminal nature, are handed over to the SAPS.

4. MINIMISING CONFLICT OF INTEREST

The Department has an approved Declaration of Interest Policy. All employees must declare their registrable interest on or before the 30 April each year.

The Department ensures the following management processes are implemented to minimise conflicts of interest:

- All senior management members are required annually to complete their Declaration of Interest on the e-disclosure reporting tool of the Department of Public Service Administration.
- All members of the Departmental Bid Evaluation and Bid Adjudication Committees are required to complete a Declaration of Interest form prior to adjudication and evaluation of each bid/tender.

5. CODE OF CONDUCT

The Department's Code of Conduct and Business Ethics comprises primarily of the content of the Public Service Code of Conduct and promotes a high standard of professional ethics in the workplace and encourages public servants to think and behave ethically. When there is breach of conduct the directorate dealing with the Code of Conduct investigates the matter thoroughly and after investigation the matter is dealt with either formally or informally, depending on the seriousness of the conduct.

6. OCCUPATIONAL HEALTH AND SAFETY

The Directorate: Facilities Management and Auxiliary Services is responsible for the implementation of the Occupational Health and Safety (OHS) policy. The Directorate ensures that the occupants of the 86 buildings are in a clean, safe, secure environment and free from serious recognized hazards. The Directorate encourages all employees to adopt an injury and risk prevention programme. The injury and risk prevention programmes have substantially reduced the number and severity of workplace injuries and alleviated the associated financial burdens of the Department. In order to ensure on-going safety of the employees and in compliance with the Occupational Health and Safety Act, OHS committees were established and OHS representatives were appointed at all offices. The provision of training programs for OHS representatives, first aiders and fire marshals were initiated. The Directorate has also developed and conducted advocacy on emergency evacuation procedures and identified adequate emergency exists. The OHS representatives are responsible to ensure that the OHS objectives and targets are achieved and monitored.

7. PORTFOLIO COMMITTEES

DATE OF MEETING	MATTER RAISED BY PORTFOLIO COMMITTEE	DEPARTMENT RESPONSE TO MATTER
19 March 2015	Third Quarter Budget Performance Annual Performance Plan Budget 2015/16 Rural Allowance National School Nutrition Programme Head Count	The Department responded by providing all the above mentioned reports to the Committee.
2 June 2015	Head Count Capped Leave Thandile Risk Service Learner Transport Infrastructure Conditional Grants Learner Teacher Support Material	The Department responded by providing all the above mentioned reports to the Committee.
24 July 2015	Infrastructure National School Nutrition Programme Allegations on SADTU's involvement in the posts scandal Management of Ilembe and Ugu Districts	The Department responded by providing all the above mentioned reports to the Committee.
4 September 2015	Fencing Maintenance of school toilets and infrastructure First Quarter Report 2015/16 Audit Report 2014/15 Draft Annual Performance Plan 2016/17 Implementation of HRM 24 of 2014 SANTS Report LTSM Procurement Implementation of Transformation of the Schooling System Curriculum delivery progress on Mbonisweni primary Report on Salary Upgrade of the Principal of Vimbukhalo P. School	The Department responded by providing all the above mentioned reports to the Committee.
6 November 2015	Medical boarding Head Count Audit Report Ablution facilities at schools Conditional Grants Implementation of HRM 24 of 2014 SANTS report Midterm Budget Performance	The Department responded by providing all the above mentioned reports to the Committee.
12 January 2016	2015 NSC Exam Results Appointment of two legal personnel at Legal Services Unit Update on grade R practitioners' payments Payment of 500 exam markers NSNP School Opening Functionality Monitoring Programme	The Department responded by providing all the above mentioned reports to the Committee.
15 March 2016	Budget 2016/2017 Annual Performance Plan 2016/2017 Third Quarter Performance Report 2015/16 Provincial Matric Turn-around Strategy Plan for Teacher Development Curriculum delivery at Mbonisweni Primary School Human Resource and NSNP at Intshelimnyama Primary Infrastructure at Mcopheleli Primary School Completion of Mona Primary School KZN Admission Policy Three Stream Model	The Department responded by providing all the above mentioned reports to the Committee.

8. SCOPA RESOLUTIONS

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
1	Resolution 115/2015: Department of Education: (also based on Resolution 13/2014): Irregular Expenditure	(a) That effective steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1 (b) That Treasury regulations 16A8.3 and 16A8.4 (Procurement contract management) were not complied with as stated in paragraphs 27 to 29 of the audit report (c) That the findings stated in paragraphs 9-13 of the 2013/2014 audit report related to irregular expenditure of R2 680 billion that was incurred as a result of non-compliance with supply chain management processes. (d) This expenditure would have been paid by year end, after which the process of condonation had to commence.	The committee resolves: That the Accounting Officer reports by 31 January 2016 on: 1. The progress made in the condonation process 2. Investigations into and measures were taken against Senior Managers who did not comply with SCM processes and who incurred irregular expenditure. 3. The progress regarding the plan to be used to eliminate irregular expenditure incurred by implementing agents 4. The action taken to deal with category of conflicts of interest which have largely contributed to the irregular expenditure disclosed. 5. Who was responsible for issuing awards to bidders who did not submit any declaration and action to be taken in this regard.	1. The progress made in the condonation process The following progress can be noted with the condonation process: R17.8 million has been condoned via the Provincial Treasury condonation process and based on evidence provided contrary to the Auditor General's findings as follows: a) three (3) quotes not requested - R4 375 b) competitive bidding process not followed - R7 054 c) payment not found - R4 634 d) month to month contract - R1 359 e) requested three (3) or more quotes received less than 3 - R 460 and a grand total of R17 882 million. Given the new National Guidelines on the condonation of irregular expenditure, the balance of cases under consideration of condonation are being investigated internally for onward transmission to the Provincial Treasury. 2. Investigations into and measures were taken against Senior Managers who did not comply with SCM processes and who incurred irregular expenditure. Cases referred to Internal Control are investigated. Where investigations have been finalized, these have been submitted to the Bid Adjudication Committee Department for approval. There are two such cases of non-compliance by Senior Managers. Disciplinary action has been taken and sanctions have been implemented in the one case. The other case is pending BAC approval. 3. The progress regarding the plan to be used to eliminate irregular expenditure incurred by implementing agents a) IDT Tenders not advertised for minimum period - All Implementing Agents were advised that all projects should be advertised for not less that the prescribed period. The projects are monitored through the CIDB website. (b) IDT - Original B-BBEE certificates not in tender file - The Department conduct quarterly visits to determine the completeness of SCM information in the files. c) IDT - Incorrect CIDB grading advertised - All Implementing Agents were advised that all projects should be within the prescribed CIDB grading. The projects CIDB grading are monitored through the CIDB website. d) Umhlathuze Water - No evidence that bid documents were received before closing date. The use of uMhlathuze Water has been discontinued. e) The Department conduct quarterly visits to determine the completeness of SCM information in the files. f) COEGA - Declarations of interest (SBD4) not submitted by winning supplier.	YES

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
				The Department conduct quarterly visits to determine the completeness of SCM information in the files. g) IDT - Construction tenders not advertised on CIDB website - All Implementing Agents were advised that all projects should be advertised in the CIDB website. The projects advertisements are monitored through the CIDB website. h) DPW – No competitive bidding for the employment of consultants -The department of Public Works has discontinued the use the roster in the appointment of consultants. They now issue request for quotation before the consultants are appointed. 4. The action taken to deal with category of conflicts of interest which have largely contributed to the irregular expenditure disclosed. In respect of NSNP conflicts of interest, it is difficult to identify conflicts as vendors do not always disclose that they are employed for the state or that their family member is employed by the state on the SBD4 forms. The Department also does not have access to CIPC database nor Home Affairs where these can be checked by SCM before awarding. The Department will be soon adopting the centralized supplier database of the National Treasury and all vendors who do business with government will have to apply to be on the database. This will thus assist the Department in identifying conflicts of interest prior to awarding. 5. Who was responsible for issuing awards to bidders who did not submit any declaration and action to be taken in this regard. a) In respect of the department, it would be the relevant Bid Adjudication Committee (BAC) for bids above R500 000.00 or Quotation Adjudication committees for bids below R500 000.00. b) In relation to the Implementing Agents it would be their BAC's	
2	Resolution 115/2015: Department of Education: Non-payment of service providers within 30 days	(a) That the contractual obligations and money owed by the Department were not settled within 30 days or an agreed period, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3 (b) The emphasis of matter stated in paragraph 8 of the 2014/15 audit report which relates to payables of R552.32 million which exceeded the payment term of 30 days and which exceeded the voted funds to be surrendered by R265.88 million. (c) The amount of R265.88 million would therefore have constituted unauthorised expenditure had the amounts due paid in a timely manner.	The Committee resolves: a) That, with regard to the finding on payables, the Accounting Officer reports on what action has been taken to address this finding by 31 January 2016. b) That the above report also specifies the sanctions that will be implemented by the Accounting Officer against those officials who allow payments owed to service providers to exceed the 30 day payment period.	(a) Accruals arise as part of the normal business process. Goods and Services rendered in the month of March are generally not paid in March. For example, if an invoice for security services for the month of March comes through the department dated 31 March, it will not be paid in that month, because the service period would have been 1 – 31 March and it will only be due and payable by the end of the following month. This is due to the fact that the department cannot pay an invoice prior to the services having been rendered as this would constitute a prepayment, which is not permissible as per the PFMA. (b) A second example that would have caused the 30 day not to be observed would relate to NSNP, where the invoices for the payment came through long after the service had started, due to the initial problems experienced with procurement processes. (c) As part of the audit discussion, in instances where a delay arises due to disputes between the department and the service provider, such discussions form part of the payment docket which should be attached to the invoice so that such discussion are available for audit purposes as and when required. This is also contained in the turnaround strategy that was presented to the committee. (d) The non-payment of these invoices to a period beyond 30 days largely comprises of instances mentioned above and thus no one can be held liable for such.	YES

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
3	Resolution 116/2015: Department of Education: Predetermined Objectives and achievement of planned targets	That the Auditor-General in reviewing performance information and auditing the information presented in the Department's annual performance report, found that the Department's performance information was unreliable	The Committee resolves: That the Accounting Officer reports by 31 January 2016 on action taken to ensure that the above findings are addressed and that no further findings on predetermined objectives occur in the next audit.	a) The Department has improved system for Validation and Verification Target and outputs. b) Validation and Verification process is conducted on a quarterly basis. c) The Department is working with Internal Audit to conduct random site visit in ensuring that District's complies with Treasury Regulations for credible, reliable data reporting. d) The documents on the CD are the Updated Operating Procedure which incorporates the new process for Validation and Verification of Performance Information e) Validation and Verification Management Plan. f) Validation and Verification Reporting Tool.	YES
4	Resolution 117/2015: Findings of the Auditor-General on Information Technology Controls	(a) The report of the Department on the status of implementation of the IT Governance Framework; (b) The findings of the Auditor-General on IT Controls in the 2014/15 financial year, in particular that:- (i) IT governance policies were inadequately designed and implemented to support the implementation of the Framework; (ii) IT Security Management Controls were inadequately designed and implemented; (iii) User access management controls and procedures were not adequately designed and implemented; (iv) The Department does not have a Business Continuity Plan (BCP) and the Disaster Recovery Plan (DRP) is inadequate; and (v) There was an over-reliance on SITA as the service provider and the services offered by SITA were not monitored.	That the Accounting Officer reports by 31 January 2016 on:- 1. Progress made in addressing the audit findings; 2. The support services it receives from SITA in terms of a Business Agreement and a Service Level Agreement in implementing the IT Governance Framework and in addressing the audit findings in relation to IT, as well as the adequacy of the services; and 3. A plan for the transfer of skills to the Department and training to be provided by SITA in order to minimise the reliance of the Department on SITA.	1. The Governance Framework has been fully developed and the relevant policies are in place. The Department is rolling out projects in line with the three year ICT Strategy. The Department has deployed bandwidth optimisation and has doubled the access bandwidth for all sites. 1722 desktops and 495 laptops have been procured for staff. The refresh of the Department's core server infrastructure is in progress. IT staff have undergone ITIL Foundation training. The Department has developed the following policies: I. Backup policy II. Governance and Management of ICT Framework III. Corporate Governance of ICT Policy1 IV. Corporate Governance of ICT Charter V. Corporate Governance and Governance of ICT Implementation and Maintenance Plan VI. IT Strategy Implementation and Migration Plan VII. ICT Strategic Plan VIII. ICT Environment and Environmental Controls Policy (draft) IX. Business Continuity Management Policy 2. a. The Department and SITA are engaging in terms of the new Business Agreement b. The new Service Level Agreement in relation to the Business Agreement has been signed by the Department c. The Service Level Agreement encompasses the following services: i. LAN and Desktop Support ii. WAN services iii. Hosting Services iv. Mainframe Services v. Application Support d. The Department is engaging with SITA to draw up the Service Level Agreement for implementing the IT Governance Framework e. It has been noted that SITA has performed inadequately in a number of services,	NO

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
				ie. Procurement, LAN & Desktop. To minimise the reliance upon SITA, the Department has engaged organisational design in order to capacitate the IT Services Directorate (in line with the DPSA Organisational Structure for IT) to take over some of the non-mandatory SITA SLA functions as defined by the SITA Act. Additionally Departmental IT procurement is now going to be performed internally and not through SITA 3. The Department currently has a COTS (Computer Off The Shelf – basic PC usage) Training SLA with SITA. ITIL training for the IT staff was completed in July 2015. Quotations have been sourced for COBIT 5 training and TOGAF 9 training. To minimise the skills reliance upon SITA, the Department has engaged organisational design in order to capacitate the IT Services Directorate (in line with the DPSA Organisational Structure for IT) to take over some of the non-mandatory SITA SLA functions as defined by the SITA Act. This will facilitate the transfer of skills to the Department.	
5	Resolution 118/2015: Department of Education: Filling of vacant posts	That funded vacant posts were not filled within 12 months as required by public service regulation I/VII/C.1A.2A as stated in Human Resource Management (paragraph 30 of the audit report).	That the Accounting Officer reports by 31 January 2016 on progress made in filling the vacant funded posts	The cost cutting measures put in placehas necessitated caution around the advertisement and filling of vacant posts in Head Office and Districts. To ensure service delivery several categories of critical vacant posts were advertised and are in the process of being filled. The following indicates posts filled in 2015: 10 sms posts. 144 office based educator posts were advertised and filled. School based promotions posts are advertised on a quarterly basis. in the last quarter 2226 posts were advertised under HRM Circulr No 38 of 2015 and are in the process of being filled. The filling of all other vacancies is dependent on the approval of the Premier and the MEC for Finance as per directives from Provincial Treasury and the Office of the Premier.	NO

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
6	Resolution 119/2015: Department of Education: Findings on non-compliance with Supply Chain Management processes	That certain of the findings on non-compliance with Supply Chain Management processes stated under the matter of Irregular Expenditure in Resolution 12/2015 above were due to (i) the fact that persons in the service of the department or related parties who had a private or business interest in contracts awarded by the department failed to disclose such interest and (ii) procurement of Goods and Services at Head Office and in the Districts which did not comply with SCM processes	That the Accounting Officer reports by 31 January 2016 with an action plan to address the following: 1. Action taken against the Senior Managers who did not take proper measures to prevent non-compliance with the SCM processes. 2. How the Accounting Officer intends to effectively address the culture of non-compliance with laws and regulations in the Department, particularly the SCM regulations, to bring about good governance and sound financial management in the department. 3. How the Accounting Officer intends to resolve the issue of non-compliance with Treasury Regulation 16(a) regarding declaration of interest as stated in paragraph (3) of Resolution 13/2013 of the Committee. 4. That, as an existing measure which can provide some control over the increasing number of public servants conducting business without authorisation proper completion and checking of the SBD4 declaration form must take place when awarding tenders and other contracts, identity numbers provided on the form must be verified against Persal to check if persons are in employ of the State, if they are in the employ of the State they must show that they have the required permission, as required by the National Treasury instruction. 5. That the Education Portfolio Committee conducts ongoing oversight over the matters raised in the above resolution and the progress of the department in preparing the response to the Public Accounts Standing Committee.	1. Action taken against the Senior Managers who did not take proper measures to prevent non-compliance with the SCM processes. a) In respect of NSNP non-compliance, disciplinary action was taken against the Senior Manager: NSNP and a final written warning was given. b) With respect to Infrastructure Projects, the managers were made aware of the consequences of poor monitoring of Implementing Agents. The Department has appointed additional personnel to assist in the monitoring of Implementing Agents, among other things. 2. How the Accounting Officer intends to effectively address the culture of non-compliance with laws and regulations in the Department, particularly the SCM regulations, to bring about good governance and sound financial management in the department. Pending the outcome of the various investigation actions will be taken against officials who were negligent. 3. How the Accounting Officer intends to resolve the issue of non-compliance with Treasury Regulation 16(a) regarding declaration of interest as stated in paragraph (3) of Resolution 13/2013 of the Committee. Regarding conflicts of interest suspensions are imminent – Ms C Browne to elaborate 4. That, as an existing measure which can provide some control over the increasing number of public servants conducting business without authorisation proper completion and checking of the SBD4 declaration form must take place when awarding tenders and other contracts, identity numbers provided on the form must be verified against Persal to check if persons are in employ of the State, if they are in the employ of the State they must show that they have the required permission, as required by the National Treasury instruction. a) SCM practitioners are compelled to ensure that no SCM award is made without receipt of a SBD4 and the required verifications against persal. b) Vendors who do not submit completed SBD4's are excluded from the evaluation process. c) Specific policy guidelines and business process flows have been issued in regard to conflicts and SBD4's and hence seeks to provide specific and unambiguous direction on the matter. d) Compulsory pre-award and pre-payment compliance checklist have been implemented and serve as a dual control measure.	NO

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
7	Resolution 120/2015: Department of Education: Conditional grants	That the department did not evaluate its performance in respect of programmes or functions funded by the allocation as required by section 11(6) (a) of DoRA	1. That the Accounting Officer reports by 31 January 2016 on disciplinary action taken against managers of the relevant grants who did not comply with the evaluation and reporting requirements prescribed by DoRA. 2. That the Accounting Officer reports by 31 January 2016 on measures that have been instituted to ensure compliance with DoRA prescripts.	Accounting Officer and the relevant Senior General Managers with Grant Managers were in discussions and instituted Turnaround Strategies to fully implement the Grants according to the Business Plans and fast track the process.	NO
8	Resolution 150/2015 – Transversal resolution – Irregular expenditure, non-compliance with Supply Chain Management processes	(a) That unauthorised expenditure incurred in 2014/2015 financial year amounted to R143.27 million. (b) That irregular expenditure incurred amounted to approximately R1.65 billion. (c) That the majority of irregular expenditure was incurred through non-compliance with Supply Chain Management processes, in the competitive bidding process not being followed, month to month contracts, three quotes not requested prior to procurement and over expenditure on transfers and subsidies (d) That for the last four years the Public Accounts Standing Committee has been calling for the Accounting Officers to act in terms of section 38(1)(h)(iii) of the Public Finance Management Act to take effective and appropriate disciplinary steps against any official in the service of the department who makes or permits irregular expenditure. (e) That it is the view of the Public Accounts Standing Committee that the failure of the Accounting Officers to act in terms of their responsibilities in this regard may constitute grounds for non-payment of performance bonuses to Accounting Officers and Senior Management of departments.	1. That the Accounting Officers of the departments and the Accounting Authorities of the public entities who incurred irregular expenditure report by 30 April 2016 on: i. What disciplinary steps have been taken for financial misconduct against those officials responsible for the irregular expenditure. ii. Recovery of money from those responsible in cases where it has been determined in consultation with Provincial Treasury that further investigation and disciplinary action is required. iii. If no disciplinary steps can be taken, the Accounting Officer or Accounting Authority must provide reasons for this. iv. What measures are being put in place to ensure that irregular expenditure is properly disclosed in the	1. That the Accounting Officers of the departments and the Accounting Authorities of the public entities who incurred irregular expenditure report by 30 April 2016 on: i. What disciplinary steps have been taken for financial misconduct against those officials responsible for the irregular expenditure. The Department is currently instituting disciplinary action against officials (26 cases) relating to NSNP conflicts of interest for the 2014/2015 financial year. Disciplinary action is in progress for 50 cases relating to NSNP conflicts of interest for the 2013/2014 financial year and will be finalized by March 2016. ii. Recovery of money from those responsible in cases where it has been determined in consultation with Provincial Treasury that further investigation and disciplinary action is required. The Department is currently seeking legal opinion on recoveries of monies in respect of NSNP due to the fact that the service was rendered. iii. If no disciplinary steps can be taken, the Accounting Officer or Accounting Authority must provide reasons for this. a) The R17.8 million condoned did not require further disciplinary action given that contrary to Auditor General's findings the department was able to back cases with evidence of compliance of three quotes, month to month contracts, competitive bidding payments found. b) Once the balance of cases are concluded, reasons for cases where no disciplinary action is warranted, will be provided. iv. What measures are being put in place to ensure that irregular expenditure is properly disclosed in the Annual Financial Statements and not left to the Auditor-General to detect during the audit process	NO

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
9	Resolution 151/2015 – Transversal resolution – 2014/2015 Fruitless and Wasteful expenditure	That some provincial departments and entities incurred fruitless and wasteful expenditure in the 2014/2015 financial year.	That the Accounting Officers report by 31 January 2016 on the following: 1. The reasons for the fruitless and wasteful expenditure being incurred in the 2014/2015 financial year. 2. Action taken against those officials responsible for incurring the fruitless and wasteful expenditure. 3. Recovery of money from those responsible and not possible given the above 4. Measures put in place to ensure that fruitless and wasteful expenditure does not occur in future.	1. a) Interest on domestic accounts viz. Telkom, Municipalities, Eskom etc. b) Interest on settlement of legal claims as per court orders. 2.a) Postal delays and other reasons beyond the control of the department mitigate against action being taken against officials . b) In terms of legal settlements, again circumstances beyond the control of officials mitigate against further action. 4. a) domestic accounts are centralized b) legal advice sought in terms of legal disputes to avoid interest claims	YES
10	Resolution 153/2015 – Transversal resolution – Human Resources matters – Funded vacant posts not filled within 12 months	(a) The high number of vacancies that exist in senior management positions within departments and public entities and the adverse effect this is having on the findings of the Auditor-General particularly in the financial and performance management, compliance with laws and regulations, leadership and governance. (b) That certain departments and public entities were experiencing difficulties in their recruitment processes, including delays due to verification of qualifications and vetting of applicants and having to advertise posts a number of times due to applicants not being suitable for the position.	That the Accounting Officers of the relevant departments report by 31 January 2016 on the following: 1. A list of vacant senior management posts in their respective departments. 2. What action is being taken in the departments and public entities to address the findings of the Auditor-General with regard to the filling of vacancies in senior management positions? 3. Implementation of the directive from the National Minister of Finance that vacant funded posts in departments which have been vacant for more than 12 months must be frozen, which key vacancies will be affected by this directive and the impact of this on service delivery in the departments. 4. That the Portfolio Committees be requested to monitor filling of all vacant funded posts in departments, especially key positions and senior management positions.	1. 9 Senior Management Posts vacant. Listing provided. 2. Senior Management posts were advertised in December 2015 and recruitment processes is in progress. The remaining posts are in the process of being advertised.3. The Department has had to write to Treasury for permission to fill vacant posts in line with National Treasury Circular. This has an impact on service delivery with regard to the time taken to fill posts.	YES

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
11	Resolution 154/2015 – Transversal resolution – Material misstatements and omissions in submitted Annual Financial Statements	(a) That the audit finding on material misstatements and omissions in the Annual Financial Statements submitted to the Auditor-General for audit purposes has been reoccurring in the majority of departments and certain public entities over a number of years. (b) That the audit outcomes of these departments and public entities would have been qualified if the adjustments had not been made by the Auditor-General. (c) That it is the responsibility of the Accounting Officer in terms of Section 40(1)(b) of the Public Finance Management Act to prepare the financial statements for each financial year in accordance with generally recognised accounting practice and that failing to do so constitutes misconduct in terms of Section 81(1)(a) of the Act. (d) That the Public Accounts Standing Committee is very concerned at the recurring findings of the Auditor-General on this matter over a number of years which indicates a lack of proper financial accounting and financial management skills within these departments and public entities.	1. That in compliance with Section 40(1) (b) of the Public Finance Management Act, Accounting Officers be requested to ensure that financial statements are prepared regularly during the financial year and that due diligence is exercised to ensure that the financial statements are correct in all respects and that the financial statements are submitted to Internal Audit and the Provincial Audit and Risk Committee timeously. 2. That all Accounting Officers report by 31 January 2016 on action taken to resolve this audit issue.	1. The financial statements are prepared at the end of each quarter with the mid term (30 September each year) financial statements being submitted to the Auditor-General for audit purposes. Currently this audit is taking place within the department. 2. As such Interim Financial Statements were prepared as follows: a) 30 June 2015 b) 30 September 2015 c) 31 December 2015, which are due for submission by 31January 2016. 3. The audit turnaround strategy that was presented to the Committee on the 13th October 2015 is quite exhaustive in terms of levels of activities that have to take place in order to ensure that there are no misstatements.	YES
12	Resolution 155/2015: Transversal Resolution- Findings of the Auditor-General on SCM Management (Failure by suppliers to disclose employment by the state)	(a) That the Departments of Education, Health, Human Settlements, Transport and Sport and Recreation made awards to suppliers who were employed by the state who:- (i) failed to declare that they or their directors/ members were employed by the state; and (ii) failed to submit proof of authority to perform remunerative work outside of their employment in the state; (b) That the Standard Bid Document (SBD 4) compels bidders to submit a declaration of interest disclosing the names and identity numbers of their directors/ members/ trustees and shareholders, as well as their PERSAL numbers; (c) Accounting Officers/ Authorities are required to verify the identity numbers of the preferred bidder(s) to determine whether or not any of the directors/ members/ trustees/ shareholders are employed by the state, and to ensure that employees of the state are authorised to perform outside remunerative work, before awarding the bid; and (d) If a bidder ,director, member, shareholder or trustee is employed by the state and has failed to make the declaration in the bid documents or to submit proof of authority to perform outside remunerative work, the bidder may be disqualified, and the matter must be dealt with as financial misconduct and the relevant Accounting Officer/Authority must take the necessary disciplinary action against the official concerned.	1. That the Accounting Officers of the Departments of Education, Health, Human Settlements, Transport and Sport and Recreation report by 31 January 2016 on:- (i) the reasons for the failure to perform the necessary verification resulting in the audit findings; (ii) the steps taken to ensure that the audit findings are addressed; (iii) the action taken against those officials responsible for the audit findings; and (iv) the disciplinary steps taken against the bidder(s) who were awarded bids but who failed to disclose that they were employed by the state or who did not have authority to perform outside remunerative work; 2. That the Accounting Officers of all Departments report by 31 January 2016 on measures taken to ensure that:- (i) the required verification is performed at all times; (ii) bidders who fail to make the necessary declaration are disqualified; and (iii) Disciplinary action is taken against a bidder who fails to declare that they are employed by the state or to submit proof of authority to perform outside remunerative work.	1. In respect of NSNP, vendors falsely declare on the SBD4 (Declaration of Interest) that they are not employed by the state or that they do not have a family member employed by the state. As reported above, the Department does not have access to CIPC database, etc. to verify the disclosure as correct at the verification and compliance stage before awarding. 2. HOD responded directly on other matters.	YES

NO.	RESOLUTION NO.	SUBJECT	DETAILS	RESPONSE BY THE DEPARTMENT	RESOLVED (YES/NO)
13	Resolution 156/2015- Transversal resolution: Assets register	(a) That the Standing Committee on Public Accounts is very concerned at audit findings relating to movable tangible capital assets and minor assets, (b) That the auditor was unable to obtain sufficient appropriate evidence that management had properly accounted for movable tangible capital assets and minor assets due to the status of the accounting records and inadequate information in support of the assets mentioned. (c) That the reconciliations and reviews of the Fixed Asset Register to the physical assets were not adequately performed (d) The monthly monitoring and updates were not in place to ensure that the discrepancies are timeously identified and addressed.	That the Accounting Officers of the relevant departments report by 31 January 2016 on:- 1. Departmental asset management policy which will address weaknesses identified by the Auditor-General 2. The completeness of the departments' fixed asset register 3. What action will be taken against those who do not comply with the policy	a) The Department of Education Asset Management policy has been reviewed and complimented with robust business process flows that will ensure that ALL departmental assets, additions, disposals, thefts/losses are duly accounted for. b) Bi-annual asset verifications are also conducted to ensure completeness of the Fixed Asset Register. c) Bar coding of assets and utilising scanners for verification will also embellish reporting and accounting for assets. d) The departments' moveable asset register is complete as has been attested through the audit process. e) Non-compliance with any policy is subject to corrective actions and thus in instance where it is found that a policy provision has been breached, corrective action will be taken.	YES
14	Resolution 157/2015: Transversal Resolution: Performance Agreements		That the MECs of departments be requested to report by 31 January 2016 on: 1. Whether the Accounting Officers and Senior Managers in their departments have all signed performance agreements and if not, the reasons for non-compliance in this regard. 2. Whether performance agreements clearly set out the consequences for non-performance and under-performance on responsibilities set out in the agreements and financial mismanagement and the sanctions which will be imposed in the event of non-performance, under-performance or financial mismanagement 3. Whether performance agreement include as a key performance indicator the general responsibilities of the Accounting Officers and Senior Managers to prevent unauthorised expenditure, irregular expenditure or fruitless and wasteful expenditure, and if not, the reasons for this exclusion.	1. The Accounting Officer and Senior Managers have all signed and submitted their Performance Agreements. 2. The template for Performance Agreement is prescribed by DPSA and it does not clearly set out the consequences for non-performance, under-performance and financial mismanagement. 3. Performance Agreements of Senior Managers are linked to the duties of the Accounting Officer as contained in his Performance Agreement.	YES

9. INTERNALCONTROL UNIT

The Internal Control Unit has been a unit responsible for the control of internal processes mainly associated with finance and compliance. The unit has four sub-directives, viz. Internal Control, Risk Management, Financial Controls and Forensic Investigations which is overseen by the Chief Risk Officer appointed by the Department on 1 April 2015. The functions of Risk Management and Internal Audit were not fully operational due to lack of capacity. These functions were residing in the Internal Control Unit of Treasury which is also assisting the Department to build capacity in Risk Management. The responsibility of the Department's unit was the monitoring of the implementation of the provincial audit plans.

The Key focus areas of the Internal Financial Control – Transaction review and Transaction verification:

- Payroll Control;
- Payment Voucher Control;
- Audited Financial Statement Control;
- Loss Control;
- Review transactions;
- Verify payments made in respect of goods and services; and
- Verify transactions on ledger reports.

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the Internal Audit:

- The Internal Audit component provides a legislated function which covers an independent objective assurance and consulting services on issues of internal control, risk management and governance as provided in the PFMA and Standards for the Professional Practice of Internal Auditing and in line with the principles in the King Report and its scope, comprehensively defined in chapter 3 of Treasury Regulations.

- The Provincial Internal Audit Services (PIAS) component of Provincial Treasury supports all provincial Departments, as well as some public entities and municipalities in areas of internal audit, risk management, governance and forensic investigations.

- The component has formulated a three-lines-of-defence mechanism which entails: Providing assurance on the effectiveness of governance, Risk management and Compliance systems and controls.

- The Strategic Objectives are: To promote a culture of accountability and transparency, To provide an efficient, effective and economical assurance service, To foster solid client relationships, To build capacity within and outside the unit, To promote good governance through effective risk management and To promote a culture of zero tolerance for fraud and corruption

Summary of audit work done:

- The Committee reviewed the reports of the Internal Auditors, provided oversight on management's processes of identifying and monitoring business risks.

- The Committee focused on the quarterly review of the department's risk register and progress made by the department with regard to implementation of risk mitigation plans

- The Committee noted that there were twenty three (23) forensic investigations, all relating to alleged procurement irregularities and mismanagement of funds, which the department has referred to the Provincial Internal Audit Services for investigation

- The Committee was satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance reports submitted in terms of the PFMA and the Division of Revenue Act prepared and issued by the Accounting Officer of the Department during the year under review however, noted with concern the deficiencies identified in the usefulness and reliability of reported performance information due to the failure of the Department to implement adequate systems to collect, collate, verify and retain performance related data.

- The Committee notes the Auditor General's unqualified opinion on the Annual Financial Statements, and proposes that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

Key activities and objectives of the Audit Committee:

- The effectiveness of the internal control systems;
- The activities of the internal audit function, including its annual work programme, co-ordination with the external auditors,
- The reports of significant investigations and the responses of management to specific recommendations,
- The risks associated with the Department's operations covered in the scope of internal and external audits;
- The adequacy, reliability and accuracy of the financial and performance information provided to management and other users of such information; any accounting and auditing concerns identified as a result of internal and external audits;
- The effectiveness of strategies, policies and procedures to prevent and detect fraud and corruption and the institution's compliance with legal and regulatory provisions.

Attendance of audit committee meetings by Audit Committee members:

#	Name of Member	PARC Meetings Attended	Social CARC Meetings Attended	Special Meetings
1.	Mr S Simelane (Acting Chairman of PARC, Governance and Economic Clusters)	3	N/A	N/A
2.	Mr P Christianson (Acting Chairman of Social Cluster)	3	4	2
3.	Mr D O'Connor (Member)	3	4	2
4.	Ms T Njozela (Member)	2	4	2
5.	Mr V Ramphal (Member)	2	N/A	N/A

The table below discloses relevant information on the Audit Committee Members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr S Simelane (Acting Chairman of PARC and Acting Chairman of the Governance and Economic Clusters)	CA(SA), B.Com Accounting (Hons), MDP	External	-	30th October 15	-	3
Mr P Christianson (Acting Chairman of the Social Cluster)	CA(SA), B.Com, Diploma in Accountancy	External	-	30th October 15	-	3
Mr D O'Connor (Member)	CA(SA)	External	-	30th October 15	-	3
Ms T Njozela (Member)	B Compt (Hons), CIA, CCSA, CRMA	External	-	30th October 15	-	2
Mr V Ramphal (Member)	B Accounting, CA(SA), CIMA	External	-	30th October 15	-	2

11. AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 5 – EDUCATION

1. Objective and responsibility of the Audit and Risk Committee

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit and Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Education is served by the Social Cluster Audit & Risk Committee.

The PARC is primarily responsible for reviewing the following:

a) the effectiveness of the internal control systems;

b) the activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations

c) the risks associated with the Department's operations covered in the scope of internal and external audits;

d) the adequacy, reliability and accuracy of the financial and performance information provided to management and other users of such information;

e) any accounting and auditing concerns identified as a result of internal and external audits;

f) the effectiveness of strategies, policies and procedures to prevent and detect fraud and corruption and

g) the institution's compliance with legal and regulatory provisions.

The Committee reports that it has discharged all of its responsibilities in compliance with the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, that it has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter. The Committee is pleased to present its report for the financial year ended 31 March 2016.

2. Audit Committee Members and Attendance

The PARC was appointed on 23 February 2015. During the financial year under review, certain terms and conditions of the members' conditions of appointment were amended and the contracts of five members were renewed effective from the 30th of October 2015. The table below outlines the PARC and Social CARC meetings held and attendance thereof by members during the reporting period.

#	Name of Member	PARC Meetings Attended	Social CARC Meetings Attended	Special Meetings
1.	Mr P Christianson (Acting Chairman of the Social CARC)	3	4	2
2.	Mr D O'Connor	3	4	2
3.	Ms T Njozela	2	4	2
4.	Mr S Simelane (Acting Chairman of PARC)	3	N/A	N/A
5.	Mr V Ramphal	2	N/A	N/A

3. The Effectiveness of Internal Control

The Committee has reviewed the reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern, the weaknesses in controls around the following areas:

- Payables
- Procurement and Contract Management
- Expenditure Management- Irregular Expenditure
- Conditional Grants
- Routine and Monthly Reconciliations
- Asset Management
- Performance Information
- Subsistence and Travelling Expenditure
- IT Strategy Review Follow Up
- Human Resources Management
- Implementing Agents

4. Risk Management

The Committee has, as defined in its Charter, adequately provided oversight on management's processes of identifying and monitoring business risk. For the period under review, the committee's responsibilities have been focused, among other things, on the quarterly review of the department's risk register and progress made by the department with regard to implementation of risk mitigation plans. The Department has constantly been advised about best practices to consider in order to improve the management of key business risks and opportunities. As at the end of this financial year, the department's risk register status was as follows:

	RISK GROUPING					TOTAL
	CRITICAL	MAJOR	MODERATE	MINOR	INSIGNIFICANT	
Number of risks identified	6	14	17	8	1	46
Number action Plans Identified	26	53	30	7	0	116
Number of action plans completed	14	36	30	7	0	87

The Committee is concerned about the slow progress made by the department in addressing risks categorised as Critical and Major. The Committee has also been concerned about the department's failure to review and update its risk register on a regular basis. The department is, therefore, urged to treat the risk register as a dynamic document which should be reviewed and updated continuously to include emerging risks, and risk that has materialized. Furthermore, the department was urged to improve it risk management systems and procedures to ensure the linkage to department's business strategy (encompassing its vision, mission and objectives), its operational imperatives and philosophies, policies plans and initiatives with positive impact on service delivery.

5. Forensics Investigations

During the period under review, the Committee noted that there were twenty three (23) forensic investigations, all relating to alleged procurement irregularities and mismanagement of funds, which the department has referred to the Provincial Internal Audit Services for investigation. Eleven (11) of these investigations were completed and twelve (12) are in-progress. The Committee further noted that seven (7) matters are currently under criminal investigation by the South African Police Service (SAPS).

The department and the Provincial Internal Audit Service are urged to promptly finalize the outstanding investigations, and work together to implement recommendations on the finalised investigation.

6. Quality of in year management and monthly/quarterly reports

The Committee was satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance reports submitted in terms of the PFMA and the Division of Revenue Act prepared and issued by the Accounting Officer of the Department during the year under view. Based on the reports of the Internal Auditors and the Auditor General, the Committee notes with concern the deficiencies identified in the usefulness and reliability of reported performance information due to the failure of the Department to implement adequate systems to collect, collate, verify and retain performance related data. The management of the department has been urged to implement the appropriate improvement strategies in order to address the identified shortcomings with immediate effect.

7. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements with the Accounting Officer, Auditor General and Internal Audit
- Reviewed the Auditor General's Audit Report
- Reviewed the Department's processes for compliance with legal and regulatory provisions
- Reviewed the conclusions regarding the usefulness of performance information and determined that a third of indicators were not well defined. The reported achievements against targets were not all reliable when compared to source information.

8. Internal Audit

In line with the PFMA and the King III Report on Corporate Governance, the Internal Audit Function is required to provide the Audit & Risk Committee, as well as Management, with reasonable assurance on the adequacy and effectiveness of internal controls. This is primarily achieved through the implementation of a risk based Internal Audit plan. The Committee has, through the CARC monitoring processes, considered internal audit reports at its quarterly meetings detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with operational and strategic activities of the department. The Committee also considered the appropriateness of the corrective actions proposed by management to improve the control environment.

The Committee has noted with concern, imposed financial and other limitations place upon Internal Audit during the year under review. During the forthcoming financial year, the Committee will continue to monitor the progress made by the Internal Audit Function in resolving any potential budgetary or operational difficulties in order to ensure that it fulfils its mandate and continues to add value to the department.

9. Auditor-General's Report

The Committee has monitored the implementation of corrective action plans to address the audit issues raised by the Auditor General in the prior financial year. Furthermore, the Committee has met with the Auditor General of South Africa to discuss and evaluate the major issues that emanated from the current regulatory audit.

The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes. The Committee notes the Auditor General's unqualified opinion on the Annual Financial Statements, and proposes that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

10. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.



Mr S Simelane
Acting Chairman: Provincial Audit and Risk Committee
11 August 2016

PART D

HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

2. OVERVIEW OF HUMAN RESOURCES

- **The status of human resources in the department.**

In respect of the 2015/16 financial year the existing educator establishment comprised of 90 057 posts which included 2 420 for the provision of substitute educators. The allocation of posts to the respective schools was effected in accordance with the prescribed Post Provision Norms linked to learner enrolments. Variances in post allocation due to increase or decrease in learner enrolment were addressed through the redeployment of surplus educators. Fortunately, the filling of school based educator posts was not affected by the moratorium on the filling of posts. As such, all entry grade educator posts were filled with due regard to the needs of the schools. Moreover, vacant educator promotion posts at schools were advertised in bulletins resulting in the filling of 2 129 posts.

Due to the moratorium on the filling of posts, vacant posts within the various offices were filled with circumspection. In this regard, only posts identified as critical were advertised and filled and as a result 10 SMS posts and 144 Office Based Educator posts were filled.

Whilst the moratorium on the filling of posts has resulted in a high vacancy rate, its effect on service delivery has been minimised through the re-distribution of work among existing employees. It is, however, recognised that this arrangement cannot be sustained as it is leading to low morale and high levels of frustration. Consequently, serious consideration will be given to the filling of other vacant posts in the ensuing financial years.

- **Human resource priorities for the year under review and the impact of these.**

Auditing of Capped Leave:
The capped leave balance in excess of 55 000 employees were audited with assistance from Office of the Auditor-General and Provincial Treasury. The audited capped leave balances have been updated on the PERSAL System and this would lead to favourable audit outcomes.

Movement of surplus educators:
Despite various challenges, surplus educators were identified and redeployed to existing vacant posts thereby contributing to their effective utilisation without additional expenditure being incurred.

Filling of critical vacant post:
Notwithstanding the moratorium, all vacant posts at educational institutions were identified as being critical and consequently filled. In addition 10 SMS posts and 144 Office Based Educator posts were also advertised and filled.

- **Workforce planning and key strategies to attract and recruit a skilled and capable workforce.**

Develop the skills of employees at all levels:
Whilst the Workplace Skills Plan was approved, financial constraints impeded its effective implementation. Nevertheless, specialised training programs were implemented which aimed at improving the productivity and effectiveness of employees.

Moreover, various intervention programs which targeted underperforming schools in improving curriculum management and delivery in specialised subjects were implemented.

Effective recruitment and distribution of Human Resources:
The workforce comprises of approximately 67% of women and 55% of all promotion posts below the level of SMS is occupied by women. Moreover, the representation of women in SMS posts has increased to 42% through the filling of critical vacant posts, and more still needs to be done. With regard to the employment of persons with disabilities, very little progress has been made and it is acknowledged that there is a need to implement additional recruitment strategies for their employment.

Develop and enhance the professional quality and academic performance of managers and educators:
Various workshops were conducted with a view to empowering managers and other role players on matters relating to discipline, teacher attendance, school management, professional conduct as well as Curriculum Management.

Deal decisively with issues of fraud, corruption and maladministration:
All disciplinary cases especially cases relating to fraud, corruption and maladministration were monitored on an on-going basis with a view to ensuring their conclusion within specified time frames.

Improve HR Information Management Systems
Significant progress has been made in updating the personal and other relevant information in respect of all employees on the PERSAL System; moreover establishment audit linked to a headcount had been conducted.

- **Employee performance management.**
  In respect of the 2015/16 assessment cycle all eligible employees were assessed in keeping with the prescribed assessment instruments resulting in all eligible employees being paid their pay progressions. Employees eligible for grade progression were identified and their progressions have been effected.

- **Employee wellness programmes.**

  Various wellness programs were conducted which included the following:
  - Wellness Health Screening conducted by GEMS.
  - Retirement Planning sessions facilitated by GPAA.
  - Participation in the District, Provincial and Inter-Departmental Sporting activities.
  - HIV counseling and testing conducted by GEMS.
  - Condom distribution.

Achievements and challenges faced by the department

High vacancy rate
The non-filling of posts due to financial constraints has resulted in a high vacancy rate; however its effect on service delivery has been minimised through the re-distribution of work among existing employees. This arrangement cannot be sustained as it is leading to low morale and high levels of frustration. Consequently, serious consideration will be given to the filling of all vacant posts.

Employment Equity
The workforce comprises of approximately 67% of women and 55% of all promotion posts below the level of SMS is occupied by women. The vast majority of the promotion posts below the level of SMS are at schools and the filling of such vacant posts require the School Governing Bodies to, following the selection process, nominate 3 suitable candidates for each post. The appointment of the candidate is effected with due regard to the equity targets of the Department. In this way it is envisaged that

significant progress will be made in the short to medium term to increase the representation of women in promotion posts to at least 67% to be in line with the workforce profile.

It is also acknowledged that very little progress has been made in increasing the representation of persons with disabilities in the workforce. As such, various strategies which includes interacting with various disability organisations are to be adopted with a view to increasing their employment in vacant posts.

Provision of support staff to LSEN schools

The allocation of posts of support staff at LSEN schools are based on approved Norms which have not been fully implemented. There will be a need to ensure the full implementation of these Norms so that learners with disability are developed to function in the open labour market.

Management of leave

Whilst procedure directives outlining the roles and responsibilities of various role players relating to the management of leave of absence have been issued, the need to workshop the affected role players has been recognised and this is being given on-going attention. There is also a need to substantially reduce the time taken in the processing of applications for leave.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- Amount spent on personnel
- Amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2015 and 31 March 2016

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Compensation of Employees as percentage of Total Expenditure	Average personnel cost per employee (R'000)	Employment
Administration	1 654 260	1 052 419	0	0	63,62	10	105 128
Public Ord. School Education	35 826 451	31 252 905	0	0	87,23	297	105 128
Independent School subsidies	77 817	0	0	0	0	0	105 128
Public Special School Education	944 327	813 764	0	0	86,17	8	105 128
Early childhood development	672 506	508 269	0	0	75,58	5	105 128
Infrastructure Development	2 613 953	11 505	0	0	0,44	0	105 128
Examination & Education Services	1 373 556	888 218	0	0	64,67	8	105 128
Total	**43 162 870**	**34 527 080**	**0**	**0**	**79,99**	**328**	**105 128**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2015 and 31 March 2016

Salary bands	Compensation of Employees Cost including Transfers (R'000)	Percentage of Total Personnel Cost for Department	Average personnel cost per employee (R)	Total Personnel Cost for Department including Goods and Services (R'000)	No. of employees
Lower skilled (Levels 1-2)	528 804	1,52	119 234	35 031 845	4 435
Skilled (level 3-5)	2 213 826	6,38	165 569	35 031 845	13 371
Highly skilled production (levels 6-8)	20 825 346	60,02	318 786	35 031 845	65 327
Highly skilled supervision (levels 9-12)	10 539 667	30,38	490 948	35 031 845	21 468
Senior and Top management (levels 13-16)	61 893	0,18	1 014 643	35 031 845	61
Contract (Levels 1-2)	18 972	0,05	54 206	35 031 845	350
Contract (Levels 3-5)	13 134	0,04	164 172	35 031 845	80
Contract (Levels 6-8)	6 917	0,02	266 036	35 031 845	26
Contract (Levels 9-12)	6 830	0,02	975 703	35 031 845	7
Contract (Levels 13-16)	5 248	0,02	1 749 213	35 031 845	3
Periodical Remuneration	49 256	0,14	6 708	35 031 845	7 343
Abnormal Appointment	428 584	1,24	56 304	35 031 845	7 612
TOTAL	**34 698 476**	**100**	**288954**	**35 031 845**	**120 083**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2015 and 31 March 2016

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid		
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs	Total Personnel Cost per Programme (R'000)
Administration	757 251	86,53	25 668	2,93	31 511	3,60	60 744	6,94	857 174
Public Ord School Education	23 116 094	90,18	2 294	0,01	929 461	3,63	1 584 393	6,18	25 632 242
Independent School subsidies	0	0	0	0	0	0	0	0	0
Public Special School Education	581 631	87,05	895	0,13	31 503	4,72	54 121	8,10	668 151
Early childhood development	435 435	97,98	0	0	3 246	0,73	5 752	1,29	444 432
Infrastructure Development	0	0	0	0	0	0	0	0	0
Examination & Education Services	403 160	86,19	25 656	5,48	12 419	2,65	26 533	5,67	467 768
TOTAL	**25 293 571**	**90,05**	**54 513**	**0,19**	**1 008 141**	**3,59**	**1 731 542**	**6,16**	**28 087 767**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2015 and 31 March 2016

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid		
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs	Total Personnel Cost per Salary Band (R'000)
Skilled (level 1-2)	355 480	80,43	434	0,10	46 118	10,43	39 936	9,04	441 969
Skilled (level 3-5)	1 547 037	83,41	25 660	1,38	131 786	7,11	150 257	8,10	1 854 740
Highly skilled production (levels 6-8)	15 223 756	89,76	19 002	0,11	626 050	3,69	1 092 578	6,44	16 961 386
Highly skilled supervision (levels 9-12	7 662 727	92,08	8 023	0,10	203 693	2,45	447 418	5,38	8 321 862
Senior management (level 13-16)	48 276	97,07	0	0	264	0,53	1 192	2,40	49 731
Contract (Levels 1-2)	18 094	99,44	102	0,56	0	0	0	0	18 196
Contract (Levels 3-5)	11 885	96,05	344	2,78	96	0,78	49	0,39	12 374
Contract (Levels 6-8)	6 062	97,12	0	0	108	1,73	72	1,16	6 242
Contract (Levels 9-12)	5 159	83,79	947	15,37	11	0,18	41	0,66	6 157
Contract (Levels 13-16)	4 527	99,67	0	0	15	0,33	0	0	4 542
Periodical Remuneration	0	0	0	0	0	0	0	0	0
Abnormal Appointment	410 568	100	0	0	0	0	0	0	410 568
TOTAL	**25 293 571**	**90,05**	**54 513**	**0,19**	**1 008 141**	**3,59**	**1 731 542**	**6,16**	**28 087 767**

3.2. Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2016

Programme	Number of posts on approved establishment inclusive of abnormal appointments	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration, Permanent	4 349	3350	23	430
Early childhood development, Permanent	419	379	9,5	4
Examination & education rel serv, Permanent	1 631	1 372	15,9	21
Public ordinary school educa, Permanent	107 317	96 869	9,7	2 567
Public special school educ, Permanent	3 547	3 158	11	40
TOTAL	**117 263**	**105 128**	**10,3**	**3 062**

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2016

Salary band	Number of posts on approved establishment inclusive of abnormal appointments	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2), Permanent	6 423	4539	29,3	56
Skilled (Levels 3-5), Permanent	15 808	13 369	15,4	247
Highly skilled production (Levels 6-8), Permanent	71 284	65 225	8,5	2 104
Highly skilled supervision (Levels 9-12), Permanent	23 204	21 468	7,5	220
Senior management (Levels 13-16), Permanent	78	61	21,8	0
Contract (Levels 1-2), Permanent	350	350	0	348
Contract (Levels 3-5), Permanent	80	80	0	67
Contract (Levels 6-8), Permanent	26	26	0	17
Contract (Levels 9-12), Permanent	7	7	0	3
Contract (Levels 13-16), Permanent	3	3	0	0
TOTAL	**117 263**	**105 128**	**10,3**	**3 062**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2016

Critical occupation	Number of posts on approved establishment inclusive of abnormal appointments	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	409	379	7,3	327
Agriculture related, Permanent	9	9	0	0
Architects town and traffic planners, Permanent	5	3	40	0
Archivists curators and related professionals, Permanent	1	1	0	0
Artisan project and related superintendents, Permanent	1	1	0	0
Auxiliary and related workers, Permanent	926	811	12,4	2

Critical occupation	Number of posts on approved establishment inclusive of abnormal appointments	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Boiler and related operators, Permanent	16	15	6,3	0
Building and other property caretakers, Permanent	229	194	15,3	0
Bus and heavy vehicle drivers, Permanent	112	94	16,1	0
Cleaners in offices workshops hospitals etc., Permanent	4 065	3 798	6,6	5
Client inform clerks(switchb recept inform clerks), Permanent	12	10	16,7	0
Communication and information related, Permanent	11	11	0	0
Conservation labourers, Permanent	6	6	0	0
Engineering sciences related, Permanent	4	3	25	0
Engineers and related professionals, Permanent	37	34	8,1	20
Farm hands and labourers, Permanent	76	73	3,9	0
Farming forestry advisors and farm managers, Permanent	2	2	0	0
Finance and economics related, Permanent	17	12	29,4	0
Financial and related professionals, Permanent	69	38	44,9	1
Financial clerks and credit controllers, Permanent	308	269	12,7	16
Food services aids and waiters, Permanent	162	150	7,4	0
Food services workers, Permanent	1	1	0	0
General legal administration & rel. professionals, Permanent	2	2	0	0
Geologists geophysicists hydrologists & relat prof, Permanent	1	1	0	0
Head of department/chief executive officer, Permanent	2	1	50	0
Health sciences related, Permanent	1	1	0	0
Household and laundry workers, Permanent	706	645	8,6	1
Household food and laundry services related, Permanent	20	20	0	0
Housekeepers laundry and related workers, Permanent	128	104	18,8	0
Human resources & organisat developm & relate prof, Permanent	66	46	30,3	0
Human resources clerks, Permanent	594	485	18,4	57
Human resources related, Permanent	107	71	33,6	0
Information technology related, Permanent	6	6	0	6
Language practitioners interpreters & other commun, Permanent	2	2	0	0
Legal related, Permanent	6	3	50	0
Librarians and related professionals, Permanent	9	4	55,6	0
Library mail and related clerks, Permanent	210	176	16,2	0

Critical occupation	Number of posts on approved establishment inclusive of abnormal appointments	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Light vehicle drivers, Permanent	80	64	20	0
Logistical support personnel, Permanent	9	8	11,1	0
Material-recording and transport clerks, Permanent	89	70	21,3	0
Messengers porters and deliverers, Permanent	56	31	44,6	0
Motor vehicle drivers, Permanent	9	9	0	0
Occupational therapy, Permanent	1	1	0	1
Other administrat & related clerks and organisers, Permanent	4 921	4 536	7,8	26
Other administrat & related clerks and organisers, Temporary	2	2	0	0
Other administrative policy and related officers, Permanent	91	59	35,2	0
Other information technology personnel., Permanent	52	49	5,8	1
Other machine operators, Permanent	4	1	75	0
Other occupations, Permanent	96 886	89 128	8	2 589
Other printing trade workers, Permanent	1	0	100	0
Photographic lithographic and related workers, Permanent	11	11	0	0
Physiotherapy, Permanent	1	1	0	0
Printing and related machine operators, Permanent	10	8	20	0
Professional nurse, Permanent	33	27	18,2	0
Rank: Departmental head, Permanent	7	5	28,6	0
Rank: Deputy principal, Permanent	237	188	20,7	0
Rank: Education specialist deputy chief (office based), Permanent	6 307	3 358	46,8	0
Rank: Principal p1, Permanent	12	12	0	0
Rank: Principal p2 (transitional), Permanent	77	51	33,8	0
Rank: Principal p2, Permanent	1	1	0	0
Rank: Principal p3, Permanent	12	12	0	0
Rank: Teacher, Permanent	5	5	0	0
Risk management and security services, Permanent	11	10	9,1	0
Secretaries & other keyboard operating clerks, Permanent	237	188	20,7	0
Security guards, Permanent	6 307	3 358	46,8	10
Security officers, Permanent	12	12	0	0
Senior managers, Permanent	77	51	33,8	0
Social sciences related, Permanent	1	1	0	0
Social sciences supplementary workers, Permanent	12	12	0	0
Staff nurses and pupil nurses, Permanent	5	5	0	0
Trade labourers, Permanent	11	10	9,1	0
TOTAL	**117 263**	**105 128**	**10,3**	**3 062**

3.3. Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	4	100	0	0
Salary Level 14	13	8	62	5	38
Salary Level 13	65	47	72	18	28
Total	**84**	**61**	**73**	**23**	**27**

Table 3.3.2 SMS post information as on 30 September 2015

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	4	100		0
Salary Level 14	13	9	69	4	30
Salary Level 13	65	43	66	22	39
Total	**84**	**58**	**69**	**26**	**31**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2015 and 31 March 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	4	100	0	0
Salary Level 14	13	8	62	5	38
Salary Level 13	65	47	72	18	28
Total	**84**	**61**	**73**	**23**	**27**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2015 and 31 March 2016

Reasons for vacancies not advertised within six months
The Department is at present in the process of filling the vacant SMS posts. The Department complied with six months period.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2015 and 31 March 2016

Reasons for vacancies not advertised within six months
The Department is at present in the process of filling the vacant SMS posts. The Department complied with six months period.

Reasons for vacancies not filled within six months
-

3.4. Job Evaluation

Within a nationally determined framework, an executing authority may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2015 and 31 March 2016

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	6423	0	0	0	0	0	0
Contract (levels 1-2)	350	375	105,9	375	100	0	0
Contract (levels3-5)	80	0	0	0	0	0	0
Contract (Levels6-8)	26	0	0	0	0	0	0
Contract(Leves 9-12)	7	4	57,1	0	0	0	0
Contract (Band A)	1	0	0	0	0	0	0
Contract (Band B)	1	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	15 808	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	71 284	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	23 204	0	0	0	0	0	0
Senior Management Service Band A	57	0	0	0	0	0	0
Senior Management Service Band B	16	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	**117 263**	**379**	**0,3**	**375**	**98,9**	**0**	**0**

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2015and 31 March 2016

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability	

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2015 and 31 March 2016

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
xxx	0	0	0	0
Xxx	0	0	0	0
xxx	0	0	0	0
Xxx	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2015 and 31 March 2016

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

Employees with a disability					0

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None

3.5. Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2015 and 31 March 2016

Salary band	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)				
Lower skilled (Levels 1-2), Permanent	4 628	203	95	2,1
Skilled (Levels 3-5), Permanent	14 282	1 297	732	5,1
Highly skilled production (Levels 6-8), Permanent	64 002	3 255	6 178	9,7
Highly skilled supervision (Levels 9-12), Permanent	22 535	123	1 648	7,3
Senior Management Service Band A, Permanent	46	2	1	2,2
Senior Management Service Band B, Permanent	10	0	2	20
Senior Management Service Band C, Permanent	4	0	0	0
Senior Management Service Band D, Permanent	1	0	0	0
Contract (Levels 1-2), Permanent	287	366	241	84
Contract (Levels 3-5), Permanent	19	75	108	568,4
Contract (Levels 6-8), Permanent	25	2	2	8
Contract (Levels 9-12), Permanent	10	3	2	20
Contract (Band A), Permanent	0	1	0	0
Contract (Band B), Permanent	0	1	3	0
Contract (Band D), Permanent	1	0	0	0
TOTAL	**105 850**	**5 328**	**9 012**	**8,5**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2015 and 31 March 2016

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	329	353	243	73,9
Agriculture related, Permanent	11	0	0	0
Architects town and traffic planners, Permanent	0	2	0	0
Archivists curators and related professionals, Permanent	1	0	0	0
Artisan project and related superintendents, Permanent	2	0	1	50
Auxiliary and related workers, Permanent	815	16	15	1,8
Boiler and related operators, Permanent	15	1	1	6,7
Building and other property caretakers, Permanent	194	12	8	4,1
Bus and heavy vehicle drivers, Permanent	97	2	6	6,2
Cleaners in offices workshops hospitals etc., Permanent	3 827	152	149	3,9
Client inform clerks(switchb recept inform clerks), Permanent	11	0	0	0
Communication and information related, Permanent	13	0	0	0
Conservation labourers, Permanent	6	0	0	0
Engineering sciences related, Permanent	0	2	0	0
Engineers and related professionals, Permanent	25	7	1	4
Farm hands and labourers, Permanent	72	3	2	2,8
Farming forestry advisors and farm managers, Permanent	2	0	0	0
Finance and economics related, Permanent	12	0	1	8,3
Financial and related professionals, Permanent	39	1	0	0
Financial clerks and credit controllers, Permanent	261	7	11	4,2
Food services aids and waiters, Permanent	154	2	5	3,2
Food services workers, Permanent	1	0	0	0
General legal administration & rel. professionals, Permanent	3	0	0	0
Geologists geophysicists hydrologists & relat prof, Permanent	1	0	0	0
Head of department/chief executive officer, Permanent	2	0	1	50
Health sciences related, Permanent	1	0	0	0
Household and laundry workers, Permanent	655	29	36	5,5
Household food and laundry services related, Permanent	19	1	0	0
Housekeepers laundry and related workers, Permanent	97	9	1	1
Human resources & organisat developm & relate prof, Permanent	45	0	2	4,4
Human resources clerks, Permanent	442	31	15	3,4
Human resources related, Permanent	71	0	3	4,2
Information technology related, Permanent	7	0	1	14,3
Language practitioners interpreters & other commun, Permanent	2	0	0	0
Legal related, Permanent	3	0	0	0
Librarians and related professionals, Permanent	5	0	0	0
Library mail and related clerks, Permanent	191	0	7	3,7
Light vehicle drivers, Permanent	66	0	3	4,5
Logistical support personnel, Permanent	8	0	0	0
Material-recording and transport clerks, Permanent	72	0	2	2,8

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Messengers porters and deliverers, Permanent	32	1	0	0
Motor vehicle drivers, Permanent	12	0	3	25
Other administrat & related clerks and organisers, Permanent	4 527	261	211	4,7
Other administrat & related clerks and organisers, Temporary	6	0	2	33,3
Other administrative policy and related officers, Permanent	61	0	2	3,3
Other information technology personnel., Permanent	51	0	1	2
Other machine operators, Permanent	2	0	0	0
Other occupations, Permanent	89 861	4 361	8 167	9,1
Photographic lithographic and related workers, Permanent	12	0	1	8,3
Physiotherapy, Permanent	1	0	0	0
Printing and related machine operators, Permanent	8	0	0	0
Professional nurse, Permanent	30	1	3	10
Rank: Teacher, Permanent	4	0	0	0
Risk management and security services, Permanent	5	0	0	0
Secretaries & other keyboard operating clerks, Permanent	196	9	44	22,4
Security guards, Permanent	3 377	63	59	1,7
Security officers, Permanent	12	0	0	0
Senior managers, Permanent	49	1	5	10,2
Social sciences related, Permanent	0	1	0	0
Social sciences supplementary workers, Permanent	12	0	0	0
Staff nurses and pupil nurses, Permanent	5	0	0	0
Trade labourers, Permanent	10	0	0	0
TOTAL	105 850	5 328	9 012	8,5

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2015 and 31 March 2016

Termination Type	Number	% of Total Resignations
Death		
Death, Permanent	431	4,8
Resignation, Permanent	2 396	26,6
Expiry of contract, Permanent	4 765	52,9
Transfers, Permanent	1	0
Discharged due to ill health, Permanent	52	0,6
Dismissal-misconduct, Permanent	30	0,3
Retirement, Permanent	1 336	14,8
Other, Permanent	1	0
TOTAL	9 012	100
Total number of employees who left as a % of total employment	8.5%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2015 and 31 March 2016

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	329	3	0,9	29	8,8
Agriculture related	11	0	0	4	36,4
Archivists curators and related professionals	1	0	0	0	0
Artisan project and related superintendents	2	0	0	2	100
Auxiliary and related workers	815	0	0	195	23,9
Boiler and related operators	15	0	0	9	60
Building and other property caretakers	194	0	0	108	55,7
Bus and heavy vehicle drivers	97	0	0	60	61,9
Cleaners in offices workshops hospitals etc.	3 827	2	0,1	2 301	60,1
Client inform clerks(switchb recept inform clerks)	11	0	0	6	54,5
Communication and information related	13	0	0	10	76,9
Conservation labourers	6	0	0	3	50
Engineers and related professionals	25	6	24	1	4
Farm hands and labourers	72	0	0	32	44,4
Farming forestry advisors and farm managers	2	0	0	0	0
Finance and economics related	12	0	0	10	83,3
Financial and related professionals	39	0	0	19	48,7
Financial clerks and credit controllers	261	0	0	195	74,7
Food services aids and waiters	154	0	0	86	55,8
Food services workers	1	0	0	0	0
General legal administration & rel. professionals	3	0	0	2	66,7
Geologists geophysicists hydrologists & relat prof	1	0	0	1	100
Head of department/chief executive officer	2	0	0	0	0
Health sciences related	1	0	0	0	0
Household and laundry workers	655	1	0,2	395	60,3
Household food and laundry services related	19	0	0	12	63,2
Housekeepers laundry and related workers	97	1	1	66	68
Human resources & organisat developm & relate prof	45	1	2,2	34	75,6
Human resources clerks	442	0	0	281	63,6
Human resources related	71	2	2,8	58	81,7
Information technology related	7	0	0	4	57,1
Language practitioners interpreters & other commun	2	0	0	0	0
Legal related	3	0	0	2	66,7
Librarians and related professionals	5	0	0	3	60

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Library mail and related clerks	191	0	0	83	43,5
Light vehicle drivers	66	0	0	41	62,1
Logistical support personnel	8	0	0	1	12,5
Material-recording and transport clerks	72	1	1,4	33	45,8
Messengers porters and deliverers	32	0	0	22	68,8
Motor vehicle drivers	12	0	0	6	50
Other administrat & related clerks and organisers	4 533	3	0,1	3 077	67,9
Other administrative policy and related officers	61	0	0	42	68,9
Other information technology personnel.	51	0	0	41	80,4
Other machine operators	2	0	0	0	0
Other occupations	89 861	1 692	1,9	74 408	82,8
Photographic lithographic and related workers	12	0	0	10	83,3
Physiotherapy	1	0	0	1	100
Printing and related machine operators	8	0	0	8	100
Professional nurse	30	0	0	6	20
Rank: Teacher	4	0	0	0	0
Risk management and security services	5	0	0	3	60
Secretaries & other keyboard operating clerks	196	6	3,1	108	55,1
Security guards	3 377	1	0	592	17,5
Security officers	12	0	0	1	8,3
Senior managers	49	5	10,2	6	12,2
Social sciences supplementary workers	12	0	0	1	8,3
Staff nurses and pupil nurses	5	0	0	0	0
Trade labourers	10	0	0	4	40
TOTAL	**105 850**	**1 724**	**1,6**	**82 422**	**77,9**

Table 3.5.5 Promotions by salary band for the period 1 April 2015 and 31 March 2016

Salary Band	Employees 1 April 2015	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2), Permanent	4 628	0	0	2 104	45,5
Skilled (Levels 3-5), Permanent	14 282	9	0,1	8 410	58,9
Highly skilled production (Levels 6-8), Permanent	64 002	766	1,2	51 911	81,1
Highly skilled supervision (Levels 9-12), Permanent	22 535	941	4,2	19 985	88,7
Senior management (Levels 13-16), Permanent	61	5	8,2	5	8,2
Contract (Levels 1-2), Permanent	287	0	0	1	0,3
Contract (Levels 3-5), Permanent	19	0	0	3	15,8
Contract (Levels 6-8), Permanent	25	3	12	1	4
Contract (Levels 9-12), Permanent	10	0	0	2	20
Contract (Levels 13-16), Permanent	1	0	0	0	0
TOTAL	**105 850**	**1 724**	**1,6**	**82 422**	**77,9**

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	30	0	3	2	21	2	3	0	61
Professionals	22 726	241	2 501	545	54 311	645	6 005	2 242	89 216
Technicians and associate professionals	317	4	26	8	856	13	56	19	1 299
Clerks	1 193	6	218	9	3 491	59	511	249	5 736
Service and sales workers	3 089	7	18	4	357	3	15	12	3 505
Craft and related trades workers	8	0	0	0	4	0	0	0	12
Plant and machine operators and assemblers	123	3	54	1	10	0	0	0	191
Elementary occupations	2 057	18	83	21	2 717	42	105	65	5 108
Total	**29 543**	**279**	**2 903**	**590**	**61 767**	**764**	**6 695**	**2 587**	**105 128**
Employees with disabilities	9	1	4	**0**	7	1	4	2	28

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	3	0	0	0	6
Senior Management	27	0	3	2	18	2	3	0	55
Professionally qualified and experienced specialists and mid-management	6 600	132	1 644	321	9 402	234	2 269	867	21 469
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	14 581	118	1 012	233	43 345	431	4 023	1 481	65 224
Semi-skilled and discretionary decision making	6 567	20	178	22	5 969	71	312	230	13 369
Unskilled and defined decision making	1 605	9	62	11	2 734	24	85	9	4 539
Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	0	0	1	0	0	2
Contract (Professionally qualified), Permanent	6	0	0	1	0	0	0	0	7
Contract (Skilled technical), Permanent	17	0	0	0	9	0	0	0	26
Contract (Semi-skilled), Permanent	22	0	1	0	55	1	1	0	80
Contract (Unskilled), Permanent	113	0	3	0	232	0	2	0	350
TOTAL	**29 543**	**279**	**2 903**	**590**	**61 767**	**764**	**6 695**	**2 587**	**105 128**

Table 3.6.3 Recruitment for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	0	0	0	0	1	1	0	0	2
Professionally qualified and experienced specialists and mid-management	40	0	2	1	78	0	1	1	123
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	657	6	43	16	2127	17	262	127	3255
Semi-skilled and discretionary decision making	495	0	11	2	730	7	33	19	1297
Unskilled and defined decision making	95	0	3	0	99	1	4	1	203
Contract (Senior Management),Permanent	1	0	0	0	0	1	0	0	2
Contract (Professionally Qualified)Permanent	3	0	0	0	0	0	0	0	3
Contract (Skilled Technical),Permanent	1	0	0	0	1	0	0	0	2
Contract (Semi Skilled),Permanent	35	0	0	0	38	1	0	1	75
Contract (Unskilled,)Permanent	120	0	3	0	241	0	2	0	366
Total	**1447**	**0**	**62**	**19**	***3315***	***28***	***302***	***149***	***5328***
Employees with disabilities	3	0	0	0	0	0	0	0	3

Table 3.6.4 Promotions for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	6	0	0	0	2	0	2	0	10
Professionally qualified and experienced specialists and mid-management	6350	125	1631	315	9178	230	2253	844	20926
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11510	96	726	176	35551	362	3144	1112	52677
Semi-skilled and discretionary decision making	3289	13	125	16	4576	44	207	147	8417
Unskilled and defined decision making	723	2	29	2	1304	8	32	4	2104
Contract (Professionally qualified), Permanent	0	0	0	2	0	0	0	0	2
Contract (Skilled technical), Permanent	4	0	0	0	0	0	0	0	4
Contract (Semi-skilled)Permanent	0	0	1	0	2	0	0	0	3
Contract (Unskilled),Permanent	0	0	0	0	0	1	0	0	1
Total	**21882**	**236**	**2512**	**511**	**50614**	**644**	**5638**	**2109**	**84146**
Employees with disabilities	**1**	**1**	**3**	**0**	**4**	**1**	**3**	**2**	**15**

Table 3.6.5 Terminations for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	508	9	91	26	784	18	124	88	1648
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1529	8	69	26	3966	53	326	200	6177
Skilled technical and academically qualified workers, junior management, supervisors, foreman and Temporary	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision making, Permanent	354	5	13	3	312	6	24	14	731
Semi-skilled and discretionary decision making temporary	0	0	0	0	0	0	0	1	1
Unskilled and defined decision making	43	0	3	0	46	0	3	0	95
Contract(Senior Management),Permanent	3	0	0	0	0	0	0	0	3
Contract (Professionally qualified),Permanent	2	0	0	0	0	0	0	0	2
Contract (Skilled technical),Permanent	1	0	0	0	1	0	0	0	2
Contract (Semi-Skilled),Permanent	46	0	0	0	62	0	0	0	108
Contract (Unskilled),Permanent	83	0	0	0	156	0	2	0	241
TOTAL	**2571**	**22**	**176**	**55**	**5328**	**77**	**479**	**304**	**9012**

Table 3.6.6 Disciplinary action for the period 1 April 2015 to 31 March 2016

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Dismissal	**9**	**0**	**2**	**1**	**7**	**0**	**2**	**0**	**21**
Demotion	**6**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**7**
Suspension from	31	1	3	2	17	2	5	1	62
Salary fine	23	1	5	1	16	0	3	0	49
TOTAL	**69**	**2**	**10**	**4**	**41**	**2**	**10**	**1**	**139**

Table 3.6.7 Skills development for the period 1 April 2015 to 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	31	0	3	2	21	2	3	0	62
Professionals	19680	520	599	421	9443	78	2550	254	33545
Technicians and associate professionals	521	40	321	39	127	12	421	63	1544
Clerks	994	82	213	19	1019	18	352	6	2703
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	504	0	178	0	371	12	85	0	1150
Total	**21730**	**642**	**1314**	**481**	**10981**	**122**	**3411**	**323**	**39004**
Employees with disabilities	2	0	0	0	0	0	0	0	2

3.7. Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as at 31 May 2016

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				
Salary Level 16	1	1 (ACTING)	1	0
Salary Level 15	4	4	4	0
Salary Level 14	14	9	2	0
Salary Level 13	54	47	20	0
Total	**73**	**60**	**25**	**38%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as at 31 March 2016

Reasons
SMS members don't comply with circulars and due dates making it impossible for Performance Management Directorate to achieve 100% submission.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as at 31 March 2016

Reasons
Letters have been written to remind supervisors to submit outstanding performance agreements and thereafter disciplinary measures will have to be taken against SMS members that have not submitted.

3.8. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2015 to 31 March 2016

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	11	29534	0	163	11 832
Female	10	61760	0	114	11 419
Asian					
Male	0	2899	0	0	0
Female	0	6691	0	0	0
Coloured					
Male	0	278	0	0	0
Female	0	763	0	0	0
White					
Male	0	590	0	0	0
Female	2	2585	0,1	20	9 899
Employees with a disability	0	28	0	0	0
Total	**23**	**105128**	**0**	**297**	**12 919**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2015 to 31 March 2016

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower Skilled (Levels 1-2)	5	4435	0,1	29	5 800
Skilled (level 3-5)	9	13371	0,1	71	7 889
Highly skilled production (level 6-8)	7	65327	0	115	16 429
Highly skilled supervision (level 9-12)	2	21468	0	82	41 000
Contract(Level 1-2)	0	350	0	0	0
Contract(Level 3-5)	0	80	0	0	0
Contract (Level6-8)	0	26	0	0	0
Contract(Level 9-12)	0	7	0	0	0
Periodical Remuneration	0	7343	0	0	0
Abnormal Appointment	0	7612	0	0	0
Total	**23**	**120019**	**0**	**297**	**12913**

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2015 to 31 March 2016

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	1	376	0,3	19	19 000
Agriculture related	0	9	0	0	0
Architects town and traffic planners	0	3	0	0	0
Archivists curators and related professionals	0	1	0	0	0
Artisan project and related superintendents	0	1	0	0	0
Auxiliary and related workers	0	811	0	0	0
Boiler and related operators	0	15	0	0	0
Building and other property caretaker	1	194	0,5	6	6000
Bus and heavy vehicle driver	0	94	0	0	0
Cleaner in officer workshop hospitals etc.	5	3797	0,1	30	6000
Client inform clerks (switch receipt inform Clerks)	0	10	0	0	0
Communication and information related	0	11	0	0	0
Conservation labourers	0	6	0	0	0
Engineering science related	0	3	0	0	0
Engineers and related professionals	0	34	0	0	0
Farm hands and labourers	0	73	0	0	0
Farming forestry advisors and farm managers	0	2	0	0	0
Finance and economics related	0	12	0	0	0
Financial and related professional	0	38	0	0	0
Financial clerks and credit controllers	0	269	0	0	0
Food services aids and waiters	0	150	0	0	0
Food service workers	0	1	0	0	0
General legal administration & rel. professional	*0*	*2*	*0*	*0*	*0*
Geologist geophysicist hydrologists & rel. professionals	0	1	0	0	0
Head of department/chief executive officer	0	1	0	0	0
Health science related	0	1	0	0	0
Household and laundry workers	0	645	0	0	0
Household food and laundry service related	0	20	0	0	0
Housekeepers laundry and related workers	0	104	0	0	0
Human resource & organisation development & relate professional	0	46	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Human resources clerks	0	485	0	0	0
Human resource related	1	71	1.4	41	41000
Information technology	0	6	0	0	0
Language practitioner interpreters& other community	0	2	0	0	0
Legal related	0	3	0	0	0
Librarian and related professionals	0	4	0	0	0
Library mail and related	0	176	0	0	0
Light vehicle driver	0	64	0	0	0
Logistic support personnel	0	8	0	0	0
Material-recoding and transport clerks	0	70	0	0	0
Massagers porters and deliverers	0	31	0	0	0
Motor vehicles drivers	0	9	0	0	0
Occupational therapy	0	1	0	0	0
Other administration & related clerks and organisers	6	4538	0.1	78	13000
Other information technology personnel	0	49	0	0	0
Other machine operators	0	1	0	0	0
Other occupations	2	89022	0	58	29000
Photographic lithographic and related workers	0	11	0	0	0
Physiotherapy	0	1	0	0	0
Printing and related machine operators	0	8	0	0	0
Professional nurse	0	27	0	0	0
Rank : Unknown	0	110	0	0	0
Risk management and security service	0	5	0	0	0
Secretaries & other keyboard operating clerks	1	188	0.5	17	17000
Security guards	5	3358	0,1	34	68
Security officer	0	12	0	0	0
Senior manager	0	51	0	0	0
Social science related	0	1	0	0	0
Social science supplementary workers	0	12	0	0	0
Staff nurse and pupil nurses	0	5	0	0	0
Trade labourers	0	10	0	0	0
TOTAL	**23**	**105128**	**0**	**298**	**12957**

Table 3.8.4 Performance related rewards (cash bonus) by salary band for Senior Management Service for the period 1 April 2015 to 31 March 2016

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	49	0	0	0	0
Band B	0	9	0	0	0	0
Band C	0	4	0	0	0	0
Band D	0	2	0	0	0	0
Total	**0**	**64**	**0**	**0**	**0**	**0**

3.9. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2015 and 31 March 2016

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Levels 1-2)	1	0,2	1	0,2	0	0
Highly skilled production (Lev. 6-8)	469	79,9	396	84,7	-75	61,5
Highly skilled supervision (Lev. 9-12)	25	4,3	20	4,3	-5	4,1
Contract (level 9-12)	0	0	1	0,2	1	-0,8
Skilled (Levels6-8)	72	12,3	35	7,5	-37	30,3
Periodical Remuneration	4	0,7	0	0	-4	3,3
Abnormal Appointment	16	2,7	14	3	-2	1,6
Total	**587**	**100**	**465**	**100**	**-122**	**100**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2015 and 31 March 2016

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	4	0,7	2	0,4	-2	1,6
Elementary occupations	3	0,5	2	0,4	-1	0,8
Other occupations	579	98,6	460	98,9	-119	97,5
Professionals and managers	0	0	1	0,2	1	-0,8
Social natural technical and medical sciences+supp	1	0,2	0	0	-1	0,8
TOTAL	587	100	465	100	-122	100

3.10. Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2015 to 31 December 2015

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	7606	78,4	1339	3.7	6	3056
Skilled (levels 3-5)	21430	76,8	3724	10,2	6	12829
Highly skilled production (levels 6-8)	133056	76,7	22648	61,8	6	153711
Highly skilled supervision (levels 9 -12)	51470	74,6	8745	23,9	6	90475
Top and Senior management (levels 13-16)	87	88,5	22	0,1	4	302
Contract (Levels1-2)	215	55,8	96	0,3	2	65
Contract(Levels3-5)	111	45	30	0,1	4	61
Contract (Levels6-8)	79	57	14	0	6	66
Contract(Levels13-16)	6	100	1	0	6	23
Total	214060	76,2	36619	100	6	260588

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2015 to 31 December 2015

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	1123	100	50	3,9	22	460
Skilled (Levels 3-5)	2181	100	50	8,1	21	1257
Highly skilled production (Levels 6-8)	27629	100	786	61,2	35	32 097
Highly skilled supervision (Levels 9-12)	13583	100	345	26,8	39	23 103
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	44516	100	1285	100	35	56917

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3 Annual Leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	96726,17	24	4061
Skilled Levels 3-5)	213174,41	23	9103
Highly skilled production (Levels 6-8)	40074,5	17	2393
Highly skilled supervision(Levels 9-12)	31005,25	12	2642
Senior management (Levels 13-16)	874	15	59
Other	98	25	4
Contract(Levels1-2)	2565	6	403
Contract(Levels3-5)	690	10	70
Contract(Levels6-8)	335	12	28
Contract(Levels9-12)	28	7	4
Contract(Levels13-16)	73	12	6
Not Available	633	26	24
Total	386276,33	189	18797

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 20ZZ
Lower skilled (Levels 1-2)	30	8	4	32
Skilled Levels 3-5)	700	157	4	54
Highly skilled production (Levels 6-8)	2889	952	3	47
Highly skilled supervision(Levels 9-12)	5173	1282	4	65
Senior management (Levels 13-16)	0	0	0	0
TOTAL	**8792**	**2399**	**15**	**198**

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5 Leave payouts for the period 1 April 2015 and 31 March 2016

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2015/16 due to non-utilisation of leave for the previous cycle			
Capped leave payout on termination of service for 2015/16	160 348	1833	87498
Current leave payout on termination of service for 2015/16	220	13	16923
TOTAL	**160 604**	**1846**	**87001**

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
N/A	N/A

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	No		To be nominated by HOD
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Have 10 Employees Health and Wellness Practitioners with 2 districts that have seconded officials.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Wellness Health Screenings, Retirement Planning Sessions, Financial Literacy Workshops, Sports.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	No		Submission made to establish a committee.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		Reviewed policies were adopted in 2015.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		HIV/AIDS and TB Management Policy.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		1297 Employees tested for HIV and 40 tested positive: 35 Females and 5 Males. There are four support groups.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	No		-

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2015 and 31 March 2016

Subject matter	Date
N/A	N/A

Total number of Collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2015 and 31 March 2016

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	0	0
Fine	0	0
Demotion	7	5%
Dismissal	21	15%
Suspension from duty	62	45%
Salary fine	49	35%
TOTAL	139	100%

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2015 and 31 March 2016

Type of misconduct	Number	% of total
Fraud	4	3%
Insubordination	17	12%
Assault (physical + corporal punishment)	20	14%
Sexually assault	26	19%
Sexually relationship with learner	32	23%
Fraudulent qualification	14	10%
Mismanagement of school funds	18	13%
Social grant	Nil	Nil
Misuses of state property	Nil	Nil
Absenteeism	8	6%
Total	139	100%

Table 3.12.4 Grievances logged for the period 1 April 2015 and 31 March 2016

Grievances	Number	% of Total
Number of grievances resolved	-	-
Number of grievances not resolved	-	-
Total number of grievances lodged	-	-

Table 3.12.5 Disputes logged with Councils for the period 1 April 2015 and 31 March 2016

Disputes	Number	% of Total
Number of disputes upheld	17	77,3
Number of disputes dismissed	5	22,7
Total number of disputes lodged	**22**	

Table 3.12.6 Strike actions for the period 1 April 2015 and 31 March 2016

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2015 and 31 March 2016

Number of people suspended	46
Number of people whose suspension exceeded 30 days	42
Average number of days suspended	36 MONTHS
Cost of suspension(R'000)	R 10 050 457,00

3.13. Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2015 and 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	0	0	0	0
	Male	36	0	0	0	0
Professionals	Female	63000	39146	0	0	39146
	Male	25764	27419	0	0	27419
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	8627	1087	0	0	1087
	Male	7244	892	0	0	892
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	92	0	0	0	0
	Male	217	0	0	0	0
Sub Total	Female	71744	40233	0	0	40233
	Male	33262	28311	0	0	28311
TOTAL		**105006**	**68544**	**0**	**0**	**68544**

Table 3.13.2 Training provided for the period 1 April 2015 and 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	0	0	20	20
	Male	36	0	0	32	32
Professionals	Female	63000	11323	0	1002	12325
	Male	25764	19799	0	1431	21230
Technicians and associate professionals	Female	0	0	0	623	623
	Male	0	0	0	921	921
Clerks	Female	8627	812	0	983	1795
	Male	7244	778	0	1030	1808
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	92	0	0	68	68
	Male	217	0	0	182	182
Sub Total	Female	71744	12135	0	2696	14831
	Male	33262	20577	0	3596	24173
TOTAL		**105006**	**32712**	**0**	**6292**	**39004**

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2015 and 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	31	93,9
Temporary Total Disablement	2	6,1
Permanent Disablement	0	0
Fatal	0	0
TOTAL	**33**	**100%**

3.15. Utilisation of Consultants

The following tables relate to information on the utilisation of consultants in the department. In terms of the Public Service Regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

(a) The rendering of expert advice;
(b) The drafting of proposals for the execution of specific tasks; and
(c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2015 and 31 March 2016

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Various	-	261	668 p.h.
			4,065 p.km

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
As per financial statements	-	261	1 589 275

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 and 31 March 2016

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Various	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2015 and 31 March 2016

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
Various	-	261	-

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
Various	-	261	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 and 31 March 2016

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Various	-	261	-

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2015 and 31 March 2016

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

PART E

FINANCIAL INFORMATION



REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE ON VOTE NO. 5: DEPARTMENT OF EDUCATION

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Education set out on pages 107 to 206 which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the MCS and the requirements of the PFMA and DoRA.

REPORT ON THE FINANCIAL STATEMENTS

Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Payables

8. Payables which exceeded the payment term of 30 days, as required in treasury regulation 8.2.3, amounted to R541,47 million. This amount, in turn, exceeded the voted funds to be surrendered of R274,96 million as per the statement of financial performance by R266,51 million. The amount of R266,51 million would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Additional matters

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

10. The supplementary information set out on pages 203 to 206 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

11. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for programme 2 - public ordinary school education on pages 37 to 39, programme 5 - early childhood development on pages 43 to 44, programme 6 - infrastructure development on pages 45 to 46 and programme 7- examination and education related services on pages 47 to 50 presented in the annual performance report of the department for the year ended 31 March 2016.

13. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).

14. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

15. The material findings in respect of the selected programmes are as follows:

REPORT ON THE FINANCIAL STATEMENTS

Public ordinary school education

Usefulness of reported performance information

Measurability of indicators and targets

Performance measures not well defined

16. The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use. A total of 33,33% of indicators were not well defined.

Reliability of reported performance information

17. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. The reported achievements against planned targets of 18,18% of indicators were not reliable when compared to the source information.

Early childhood development

Usefulness of reported performance information

Measurability of indicators

Performance indicators not well defined

18. The FMPPI requires that performance indicators should be well defined by having clear definitions so that data can be collected consistently and is easy to understand and use. A total of 33,33% of indicators were not well defined.

19. I did not identify any material findings on the usefulness and reliability of the reported performance information for programme 6 - infrastructure development and programme 7 - examination and education related services.

Additional matters

20. I draw attention to the following matters:

Achievement of planned targets

21. Refer to the annual performance report on pages 36 to 39 and 43 to 44 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected programmes reported in paragraphs 16 to 18 of this report.

Unaudited supplementary schedules

22. The supplementary information set out on pages 203 to 206 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

REPORT ON THE FINANCIAL STATEMENTS

Compliance with legislation

23. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual financial statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(a) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

25. Persons in service of the department who had a private or business interest in contracts awarded by the department did not disclose such interest, as required by treasury regulation 16A8.4.

26. Persons in service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department did not disclose such interest, as required by treasury regulation 16A8.4.

27. Sufficient appropriate audit evidence could not be obtained that goods and services of a transaction value above R500 000 were procured by inviting competitive bids, as required by treasury regulation 16A6.1.

Expenditure management

28. Effective steps were not taken to prevent irregular expenditure, of R283,28 million as disclosed in note 31 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

29. Contractual obligations and money owed by the department were not settled within 30 days, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Conditional grants

30. The department did not evaluate its performance in respect of functions funded by the occupational specific dispensation for education sector therapists grant, as required by section 11(6)(a) of DoRA.

Internal control

31. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

32. Leadership did not adequately implement and monitor policies and procedures to address financial statement misstatements, performance management deficiencies and compliance with laws and regulations.

REPORT ON THE FINANCIAL STATEMENTS

Financial and performance management

33. Management did not diligently undertake routine monthly reconciliations and reviews to support amounts reported in the financial statements and the annual performance report.

34. In addition, management did not implement policies and procedures to ensure compliance with applicable legislation.

Other reports

35. I draw attention to the following engagements that could potentially have an impact on the department's financial, performance and compliance-related matters. My opinion is not modified in respect of the engagements that are in progress or have been completed.

Performance audits

36. A performance audit was performed during the year under review on the curriculum support and monitoring provided by education districts to schools. A management report was issued to the department on 15 July 2016. Similar audits were conducted in all nine provinces to facilitate comprehensive reporting. Insights from these audits will be included in the education sector report for 2015-16.

Investigations

37. One hundred and thirty six cases relating to various allegations of mismanagement of school funds, falsified qualifications, employment of ghost employees and invalid payments were referred to the internal control and risk management section of the department. Of these, fifty nine cases were finalised and seventy seven were still under investigation.

38. Twenty three investigations occurred between the period 2009 and 2016, which are being conducted by the provincial treasury at the request of the department. The investigations cover a range of issues pertaining to procurement irregularities and mismanagement of funds. Eleven of the investigations had been completed by the provincial treasury and seven of them had been handed over to law enforcement authorities for criminal charges.

Auditor-General

Pietermaritzburg

29 July 2016

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2016

1. Overview of the financial results of the department

1.1 Departmental Receipts

Departmental Receipts	2015/16			2015/15		
	Estimate	Actual Amount Collected	(Over) Under Collection	Estimate	Actual Amount Collected	(Over Under Collection
		R'000			R'000	
Tax Receipts	-					
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licenses	-	-	-	-	-	-
Motor Vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	50 156	48 807	1 349	46 108	47 669	(1 561)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	321	1 618	(1 297)	307	1 151	(844)
Sale of capital assets	-	5 489	(5 489)	-	-	-
Financial transaction in assets and liabilities	30 768	37 604	(6 836)	26 784	47 885	(21 101)
Total	**81 245**	**93 518**	**(12 273)**	**73 199**	**96 705**	**(23 506)**

The table above illustrates the revenue collected by the department over the last two financial years. The over collection over the two financial years was R23.506 million in 2014/15 and R12.273 million in 2015/16 financial year.

The major source of own revenue for the department is due to *Sale of goods and services other than capital assets*. It includes commission earned on payroll deductions such as insurance and garnishees, examination and remarking fees, as well as fees for the viewing of scripts, and housing and parking rentals paid for by staff members. The 2015/16 financial year shows an under-collection of R1.349 million which is attributed partly to the portion of revenue not earned due to salaries of some employees that were stopped in February as part of the implementation of the Employee Headcount project and as such no third party pay-overs were affected. However, the overall collection for this category is still higher than in 2014/15.

Interest, dividends and rent on land reflects an over collection in this category thus indicating the effort that is being made in the collection of debts owed to the department. This receipt is due to interest charged on outstanding staff debts.

Sale of capital assets whilst not anticipated, generated revenue of R5.489 million as a result of disposing of vehicles, machinery and other assets which had reached their useful and economic lives.

Revenue collected under *Transactions in financial assets and liabilities* consists mainly of debts owed to the department, as well as refunds relating to previous years' expenditure. This category consists of revenue earned due to recoveries of staff debts such as leave disallowance, breached bursary debts, reversed salaries, salary overpayments that belong to the previous financial year. Whilst the actual recovery of R37.604 million in 2015/16 is relatively lower than that of R47.885 million in 2014/15, it is still higher that the estimated recovery of R30.768 million.

The charges raised by the Department are in respect of rentals of state-owned properties to internal officials. In addition to this is revenue collected by means of parking fees charged, remarking of exam papers and the reissuing of previous exams certificates. The charges are raised in accordance with the prescribed National and Provincial Policies. The department does not render any free services.

REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2016

1.2 *Programme Expenditure*

The Education Sector revised the budget structure with effect from 2015/16 due to the two programmes namely, Further Education and Training (FET) and Adult Education and Training (AET) being managed by the national Department of Higher Education and Training. Thus, for comparative purposes, all budget and expenditure relating to these two programmes have been removed from the 2014/15 figures.

Programme Reference	2015/16			2014/15		
	Final Appropriation	Actual Expenditure Collected	(Over) Under Expenditure Collection	Final Appropriation	Actual Expenditure Amount	(Over) Under Expenditure
	R'000			R'000		
Administration	1 654 260	1 651 446	2 814	1 452 318	1 452 318	-
Public Ordinary School Education	35 826 451	35 580 506	245 945	32 832 012	32 736 587	95 425
Independent Schools Subsidies	77 817	77 278	539	74 395	70 967	3 428
Public Special School Education	944 327	942 327	2 000	888 713	888 713	-
Early Childhood Development	672 506	603 671	68 835	629 853	506 123	123 730
Infrastructure Development	2 613 953	2 613 953	-	2 217 349	2 210 425	6 924
Examination and Education Related Services	1 373 556	1 418 731	(45 175)	1 335 736	1 280 950	54 786
Total	**43 162 870**	**42 887 912**	**274 958**	**39 430 376**	**39 146 083**	**284 293**

The adjusted budget for the department is R43.163 billion including R908.896 million inclusive of the 2015 Wage Settlement allocation of R903 million; R6.9 million infrastructure roll-over and R111 million allocated towards the capital payment of Indiza. The specific allocation towards Indiza was settled as per the court order issued as per the Provincial Treasury directive.

Under-expenditure amounting to R275 million and unauthorized expenditure is R45 million which resulted from the Examinations and Associated Services.

Administration is under-spent by R2.8 million largely due to under-expenditure on Other Machinery and Equipment due to the late submission of some invoices for laptops and desktop computers.

Public Ordinary Schools is under-spent by R246 million (2014/15: R95.425 million) due to the lower than projected employee numbers at the end of the financial year. This could be attributed to a variety of reasons including the higher than normal resignations during the financial year, the untimely processing of educators appointed at the start of the school year as well as exits from employment due to retirement and or ill-health.

Independent Schools Subsidies is under-spent by R539 000 (2014/15: R3.4 million) due to the lower enrolment numbers in these schools at the beginning of the school year. The tranche for the 4th quarter is paid on submission of the enrolment numbers for the new school year.

Public Special Education is under-spent by R2 million due to the late start of the procurement process for braille machinery for schools. The programme was fully spent in 2014/15.

Early Childhood Development is under-spent by R68.835 million due to the under-spending on the consultants' budget in respect of the delivery of LTSM as well as operating payments. The 2014/15 under-spending was R123.7 million which was due to the deliberate cost cutting measures to alleviate the projected over-expenditure in that financial year.

Infrastructure Development is fully spent for the year under review whilst in 2014/15 there were savings of R6.924 million.

Auxiliary and Associated Services is over-spent by R45.175 million due to overspending on the travel and subsistence due to additional travelling linked with additional monitors and examiners that had to travel for examinations related work whilst the 2014/15 budget had been under-spent by R54.7 million as part of the deliberate cost cutting measures to alleviate the projected over-expenditure in that year.

The biggest cost pressure in the department is the Compensation of Employees. During the 2014/15 Adjustment Estimate period, the department moved a total amount of R860 million from its Infrastructure Development programme in order to fund the Compensation of Employees which was reflecting extreme spending pressures. Such budget movement had to be carried through to the 2015/16 MTEF due to the recurrent nature of Compensation of Employees.

This budget reconfiguration allowed the department to provide adequate provision to afford 107 433 employees as well as fill any other post that would have arisen out of attrition and or any other form of exit. However, the 2015 Wage Agreement settlement brought about budgetary pressures for the current as well as forthcoming years. Whilst the 2015/16 budgetary shortfall of R902 million was fully funded, the same did not occur for the 2016/17 MTEF which brought about a combined shortfall of R1.344 billion based on the 107 433 employees.

The table below reflects the fluctuation in employee numbers during the year, bearing in mind that a budgetary provision had been made at 107 433 employees. It is thus inevitable that with the numbers as they are reflected below there would be savings realized for the year, which amount to R151million.

April	May	June	July	August	September	October	November	December	January	February	March
105 511	105 742	106 459	105 720	105 935	106 966	106 548	106 501	107 529	102 089	102 751	104 707

Compounding the under-expenditure is the late capturing of educators who would have started working at the beginning of the school year and only being captured on the PERSAL system subsequent to year end and other compensation of employees' related expenditure which could not be paid during the year.

As a result of this under-funding of the carry through effect in 2016/17, the department could not fill any posts, other than school based posts in 2015/16, due to the cost carry through effects this would have over the 2016/17 MTEF. However, costs and projects that were once-off in nature were implemented and funded from the under-expenditure. It would appear that the establishment of the department is on average at an affordability of 105 600 employees, which could present opportunities to fund other educational priorities as well as fill posts if this could be confirmed.

Expenditure Classification	2015/6			2014/15		
	Final Appropriation	Actual Expenditure	(Over)Under Expenditure	Final Appropriation	Actual Expenditure	(Over)Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current Expenditure	**38 700 131**	**38 506 959**	**193 172**	**35 524 494**	**35 266 056**	**258 438**
Compensation of Employees	34 678 081	34 527 080	151 001	32 136 212	32 037 938	98 274
Goods and Services	3 884 162	3 841 947	42 215	3 388 211	3 224 999	163 212
Interest and Rent on Land	137 888	137 932	(44)	71	3 119	(3 048)
Transfers and Subsidies	**1 958 164**	**1 908 152**	**50 012**	**1 867 152**	**1 857 892**	**9 260**
Provinces and municipalities	1 702	1 702	-	2 097	2 097	-
Departmental agencies and accounts	78 139	78 139	-	22 030	22 030	-
Non-profit institutions	1 706 853	1 656 841	50 012	1 662 110	1 666 314	(4 204)
Households	171 470	171 470	-	180 915	167 451	13 464
Payment of Capital Assets	**2 472 683**	**2 440 909**	**31 774**	**2 036 335**	**2 019 740**	**16 595**
Buildings & Other Fixed Structures	2 330 917	2 343 612	(12 695)	2 024 794	2 017 870	6 924
Machinery & Equipment	136 251	97 297	38 954	11 541	1 870	9 671
Intangible Assets	5 515	-	5 515	-	-	-
Payment of Financial Assets	31 892	31 892	-	-	-	-
Total	**43 162 870**	**42 887 912**	**274 958**	**39 427 981**	**39 143 688**	**284 293**

REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2016

Goods and Services reflect an under-expenditure of R42.2 million due to savings on Training and Development and discounts received from the LTSM procurement process as well as savings on Consultants: Business and Advisory Services.

The department paid interest of R137.9 million largely due to interest paid in the settlement of Indiza case as well as the interest payable on the SANTS and other court cases as per the directive of the courts.

Transfers and subsidies is under-spent by R50 million due to non-compliance by some schools, closure of some schools as well as the re-imbursement of schools which would have granted fee-exemptions to learners, not having been processed. In order not to prejudice the learners, in the event that schools do not comply with directives to enable the funds to be transferred, the department procures on behalf of these schools.

Buildings and other fixtures projects is over-spent by R12.7 million however this has been off-set at a programme level.

1.3 Virements and Rollovers

1.3.1 Virements

The table below reflects the final virements that were undertaken by the department for which an approval has been granted by Provincial Treasury.

	FROM					TO					
	Programme	Sub Programme	Economic Classification	Item Classification	Amount R ('000)	Programme	Sub Programme	Economic Classification	Item Classification	Amount R ('000)	Reason
1	Programme1: Administration	Education Mgt Information System (Emis)	Compensation of Employees	Social Contributions	1 378	Programme7: Examination and Education Related Services	Professional Services	Compensation of employees	Salaries & Wages	1 378	To offset spending pressures in this sub-programme due to work related to professional services
2	Programme1: Administration	Education Mgt Information System (Emis)	Payment for capital assets	Other machinery and equipment	117	Programme7: Examination and Education Related Services	External Examinations	Payment for capital assets	Other machinery and equipment	117	To offset spending pressures in this sub-programme related to examination services
3	Programme 4: Public Special School Education	Public Special School	Compensation of Employees	Salaries & Wages	5 039	Programme7: Examination and Education Related Services	Professional Services	Compensation of Employees	Salaries & Wages	5 039	To offset spending pressures in this sub-programme related to examination services
4	Programme 2:Public School Education	Public Primary Schools	Compensation of Employees	Social Contributions	18 467	Programme7: Examination and Education Related Services	External Examination	Compensation of Employees	Salaries & Wages	18 467	To offset spending pressures in this sub-programme related to examination services
5	Programme 5: Early Childhood Development	Pre-Grade R Training	Goods and Services	Travel and subsistence	8 680	Programme7: Examination and Education Related Services	External Examination	Goods and Services	Travel and subsistence	8 680	To offset spending pressures in this sub-programme related to examination services
					33 681					33 681	

1.3.2 Rollovers

A roll-overs request from the equitable share amounting to R263.458 million which is made up of the following categories:

- *Compensation of employees* – An amount of R173.253 million is requested for the unpaid home-owners allowance for 17 645 outstanding employees. The department has indicated that employees have to respond to the housing allowance adjustment requirements before an assessment can begin to be processed. Also, the department has indicated that there are unpaid salaries for contract workers, as well as other allowances such as remoteness allowances, shift allowance, exam invigilators, etc.

REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2016

- *Transfers and subsidies* – An amount of R50.012 million is requested for schools that did not comply with transfer requirements. However, due to the funding which is below the national norms and standards, schools generally battle with financing some expenditure, such as the payments of domestic accounts. Thus, should these funds be rolled over, they will be utilized towards assisting these schools.
- *Machinery and equipment* – Funds of R15.210 million were committed towards the purchase of vehicles, but the delivery was delayed due to unavailability of the specific vehicles.

1.4 Unauthorised, irregular and fruitless expenditure

The unauthorised expenditure for the year amounts to R45 million for reasons explained above. Irregular expenditure for the year amounts to R283.2 million as disclosed in Note 25 largely due to not following supply chain management processes.

The Department's fruitless and wasteful expenditure for the year amounts to R141.5 million as disclosed in Note 26. The bulk of this expenditure arises from an interest and damages payments with respect to the settlement of Indiza and SANTS matters. This is followed by the expenditure incurred in settlement of legal debts as well as late payment of domestic accounts.

1.5 Public Private Partnerships

Pursuant to the appointment of the transaction advisors in 2013/14, a steering committee was formed and four possible nodes/ packages were identified for consideration. The transaction advisors work on the finer details as prescribed by National Treasury. In the context of the disjuncture between the backlogs and the available budget, the realization of the PPP would be to accelerate the speed with which the department achieves the outcomes of the minimum uniform norms and standards for public school infrastructure.

However, this is all dependent on the availability of funding. The approach being adopted for this project is to develop specialist facilities i.e. science labs, multipurpose classrooms, computer rooms and media centers as new build "add in canters" into existing secondary schools in the pilot nodes. The project has reached the completion of the feasibility stage of its project cycle and is awaiting a decision to continue to the next stage in obtaining National Treasury Approval 1.

1.6 Discontinued activities/activities to be discontinued

There were no discontinued activities during the year.

1.7 New or proposed activities

There were no new activities introduced or proposed.

1.8 Supply Chain Management

There were no unsolicited bids that were concluded for the year under review. All bids followed a normal supply chain management process and where such processes could not be followed due to impracticality or urgency reasons, the approval from the Accounting Officer as per Treasury Regulation 16.A6.4 were sought and such reasons are recorded as such in the accompanying requests for approval. Any bids that did not meet any of the above requirements is recorded as irregular expenditure and disclosed accordingly in the disclosure notes.

The department has fully fledged supply chain management policies that are supported with the relevant process flows. These processes are regularly augmented by the necessary circulars, where re-enforcement is deemed appropriated.

As part of the progressive implementation of the new-organogram, the supply chain and other relevant delegations were amended and allocated to the relevant district directors. The pressure on the budget for compensation of employees with the resultant non-filling of posts is creating an emerging risk with respect to the separation of duties as well as general execution of processes within the supply

REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2016

chain environment. A further contributor to the already high vacancy rate is the exodus of employees to other departments through promotions or other forms of exits from employment.

With regard to asset management, the Head Office component works in tandem with the twelve (12) District Offices to ensure that the Department has at all times a fixed asset register that meets the minimum reporting standards. Annual physical verification of assets, quarterly inventory counts and monthly asset reconciliations have ensured that this aspect of Finance is under control. The department has migrated its current asset register onto the Provincial Hardcat system which is anticipated to elevate the efficiency of future asset verifications, reporting and general maintenance of the Department's movable asset register or Fixed Asset Register (FAR).

1.9 Gifts and Donations received in kind from non-related parties

There were no gifts and donations received in kind from non-related parties.

1.10 Exemptions and deviations received from National Treasury

No deviations or exemptions were received from National Treasury.

1.11 Events after the reporting date

There are no events after reporting date that require reporting.



Advocate Bheki Masuku
(Acting) Head of Department: Education

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Appropriation per programme									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programmes									
1. Administration	1 689 968	(1 495)	(34 213)	1 654 260	1 651 446	2 814	99.8%	1 452 318	1 452 318
2. Public Ordinary School Education	35 914 963	(18 467)	(70 045)	35 826 451	35 580 506	245 945	99.3%	32 832 012	32 736 587
3. Independent School Subsidies	77 817	-	-	77 817	77 278	539	99.3%	74 395	70 967
4. Public Special School Education	959 199	(5 039)	(9 833)	944 327	942 327	2 000	99.8%	888 713	888 713
5. Early Childhood Development	740 420	(8 680)	(59 234)	672 506	603 671	68 835	89.8%	629 853	506 123
6. Infrastructure Development	2 536 131	-	77 822	2 613 953	2 613 953	-	100.0%	2 217 349	2 210 425
7. Examination and Education Related Services	1 244 372	33 681	95 503	1 373 556	1 418 730	(45 174)	103.3%	1 335 736	1 280 950
TOTAL (carried forward)	**43 162 870**	**-**	**-**	**43 162 870**	**42 887 911**	**274 959**	**99.4%**	**39 430 376**	**39 146 083**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16		2014/15	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	**43 162 870**	**42 887 911**	**39 430 376**	**39 146 083**
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	93 518	-	96 705	-
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (total revenue)	**43 256 388**		**39 527 081**	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		**42 887 911**		**39 146 083**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Appropriation per economic classification									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**38 779 237**	**-**	**(79 106)**	**38 700 131**	**38 506 958**	**193 173**	**99.5%**	**35 524 494**	**35 266 056**
Compensation of employees	35 079 207	-	(401 126)	34 678 081	34 527 080	151 001	99.6%	32 136 212	32 037 938
Salaries and wages	27 690 815	19 845	1 970 405	29 681 065	29 656 492	24 573	99.9%	27 732 223	27 713 445
Social contributions	7 388 392	(19 845)	(2 371 531)	4 997 016	4 870 588	126 428	97.5%	4 403 989	4 324 493
Goods and services	3 700 030	-	184 132	3 884 162	3 841 946	42 216	98.9%	3 388 211	3 224 999
Administrative fees	820	-	5 285	6 105	6 105	-	100.0%	6 931	6 931
Advertising	6 667	-	116	6 783	6 783	-	100.0%	6 309	6 354
Minor assets	12 569	-	(8 936)	3 633	3 633	-	100.0%	169	169
Audit costs: External	9 244	-	679	9 923	9 923	-	100.0%	9 923	9 923
Bursaries: Employees	102 010	-	(13 368)	88 642	88 642	-	100.0%	61 101	70 088
Catering: Departmental activities	42 462	-	16 853	59 315	54 315	5 000	91.6%	54 810	54 810
Communication	5 378	-	21 012	26 390	26 390	-	100.0%	34 352	34 352
Computer services	88 625	-	(57 243)	31 382	31 382	-	100.0%	40 453	37 009
Consultants: Business and advisory services	105 593	-	22 285	127 878	107 335	20 543	83.9%	58 907	56 450
Infrastructure and planning services	7 619	-	(7 619)	-	-	-	-	-	-
Laboratory services	424	-	(424)	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	114 424	-	6 202	120 626	120 626	-	100.0%	9 932	9 932
Contractors	3 278	-	7 189	10 467	10 467	-	100.0%	21 573	21 573
Agency and support / outsourced services	1 157 256	-	154 939	1 312 195	1 350 847	(38 652)	102.9%	1 272 110	1 260 544
Entertainment	1 029	-	(1 014)	15	15	-	100.0%	139	139
Fleet services	42 987	-	(3 107)	39 880	38 190	1 690	95.8%	40 680	38 540

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	3 040	3 040	3 264	(224)	107.4%	286	286
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	528	-	(497)	31	31	-	100.0%	16	16
Inventory: Fuel, oil and gas	271	-	96	367	367	-	100.0%	641	517
Inventory: Learner and teacher support material	656 528	-	(26 088)	630 440	611 674	18 766	97.0%	492 713	453 897
Inventory: Materials and supplies	18 368	-	(14 095)	4 273	4 273	-	100.0%	7 924	853
Inventory: Medical supplies	8 529	-	(8 365)	164	164	-	100.0%	29 484	28 607
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	185 035	-	6 091	191 126	207 266	(16 140)	108.4%	159 891	160 464
Consumable supplies	80 978	-	(71 348)	9 630	8 652	978	89.8%	12 465	8 537
Consumable: Stationery, printing and office supplies	92 079	-	44 391	136 470	134 951	1 519	98.9%	98 088	97 088
Operating leases	60 766	-	(39 483)	21 283	21 283	-	100.0%	66 773	59 963
Property payments	240 214	-	216 795	457 009	457 009	-	100.0%	394 241	394 486
Transport provided: Departmental activity	31 366	-	(21 772)	9 594	8 294	1 300	86.4%	14 829	13 829
Travel and subsistence	268 545	-	(13 107)	255 438	300 288	(44 850)	117.6%	312 127	272 683
Training and development	193 508	-	(41 321)	152 187	52 761	99 426	34.7%	106 721	61 500
Operating payments	151 940	-	(30 906)	121 034	128 174	(7 140)	105.9%	52 040	42 876
Venues and facilities	10 990	-	7 710	18 700	18 700	-	100.0%	20 571	20 571
Rental and hiring	-	-	30 142	30 142	30 142	-	100.0%	2 012	2 012
Interest and rent on land	-	-	137 888	137 888	137 932	(44)	100.0%	71	3 119
Interest	-	-	137 888	137 888	137 932	(44)	100.0%	71	3 119
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**1 909 512**	**-**	**48 652**	**1 958 164**	**1 908 152**	**50 012**	**97.4%**	**1 867 152**	**1 857 892**
Provinces and municipalities	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Provinces	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Provincial agencies and funds	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Departmental agencies and accounts	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
Departmental agencies and accounts	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
Non-profit institutions	1 709 904	-	(3 051)	1 706 853	1 656 841	50 012	97.1%	1 662 110	1 666 314
Households	120 369	-	51 101	171 470	171 470	-	100.0%	180 915	167 451
Social benefits	120 369	-	51 095	171 464	171 464	-	100.0%	180 746	167 282
Other transfers to households	-	-	6	6	6	-	100.0%	169	169
Payments for capital assets	**2 442 229**	**-**	**30 454**	**2 472 683**	**2 440 909**	**31 774**	**98.7%**	**2 038 730**	**2 022 135**
Buildings and other fixed structures	2 271 548	-	59 369	2 330 917	2 343 612	(12 695)	100.5%	2 024 794	2 017 870
Buildings	2 271 548	-	59 369	2 330 917	2 343 612	(12 695)	100.5%	2 024 794	2 017 870
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	165 166	-	(28 915)	136 251	97 297	38 954	71.4%	13 936	4 265
Transport equipment	81 735	-	(18 926)	62 809	62 809	-	100.0%	2 395	2 395
Other machinery and equipment	83 431	-	(9 989)	73 442	34 488	38 954	47.0%	11 541	1 870
Software and other intangible assets	5 515	-	-	5 515	-	5 515	-	-	-
Payments for financial assets	**31 892**	**-**	**-**	**31 892**	**31 892**	**-**	**100.0%**	**-**	**-**
TOTAL (carried forward)	**43 162 870**	**-**	**-**	**43 162 870**	**42 887 911**	**274 959**	**99.4%**	**39 430 376**	**39 146 083**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Statutory Appropriation per economic classification									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**38 779 237**	**-**	**(79 106)**	**38 700 131**	**38 506 958**	**193 173**	**99.5%**	**35 524 494**	**35 266 056**
Compensation of employees	35 079 207	-	(401 126)	34 678 081	34 527 080	151 001	99.6%	32 136 212	32 037 938
Goods and services	3 700 030	-	184 132	3 884 162	3 841 946	42 216	98.9%	3 388 211	3 224 999
Interest and rent on land	-	-	137 888	137 888	137 932	(44)	100.0%	71	3 119
Transfers and subsidies	**1 909 512**	**-**	**48 652**	**1 958 164**	**1 908 152**	**50 012**	**97.4%**	**1 867 152**	**1 857 892**
Provinces and municipalities	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Departmental agencies and accounts	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
Non-profit institutions	1 709 904	-	(3 051)	1 706 853	1 656 841	50 012	97.1%	1 662 110	1 666 314
Households	120 369	-	51 101	171 470	171 470	-	100.0%	180 915	167 451
Payments for capital assets	**2 442 229**	**-**	**30 454**	**2 472 683**	**2 440 909**	**31 774**	**98.7%**	**2 038 730**	**2 022 135**
Buildings and other fixed structures	2 271 548	-	59 369	2 330 917	2 343 612	(12 695)	100.5%	2 024 794	2 017 870
Machinery and equipment	165 166	-	(28 915)	136 251	97 297	38 954	71.4%	13 936	4 265
Software and other intangible assets	5 515	-	-	5 515	-	5 515	-	-	-
Payments for financial assets	**31 892**	**-**	**-**	**31 892**	**31 892**	**-**	**100.0%**	**-**	**-**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 1: Administration	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	50 015	-	(13 866)	36 149	36 149	-	100.0%	38 342	38 342
1.2 Corporate Services	797 826	-	103 101	900 927	900 927	-	100.0%	758 787	772 244
1.3 Education Management	782 031	-	(136 130)	645 901	645 901	-	100.0%	609 425	595 968
1.4 Human Resource Development	9 587	-	29 115	38 702	38 702	-	100.0%	23 080	23 080
1,5 Education Mgt Information System (Emis)	50 509	(1 495)	(16 433)	32 581	29 767	2 814	91.4%	22 684	22 684
Total for sub programmes	**1 689 968**	**(1 495)**	**(34 213)**	**1 654 260**	**1 651 446**	**2 814**	**99.8%**	**1 452 318**	**1 452 318**
Economic classification									
Current payments	**1 524 150**	**(1 378)**	**(17 343)**	**1 505 429**	**1 505 429**	**-**	**100.0%**	**1 420 041**	**1 433 676**
Compensation of employees	1 131 614	(1 378)	(77 817)	1 052 419	1 052 419	-	100.0%	999 380	999 380
Salaries and wages	900 328	-	(372)	899 956	899 956	-	100.0%	847 605	847 605
Social contributions	231 286	(1 378)	(77 445)	152 463	152 463	-	100.0%	151 775	151 775
Goods and services	392 536	-	58 787	451 323	451 323	-	100.0%	420 661	431 249
Administrative fees	-	-	1 332	1 332	1 332	-	100.0%	2 791	2 791
Advertising	4 876	-	1 907	6 783	6 783	-	100.0%	6 309	6 354
Minor assets	4 600	-	(1 136)	3 464	3 464	-	100.0%	153	153
Audit costs: External	9 244	-	468	9 712	9 712	-	100.0%	9 758	9 758
Bursaries: Employees	22 000	-	43 197	65 197	65 197	-	100.0%	29 068	38 055
Catering: Departmental activities	9 386	-	(6 682)	2 704	2 704	-	100.0%	3 494	3 494
Communication	2 378	-	22 646	25 024	25 024	-	100.0%	32 536	32 536
Computer services	71 672	-	(43 486)	28 186	28 186	-	100.0%	29 290	30 846
Consultants: Business and advisory services	12 498	-	(12 466)	32	32	-	100.0%	1 143	1 143

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Laboratory services	424	-	(424)	-	-	-	-	-	-
Legal services	3 424	-	5 510	8 934	8 934	-	100.0%	9 279	9 279
Contractors	-	-	7 846	7 846	7 846	-	100.0%	8 890	8 890
Agency and support / outsourced services	5 491	-	9 713	15 204	15 204	-	100.0%	2 465	2 465
Entertainment	1 029	-	(1 014)	15	15	-	100.0%	42	42
Fleet services	40 772	-	(2 745)	38 027	38 027	-	100.0%	38 515	38 515
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	252	252	252	-	100.0%	177	177
Inventory: Food and food supplies	528	-	(505)	23	23	-	100.0%	16	16
Inventory: Fuel, oil and gas	140	-	(82)	58	58	-	100.0%	45	45
Inventory: Learner and teacher support material	-	-	502	502	502	-	100.0%	313	313
Inventory: Materials and supplies	-	-	54	54	54	-	100.0%	-	-
Inventory: Medical supplies	4 299	-	(4 294)	5	5	-	100.0%	-	-
Inventory: Other supplies	-	-	47	47	47	-	100.0%	2	2
Consumable supplies	16 998	-	(15 315)	1 683	1 683	-	100.0%	2 365	2 365
Consumable: Stationery, printing and office supplies	16 579	-	2 050	18 629	18 629	-	100.0%	12 270	12 270
Operating leases	35 041	-	(24 609)	10 432	10 432	-	100.0%	29 085	29 085
Property payments	10 000	-	71 288	81 288	81 288	-	100.0%	80 756	80 756
Transport provided: Departmental activity	1 648	-	(1 212)	436	436	-	100.0%	777	777
Travel and subsistence	101 167	-	(231)	100 936	100 936	-	100.0%	97 994	97 994
Training and development	9 587	-	2 862	12 449	12 449	-	100.0%	13 883	13 883
Operating payments	8 755	-	(2 955)	5 800	5 800	-	100.0%	7 631	7 631
Venues and facilities	-	-	4 903	4 903	4 903	-	100.0%	1 521	1 521
Rental and hiring	-	-	1 366	1 366	1 366	-	100.0%	93	93
Interest and rent on land	-	-	1 687	1 687	1 687	-	100.0%	-	3 047
Interest	-	-	1 687	1 687	1 687	-	100.0%	-	3 047

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**30 931**	**-**	**(13 955)**	**16 976**	**16 976**	**-**	**100.0%**	**30 646**	**17 182**
Provinces and municipalities	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Provinces	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Provincial agencies and funds	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Households	29 831	-	(14 557)	15 274	15 274	-	100.0%	28 549	15 085
Social benefits	29 831	-	(14 557)	15 274	15 274	-	100.0%	28 449	14 985
Other transfers to households	-	-	-	-	-	-	-	100	100
Payments for capital assets	**102 995**	**(117)**	**(2 915)**	**99 963**	**97 149**	**2 814**	**97.2%**	**1 631**	**1 460**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	101 480	(117)	(2 915)	98 448	97 149	1 299	98.7%	1 631	1 460
Transport equipment	81 735	-	(18 926)	62 809	62 809	-	100.0%	370	370
Other machinery and equipment	19 745	(117)	16 011	35 639	34 340	1 299	96.4%	1 261	1 090
Software and other intangible assets	1 515	-	-	1 515	-	1 515	-	-	-
Payments for financial assets	**31 892**	**-**	**-**	**31 892**	**31 892**	**-**	**100.0%**	**-**	**-**
Total	**1 689 968**	**(1 495)**	**(34 213)**	**1 654 260**	**1 651 446**	**2 814**	**99.8%**	**1 452 318**	**1 452 318**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

1.1 Office of the MEC

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**49 565**	**-**	**(13 416)**	**36 149**	**36 149**	**-**	**100.0%**	**38 301**	**38 301**
Compensation of employees	21 440	-	(19 163)	2 277	2 277	-	100.0%	4 086	4 086
Goods and services	28 125	-	5 747	33 872	33 872	-	100.0%	34 215	34 215
Payments for capital assets	**450**	**-**	**(450)**	**-**	**-**	**-**	**-**	**41**	**41**
Machinery and equipment	450	-	(450)	-	-	-	-	41	41

1.2 Corporate Services

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**722 675**	**-**	**82 562**	**805 237**	**805 237**	**-**	**100.0%**	**749 320**	**762 948**
Compensation of employees	497 169	-	54 069	551 238	551 238	-	100.0%	502 155	502 155
Goods and services	225 506	-	26 808	252 314	252 314	-	100.0%	247 165	257 753
Interest and rent on land	-	-	1 685	1 685	1 685	-	100.0%	-	3 040
Transfers and subsidies	**5 651**	**-**	**1 494**	**7 145**	**7 145**	**-**	**100.0%**	**8 467**	**8 467**
Provinces and municipalities	1 100	-	602	1 702	1 702	-	100.0%	2 097	2 097
Households	4 551	-	892	5 443	5 443	-	100.0%	6 370	6 370
Payments for capital assets	**69 500**	**-**	**19 045**	**88 545**	**88 545**	**-**	**100.0%**	**1 000**	**829**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	69 500	-	19 045	88 545	88 545	-	100.0%	1 000	829

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

1.3 Education Management

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**701 459**	**-**	**(99 252)**	**602 207**	**602 207**	**-**	**100.0%**	**586 830**	**586 837**
Compensation of employees	591 256	-	(112 802)	478 454	478 454	-	100.0%	473 191	473 191
Goods and services	110 203	-	13 548	123 751	123 751	-	100.0%	113 639	113 639
Interest and rent on land	-	-	2	2	2	-	100.0%	-	7
Transfers and subsidies	**25 280**	**-**	**(15 576)**	**9 704**	**9 704**	**-**	**100.0%**	**22 005**	**8 541**
Households	25 280	-	(15 576)	9 704	9 704	-	100.0%	22 005	8 541
Payments for capital assets	**23 400**	**-**	**(21 302)**	**2 098**	**2 098**	**-**	**100.0%**	**590**	**590**
Machinery and equipment	23 400	-	(21 302)	2 098	2 098	-	100.0%	590	590
Payments for financial assets	**31 892**	**-**	**-**	**31 892**	**31 892**	**-**	**100.0%**	**-**	**-**

1.4 Human Resource Development

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**9 587**	**-**	**29 115**	**38 702**	**38 702**	**-**	**100.0%**	**23 080**	**23 080**
Compensation of employees	-	-	79	79	79	-	100.0%	2	2
Goods and services	9 587	-	29 036	38 623	38 623	-	100.0%	23 078	23 078

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

1.5 Education Mgt Information System (Emis)

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**40 864**	**(1 378)**	**(16 352)**	**23 134**	**23 134**	**-**	**100.0%**	**22 510**	**22 510**
Compensation of employees	21 749	(1 378)	-	20 371	20 371	-	100.0%	19 946	19 946
Goods and services	19 115	-	(16 352)	2 763	2 763	-	100.0%	2 564	2 564
Transfers and subsidies	**-**	**-**	**127**	**127**	**127**	**-**	**100.0%**	**174**	**174**
Households	-	-	127	127	127	-	100.0%	174	174
Payments for capital assets	**9 645**	**(117)**	**(208)**	**9 320**	**6 506**	**2 814**	**69.8%**	**-**	**-**
Machinery and equipment	8 130	(117)	(208)	7 805	6 506	1 299	83.4%	-	-
Software and other intangible assets	1 515	-	-	1 515	-	1 515	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 2: Public Ordinary School Education									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
2.1 Public Primary Schools	20 644 884	(18 467)	(609 559)	20 016 858	19 906 291	110 567	99.4%	18 399 883	18 348 541
2.2 Public Secondary Schools	13 701 170	-	539 514	14 240 684	14 177 406	63 278	99.6%	12 996 564	12 950 753
2.3 Human Resource Development	166 659	-	-	166 659	68 369	98 290	41.0%	68 684	68 684
2.4 In-School Sport and Culture	49 574	-	-	49 574	33 513	16 061	67.6%	33 773	33 773
2.5 National School Nutrition Programme	1 287 034	-	-	1 287 034	1 326 761	(39 727)	103.1%	1 253 300	1 253 708
2.6 EPWP Incentive Grant for Provinces	2 644	-	-	2 644	2 644	-	100.0%	2 939	2 938
2.7 Social Sector EPWP Incentive Grant for Provinces	3 000	-	-	3 000	3 000	-	100.0%	2 578	2 580
2.8 Maths Science and Technology Grant	59 998	-	-	59 998	62 522	(2 524)	104.2%	74 291	75 610
Total for sub programmes	**35 914 963**	**(18 467)**	**(70 045)**	**35 826 451**	**35 580 506**	**245 945**	**99.3%**	**32 832 012**	**32 736 587**
Economic classification									
Current payments	**34 308 588**	**(18 467)**	**(125 894)**	**34 164 227**	**34 007 280**	**156 947**	**99.5%**	**31 258 595**	**31 162 669**
Compensation of employees	31 660 231	(18 467)	(262 231)	31 379 533	31 252 905	126 628	99.6%	29 021 766	29 004 902
Salaries and wages	24 972 245	-	1 800 963	26 773 208	26 761 748	11 460	100.0%	25 018 128	25 031 785
Social contributions	6 687 986	(18 467)	(2 063 194)	4 606 325	4 491 157	115 168	97.5%	4 003 638	3 973 117
Goods and services	2 648 357	-	136	2 648 493	2 618 130	30 363	98.9%	2 236 758	2 157 696
Administrative fees	720	-	2 876	3 596	3 596	-	100.0%	1 242	1 242
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	7 969	-	(7 955)	14	14	-	100.0%	-	-
Audit costs: External	-	-	205	205	205	-	100.0%	161	161
Bursaries: Employees	80 000	-	(56 555)	23 445	23 445	-	100.0%	32 033	32 033
Catering: Departmental activities	3 333	-	8 781	12 114	12 114	-	100.0%	10 581	10 581
Communication	2 500	-	(2 386)	114	114	-	100.0%	416	416
Computer services	-	-	4	4	4	-	100.0%	-	-
Consultants: Business and advisory services	72 552	-	34 751	107 303	107 303	-	100.0%	55 307	55 307

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	111 000	-	692	111 692	111 692	-	100.0%	653	653
Contractors	3 178	-	(1 487)	1 691	1 691	-	100.0%	1 137	1 137
Agency and support / outsourced services	1 145 745	-	149 532	1 295 277	1 334 929	(39 652)	103.1%	1 266 190	1 255 624
Entertainment	-	-	-	-	-	-	-	42	42
Fleet services	525	-	(525)	-	-	-	-	507	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	55	55	55	-	100.0%	52	52
Inventory: Food and food supplies	-	-	8	8	8	-	100.0%	-	-
Inventory: Fuel, oil and gas	131	-	(131)	-	-	-	-	127	3
Inventory: Learner and teacher support material	574 767	-	(23 100)	551 667	537 108	14 559	97.4%	467 274	451 553
Inventory: Materials and supplies	18 368	-	(14 408)	3 960	3 960	-	100.0%	7 611	540
Inventory: Medical supplies	4 230	-	(4 221)	9	9	-	100.0%	925	48
Inventory: Other supplies	185 035	-	4 548	189 583	205 723	(16 140)	108.5%	154 036	154 609
Consumable supplies	52 730	-	(48 268)	4 462	4 462	-	100.0%	5 841	3 413
Consumable: Stationery, printing and office supplies	465	-	19 400	19 865	21 157	(1 292)	106.5%	4 281	4 281
Operating leases	3 326	-	612	3 938	3 938	-	100.0%	6 798	5 673
Property payments	23 450	-	81 721	105 171	105 171	-	100.0%	105 318	105 563
Transport provided: Departmental activity	-	-	4 948	4 948	4 948	-	100.0%	7 477	7 477
Travel and subsistence	78 206	-	(34 032)	44 174	59 494	(15 320)	134.7%	64 964	25 520
Training and development	166 745	-	(35 929)	130 816	36 828	93 988	28.2%	36 159	36 159
Operating payments	111 682	-	(78 501)	33 181	38 961	(5 780)	117.4%	3 878	1 861
Venues and facilities	1 700	-	(661)	1 039	1 039	-	100.0%	3 051	3 051
Rental and hiring	-	-	162	162	162	-	100.0%	697	697
Interest and rent on land	-	-	136 201	136 201	136 245	(44)	100.0%	71	71
Interest	-	-	136 201	136 201	136 245	(44)	100.0%	71	71

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Transfers and subsidies	**1 565 917**	**-**	**55 737**	**1 621 654**	**1 573 083**	**48 571**	**97.0%**	**1 561 968**	**1 571 969**
Non-profit institutions	1 477 239	-	(2 084)	1 475 155	1 426 584	48 571	96.7%	1 417 706	1 427 707
Households	88 678	-	57 821	146 499	146 499	-	100.0%	144 262	144 262
Social benefits	88 678	-	57 815	146 493	146 493	-	100.0%	144 194	144 194
Other transfers to households	-	-	6	6	6	-	100.0%	68	68
Payments for capital assets	**40 458**	**-**	**112**	**40 570**	**143**	**40 427**	**0.4%**	**11 449**	**1 949**
Buildings and other fixed structures	800	-	112	912	112	800	12.3%	1 949	1 949
Buildings	800	-	112	912	112	800	12.3%	1 949	1 949
Machinery and equipment	35 658	-	-	35 658	31	35 627	0.1%	9 500	-
Other machinery and equipment	35 658	-	-	35 658	31	35 627	0.1%	9 500	-
Software and other intangible assets	4 000	-	-	4 000	-	4 000	-	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**35 914 963**	**(18 467)**	**(70 045)**	**35 826 451**	**35 580 506**	**245 945**	**99.3%**	**32 832 012**	**32 736 587**

2.1 Public Primary Schools

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**19 750 073**	**(18 467)**	**(675 094)**	**19 056 512**	**18 945 945**	**110 567**	**99.4%**	**17 432 777**	**17 381 435**
Compensation of employees	19 140 787	(18 467)	(802 317)	18 320 003	18 209 436	110 567	99.4%	16 927 384	16 896 863
Goods and services	609 286	-	45 502	654 788	654 788	-	100.0%	505 351	484 530
Interest and rent on land	-	-	81 721	81 721	81 721	-	100.0%	42	42
Transfers and subsidies	**894 811**	**-**	**65 423**	**960 234**	**960 234**	**-**	**100.0%**	**966 462**	**966 462**
Non-profit institutions	866 396	-	(2 084)	864 312	864 312	-	100.0%	865 900	865 900
Households	28 415	-	67 507	95 922	95 922	-	100.0%	100 562	100 562
Payments for capital assets	**-**	**-**	**112**	**112**	**112**	**-**	**100.0%**	**644**	**644**
Buildings and other fixed structures	-	-	112	112	112	-	100.0%	644	644
Machinery and equipment	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

2.2 Public Secondary

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**13 030 064**	**-**	**549 246**	**13 579 310**	**13 564 751**	**14 559**	**99.9%**	**12 404 546**	**12 358 735**
Compensation of employees	12 478 696	-	549 246	13 027 942	13 027 942	-	100.0%	12 078 337	12 091 994
Goods and services	551 368	-	(54 480)	496 888	482 329	14 559	97.1%	326 180	266 712
Interest and rent on land	-	-	54 480	54 480	54 480	-	100.0%	29	29
Transfers and subsidies	**671 106**	**-**	**(9 732)**	**661 374**	**612 655**	**48 719**	**92.6%**	**592 007**	**592 007**
Non-profit institutions	610 843	-	-	610 843	562 124	48 719	92.0%	548 307	548 307
Households	60 263	-	(9 732)	50 531	50 531	-	100.0%	43 700	43 700
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11**	**11**
Buildings and other fixed structures	-	-	-	-	-	-	-	11	11
Machinery and equipment	-	-	-	-	-	-	-	-	-

2.3 Human Resource Development

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**166 659**	**-**	**-**	**166 659**	**68 369**	**98 290**	**41.0%**	**68 684**	**68 684**
Compensation of employees	-	-	17	17	17	-	100.0%	-	-
Goods and services	166 659	-	(17)	166 642	68 352	98 290	41.0%	68 684	68 684

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

2.4 In-school Sport and Culture

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**49 574**	**-**	**(46)**	**49 528**	**33 467**	**16 061**	**67.6%**	**33 773**	**33 773**
Compensation of employees	35 104	-	(7 834)	27 270	11 209	16 061	41.1%	12 843	12 843
Goods and services	14 470	-	7 788	22 258	22 258	-	100.0%	20 930	20 930
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**-**	**-**	**46**	**46**	**46**	**-**	**100.0%**	**-**	**-**
Households	-	-	46	46	46	-	100.0%	-	-

2.5 National School Nutrition Programme

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 287 034**	**-**	**-**	**1 287 034**	**1 326 730**	**(39 696)**	**103.1%**	**1 253 300**	**1 253 708**
Compensation of employees	-	-	-	-	-	-	-	180	180
Goods and services	1 287 034	-	-	1 287 034	1 326 686	(39 652)	103.1%	1 253 120	1 253 528
Interest and rent on land	-	-	-	-	44	(44)	-	-	-
Payments for capital assets	**-**	**-**	**-**	**-**	**31**	**(31)**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	31	(31)	-	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

2.6 EPWP Incentive Grant for Provinces

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2 644**	**-**	**-**	**2 644**	**2 644**	**-**	**100.0%**	**2 939**	**2 938**
Compensation of employees	2 644	-	(1 343)	1 301	1 301	-	100.0%	491	490
Goods and services	-	-	1 343	1 343	1 343	-	100.0%	2 448	2 448
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Non-profit institutions	-	-	-	-	-	-	-	-	-
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-

2.7 Social Sector EPWP Incentive Grant for Provinces

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**3 000**	**-**	**-**	**3 000**	**3 000**	**-**	**100.0%**	**2 578**	**2 580**
Compensation of employees	3 000	-	-	3 000	3 000	-	100.0%	2 531	2 532
Goods and services	-	-	-	-	-	-	-	47	48

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

2.8 Maths Science and Technology Grant

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**19 540**	**-**	**-**	**19 540**	**62 374**	**(42 834)**	**319.2%**	**59 998**	**60 816**
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	19 540	-	-	19 540	62 374	(42 834)	319.2%	59 998	60 816
Transfers and subsidies	**-**	**-**	**-**	**-**	**148**	**(148)**	**-**	**3 499**	**13 500**
Non-profit institutions	-	-	-	-	148	(148)	-	3 499	13 500
Payments for capital assets	**40 458**	**-**	**-**	**40 458**	**-**	**40 458**	**-**	**10 794**	**1 294**
Buildings and other fixed structures	800	-	-	800	-	800	-	1 294	1 294
Machinery and equipment	35 658	-	-	35 658	-	35 658	-	9 500	-
Software and other intangible assets	4 000	-	-	4 000	-	4 000	-	-	-

Programme 3: Independent School Subsidies

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programmes									
3.1 Primary Phase	47 754	-	41	47 795	47 795	-	100.0%	46 221	46 221
3.2 Secondary Phase	30 063	-	(41)	30 022	29 483	539	98.2%	28 174	24 746
Total for sub programmes	**77 817**	**-**	**-**	**77 817**	**77 278**	**539**	**99.3%**	**74 395**	**70 967**
Economic classification									
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**77 817**	**-**	**-**	**77 817**	**77 278**	**539**	**99.3%**	**74 395**	**70 967**
Non-profit institutions	77 817	-	-	77 817	77 278	539	99.3%	74 395	70 967
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**77 817**	**-**	**-**	**77 817**	**77 278**	**539**	**99.3%**	**74 395**	**70 967**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

3.1 Primary Phase

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**47 754**	**-**	**41**	**47 795**	**47 795**	**-**	**100.0%**	**46 221**	**46 221**
Non-profit institutions	47 754	-	41	47 795	47 795	-	100.0%	46 221	46 221
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

3.2 Secondary Phase

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**30 063**	**-**	**(41)**	**30 022**	**29 483**	**539**	**98.2%**	**28 174**	**24 746**
Non-profit institutions	30 063	-	(41)	30 022	29 483	539	98.2%	28 174	24 746
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 4: Public Special School Education									
	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
4.1 Public Special Schools	939 638	(5 039)	(3 351)	931 248	929 248	2 000	99.8%	847 132	847 132
4.2 Human Resource Management	6 482	-	(6 482)	-	-	-	-	-	-
4.3 OSD for Therapists Grant	13 079	-	-	13 079	13 079	-	100.0%	41 581	41 581
Total for sub programmes	**959 199**	**(5 039)**	**(9 833)**	**944 327**	**942 327**	**2 000**	**99.8%**	**888 713**	**888 713**
Economic classification									
Current payments	**830 791**	**(5 039)**	**(10 741)**	**815 011**	**815 011**	**-**	**100.0%**	**755 452**	**755 452**
Compensation of employees	822 109	(5 039)	(3 306)	813 764	813 764	-	100.0%	747 935	747 935
Salaries and wages	695 230	(5 039)	(4 069)	686 122	686 122	-	100.0%	637 348	637 348
Social contributions	126 879	-	763	127 642	127 642	-	100.0%	110 587	110 587
Goods and services	8 682	-	(7 435)	1 247	1 247	-	100.0%	7 517	7 517
Administrative fees	-	-	1	1	1	-	100.0%	9	9
Catering: Departmental activities	-	-	-	-	-	-	-	50	50
Communication	-	-	5	5	5	-	100.0%	-	-
Fleet services	-	-	-	-	-	-	-	14	14
Inventory: Learner and teacher support material	2 200	-	(2 200)	-	-	-	-	492	492
Inventory: Materials and supplies	-	-	1	1	1	-	100.0%	13	13
Inventory: Other supplies	-	-	943	943	943	-	100.0%	5 853	5 853
Consumable supplies	-	-	12	12	12	-	100.0%	78	78
Consumable: Stationery, printing and office supplies	-	-	13	13	13	-	100.0%	1	1
Operating leases	-	-	29	29	29	-	100.0%	-	-
Property payments	-	-	139	139	139	-	100.0%	245	245
Transport provided: Departmental activity	-	-	-	-	-	-	-	207	207
Travel and subsistence	-	-	98	98	98	-	100.0%	237	237
Training and development	6 482	-	(6 482)	-	-	-	-	-	-
Operating payments	-	-	6	6	6	-	100.0%	3	3
Venues and facilities	-	-	-	-	-	-	-	315	315

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Transfers and subsidies	**126 408**	**-**	**908**	**127 316**	**127 316**	**-**	**100.0%**	**131 236**	**131 236**
Non-profit institutions	124 848	-	(921)	123 927	123 927	-	100.0%	127 801	127 801
Households	1 560	-	1 829	3 389	3 389	-	100.0%	3 435	3 435
Social benefits	1 560	-	1 829	3 389	3 389	-	100.0%	3 434	3 434
Other transfers to households	-	-	-	-	-	-	-	1	1
Payments for capital assets	**2 000**	**-**	**-**	**2 000**	**-**	**2 000**	**-**	**2 025**	**2 025**
Machinery and equipment	2 000	-	-	2 000	-	2 000	-	2 025	2 025
Transport equipment	-	-	-	-	-	-	-	2 025	2 025
Other machinery and equipment	2 000	-	-	2 000	-	2 000	-	-	-
Total	**959 199**	**(5 039)**	**(9 833)**	**944 327**	**942 327**	**2 000**	**99.8%**	**888 713**	**888 713**

4.1 Public Special Schools

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**811 230**	**(5 039)**	**(4 259)**	**801 932**	**801 932**	**-**	**100.0%**	**713 871**	**713 871**
Compensation of Employees	809 030	(5 039)	(3 306)	800 685	800 685	-	100.0%	706 354	706 354
Goods and services	2 200	-	(953)	1 247	1 247	-	100.0%	7 517	7 517
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**126 408**	**-**	**908**	**127 316**	**127 316**	**-**	**100.0%**	**131 236**	**131 236**
Non-profit institutions	124 848		(921)	123 927	123 927	-	100.0%	127 801	127 801
Households	1 560	-	1 829	3 389	3 389	-	100.0%	3 435	3 435
Payments for capital assets	**2 000**	**-**	**-**	**2 000**	**-**	**2 000**	**-**	**2 025**	**2 025**
Machinery and equipment	2 000	-	-	2 000	-	2 000	-	2 025	2 025
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

4.2 Human Resource Management

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6 482**	**-**	**(6 482)**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	6 482	-	(6 482)	-	-	-	-	-	-

4.3 OSD for Therapists Grant

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**13 079**	**-**	**-**	**13 079**	**13 079**	**-**	**100.0%**	**41 581**	**41 581**
Compensation of Employees	13 079	-	-	13 079	13 079	-	100.0%	41 581	41 581

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 5: Early Childhood Development	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
5.1 Grade R Public Schools	651 375	-	(118 723)	532 652	478 286	54 366	89.8%	414 769	426 251
5.2 Grade R Early Childhood Development Centres	20 511	-	57 643	78 154	74 531	3 623	95.4%	102 805	54 209
5.3 Pre-Grade R	63 096	(8 680)	1 846	56 262	50 854	5 408	90.4%	107 279	25 663
5.4 Human Resource Management	5 438	-	-	5 438	-	5 438	-	5 000	-
Total for sub programmes	**740 420**	**(8 680)**	**(59 234)**	**672 506**	**603 671**	**68 835**	**89.8%**	**629 853**	**506 123**
Economic classification									
Current payments	**722 120**	**(8 680)**	**(59 341)**	**654 099**	**586 196**	**67 903**	**89.6%**	**598 354**	**475 617**
Compensation of employees	578 884	-	(59 234)	519 650	508 269	11 381	97.8%	499 989	471 467
Salaries and wages	434 427	-	57 204	491 631	491 631	-	100.0%	477 502	457 493
Social contributions	144 457	-	(116 438)	28 019	16 638	11 381	59.4%	22 487	13 974
Goods and services	143 236	(8 680)	(107)	134 449	77 927	56 522	58.0%	98 365	4 150
Administrative fees	-	-	16	16	16	-	100.0%	-	-
Advertising	921	-	(921)	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	5 050	-	60	5 110	110	5 000	2.2%	-	-
Communication (G&S)	-	-	1	1	1	-	100.0%	-	-
Computer services	-	-	-	-	-	-	-	5 000	-
Consultants: Business and advisory services	20 543	-	-	20 543	-	20 543	-	2 457	-
Agency and support / outsourced services	1 000	-	-	1 000	-	1 000	-	1 000	-
Fleet services	1 690	-	-	1 690	-	1 690	-	1 633	-
Inventory: Clothing material and accessories	-	-	53	53	53	-	100.0%	-	-
Inventory: Learner and teacher support material	78 700	-	(1 290)	77 410	73 203	4 207	94.6%	23 095	-
Inventory: Materials and supplies	-	-	253	253	253	-	100.0%	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Inventory: Other supplies	-	-	21	21	21	-	100.0%	-	-
Consumable supplies	1 200	-	362	1 562	584	978	37.4%	1 500	-
Consumable: Stationery, printing and office supplies	4 191	-	869	5 060	2 249	2 811	44.4%	1 256	256
Operating leases	-	-	20	20	20	-	100.0%	35	35
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	1 500	-	(67)	1 433	133	1 300	9.3%	1 000	-
Travel and subsistence	8 688	(8 680)	1 276	1 284	1 284	-	100.0%	641	641
Training and development	5 438	-	-	5 438	-	5 438	-	53 568	3 185
Operating payments	14 315	-	(760)	13 555	-	13 555	-	7 180	33
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**18 300**	**-**	**107**	**18 407**	**17 475**	**932**	**94.9%**	**31 499**	**30 506**
Non-profit institutions	18 000	-	(46)	17 954	17 022	932	94.8%	31 408	30 415
Households	300	-	153	453	453	-	100.0%	91	91
Social benefits	300	-	153	453	453	-	100.0%	91	91
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Total	**740 420**	**(8 680)**	**(59 234)**	**672 506**	**603 671**	**68 835**	**89.8%**	**629 853**	**506 123**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

5.1 Grade R in Public Schools

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**633 075**	**-**	**(118 723)**	**514 352**	**460 918**	**53 434**	**89.6%**	**383 270**	**395 745**
Compensation of Employees	542 884	-	(118 723)	424 161	412 780	11 381	97.3%	347 533	395 745
Goods and services	90 191	-	-	90 191	48 138	42 053	53.4%	35 737	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**18 300**	**-**	**-**	**18 300**	**17 368**	**932**	**94.9%**	**31 499**	**30 506**
Non-profit institutions	18 000	-	(46)	17 954	17 022	932	94.8%	31 408	30 415
Households	300	-	46	346	346	-	100.0%	91	91
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-

5.2 Grade R Early Childhood Development Centres

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**20 511**	**-**	**57 536**	**78 047**	**74 424**	**3 623**	**95.4%**	**102 805**	**54 209**
Compensation of Employees	12 000	-	57 643	69 643	69 643	-	100.0%	95 562	50 061
Goods and services	8 511	-	(107)	8 404	4 781	3 623	56.9%	7 243	4 148
Transfers and subsidies	**-**	**-**	**107**	**107**	**107**	**-**	**100.0%**	**-**	**-**
Households	-	-	107	107	107	-	100.0%	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

5.3 Pre-Grade R

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**63 096**	**(8 680)**	**1 846**	**56 262**	**50 854**	**5 408**	**90.4%**	**107 279**	**25 663**
Compensation of Employees	24 000	-	1 846	25 846	25 846	-	100.0%	56 894	25 661
Goods and services	39 096	(8 680)	-	30 416	25 008	5 408	82.2%	50 385	2

5.4 Human Resource Development

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5 438**	**-**	**-**	**5 438**	**-**	**5 438**	**-**	**5 000**	**-**
Goods and services	5 438	-	-	5 438	-	5 438	-	5 000	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 6: Infrastructure Development	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
6.1 Administration	121 049	-	(47 008)	74 041	60 546	13 495	81.8%	161 774	161 774
6.2 Public Ordinary School Education	1 538 806	-	670 352	2 209 158	2 222 653	(13 495)	100.6%	1 733 435	1 733 435
6.3 Public Special School Education	404 947	-	(243 821)	161 126	161 126	-	100.0%	88 638	81 714
6.4 Early Childhood Development	471 329	-	(301 701)	169 628	169 628	-	100.0%	233 502	233 502
Total for sub programmes	**2 536 131**	**-**	**77 822**	**2 613 953**	**2 613 953**	**-**	**100.0%**	**2 217 349**	**2 210 425**
Economic classification									
Current payments	**239 383**	**-**	**44 773**	**284 156**	**270 661**	**13 495**	**95.3%**	**194 504**	**194 504**
Compensation of employees	25 000	-	-	25 000	11 505	13 495	46.0%	-	-
Salaries and wages	25 000	-	-	25 000	11 505	13 495	46.0%	-	-
Goods and services	214 383	-	44 773	259 156	259 156	-	100.0%	194 504	194 504
Infrastructure and planning services	7 619	-	(7 619)	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	10 410	10 410
Inventory: Other supplies	-	-	532	532	532	-	100.0%	-	-
Operating leases	-	-	3 365	3 365	3 365	-	100.0%	21 746	21 746
Property payments	206 764	-	20 929	227 693	227 693	-	100.0%	162 348	162 348
Rental and hiring	-	-	27 566	27 566	27 566	-	100.0%	-	-
Payments for capital assets	**2 296 748**	**-**	**33 049**	**2 329 797**	**2 343 292**	**(13 495)**	**100.6%**	**2 022 845**	**2 015 921**
Buildings and other fixed structures	2 270 748	-	59 049	2 329 797	2 343 292	(13 495)	100.6%	2 022 845	2 015 921
Buildings	2 270 748	-	59 049	2 329 797	2 343 292	(13 495)	100.6%	2 022 845	2 015 921
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	26 000	-	(26 000)	-	-	-	-	-	-
Other machinery and equipment	26 000	-	(26 000)	-	-	-	-	-	-
Total	**2 536 131**	**-**	**77 822**	**2 613 953**	**2 613 953**	**-**	**100.0%**	**2 217 349**	**2 210 425**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

6.1 Administration

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**25 000**	**-**	**(11 505)**	**13 495**	**-**	**13 495**	**-**	**-**	**-**
Compensation of employees	25 000	-	(11 505)	13 495	-	13 495	-	-	-
Payments for capital assets	**96 049**	**-**	**(35 503)**	**60 546**	**60 546**	**-**	**100.0%**	**161 774**	**161 774**
Buildings and other fixed structures	95 049	-	(34 503)	60 546	60 546	-	100.0%	161 774	161 774
Machinery and equipment	1 000	-	(1 000)	-	-	-	-	-	-

6.2 Public Ordinary School Education

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**213 883**	**-**	**56 778**	**270 661**	**270 661**	**-**	**100.0%**	**194 504**	**194 504**
Compensation of employees	-	-	11 505	11 505	11 505	-	100.0%	-	-
Goods and services	213 883	-	45 273	259 156	259 156	-	100.0%	194 504	194 504
Payments for capital assets	**1 324 923**	**-**	**613 574**	**1 938 497**	**1 951 992**	**(13 495)**	**100.7%**	**1 538 931**	**1 538 931**
Buildings and other fixed structures	1 299 923	-	638 574	1 938 497	1 951 992	(13 495)	100.7%	1 538 931	1 538 931
Machinery and equipment	25 000	-	(25 000)	-	-	-	-	-	-

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

6.3 Public Special School Education

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	***500***	***-***	***(500)***	***-***	***-***	***-***	***-***	***-***	***-***
Goods and services	*500*	*-*	*(500)*	*-*	*-*	*-*	*-*	*-*	*-*
Payments for capital assets	***404 447***	***-***	***(243 321)***	***161 126***	***161 126***	***-***	***100.0%***	***88 638***	***81 714***
Buildings and other fixed structures	*404 447*	*-*	*(243 321)*	*161 126*	*161 126*	*-*	*100.0%*	*88 638*	*81 714*

6.4 Early Childhood Development

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Payments for capital assets	**471 329**	**-**	**(301 701)**	**169 628**	**169 628**	**-**	**100.0%**	**233 502**	**233 502**
Buildings and other fixed structures	471 329	-	(301 701)	169 628	169 628	-	100.0%	233 502	233 502

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Programme 7: Examination and Education Related Services

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
7.1 Payments to SETA	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
7.2 External Examinations	577 603	27 264	54 049	658 916	699 302	(40 386)	106.1%	657 244	598 321
7.3 Professional Services	538 042	6 417	41 454	585 913	585 913	-	100.0%	574 915	574 916
7.4 HIV and AIDS (Life-Skills) Grant	50 588	-	-	50 588	55 376	(4 788)	109.5%	81 547	85 683
Total for sub programmes	**1 244 372**	**33 681**	**95 503**	**1 373 556**	**1 418 730**	**(45 174)**	**103.3%**	**1 335 736**	**1 280 950**
Economic classification									
Current payments	**1 154 205**	**33 564**	**89 440**	**1 277 209**	**1 322 381**	**(45 172)**	**103.5%**	**1 297 548**	**1 244 138**
Compensation of employees	861 369	24 884	1 462	887 715	888 218	(503)	100.1%	867 142	814 254
Salaries and wages	663 585	24 884	116 679	805 148	805 530	(382)	100.0%	751 640	739 214
Social contributions	197 784	-	(115 217)	82 567	82 688	(121)	100.1%	115 502	75 040
Goods and services	292 836	8 680	87 978	389 494	434 163	(44 669)	111.5%	430 406	429 883
Administrative fees	100	-	1 060	1 160	1 160	-	100.0%	2 889	2 889
Advertising	870	-	(870)	-	-	-	-	-	-
Minor assets	-	-	155	155	155	-	100.0%	16	16
Audit costs: External	-	-	6	6	6	-	100.0%	4	4
Bursaries: Employees	10	-	(10)	-	-	-	-	-	-
Catering: Departmental activities	24 693	-	14 694	39 387	39 387	-	100.0%	40 685	40 685
Communication	500	-	746	1 246	1 246	-	100.0%	1 400	1 400
Computer services	16 953	-	(13 761)	3 192	3 192	-	100.0%	6 163	6 163
Contractors	100	-	830	930	930	-	100.0%	1 136	1 136
Agency and support / outsourced services	5 020	-	(4 306)	714	714	-	100.0%	2 455	2 455
Entertainment	-	-	-	-	-	-	-	55	55
Fleet services	-	-	163	163	163	-	100.0%	11	11
Inventory: Clothing material and supplies	-	-	2 680	2 680	2 904	(224)	108.4%	57	57
Inventory: Fuel, oil and gas	-	-	309	309	309	-	100.0%	469	469
Inventory: Learner and teacher support material	861	-	-	861	861	-	100.0%	1 539	1 539
Inventory: Materials and supplies	-	-	5	5	5	-	100.0%	300	300

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Inventory: Medical supplies	-	-	150	150	150	-	100.0%	28 559	28 559
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	10 050	-	(8 139)	1 911	1 911	-	100.0%	2 681	2 681
Consumable: Stationery, printing and office supplies	70 844	-	22 059	92 903	92 903	-	100.0%	80 280	80 280
Operating leases	22 399	-	(18 900)	3 499	3 499	-	100.0%	9 109	3 424
Property payments	-	-	42 718	42 718	42 718	-	100.0%	45 574	45 574
Transport provided: Departmental activity	28 218	-	(25 441)	2 777	2 777	-	100.0%	5 368	5 368
Travel and subsistence	80 484	8 680	19 782	108 946	138 476	(29 530)	127.1%	148 291	148 291
Training and development	5 256	-	(1 772)	3 484	3 484	-	100.0%	3 111	8 273
Operating payments	17 188	-	51 304	68 492	83 407	(14 915)	121.8%	33 348	33 348
Venues and facilities	9 290	-	3 468	12 758	12 758	-	100.0%	15 684	15 684
Rental and hiring	-	-	1 048	1 048	1 048	-	100.0%	1 222	1 222
Interest and rent on land	-	-	-	-	-	-	-	-	1
Interest	-	-	-	-	-	-	-	-	1
Transfers and subsidies	**90 139**	**-**	**5 855**	**95 994**	**96 024**	**(30)**	**100.0%**	**37 408**	**36 032**
Departmental agencies and accounts	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
Departmental agencies	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030
Non-profit institutions	12 000	-	-	12 000	12 030	(30)	100.3%	10 800	9 424
Households	-	-	5 855	5 855	5 855	-	100.0%	4 578	4 578
Social benefits	-	-	5 855	5 855	5 855	-	100.0%	4 578	4 578
Payments for capital assets	**28**	**117**	**208**	**353**	**325**	**28**	**92.1%**	**780**	**780**
Buildings and other fixed structures	-	-	208	208	208	-	100.0%	-	-
Buildings	-	-	208	208	208	-	100.0%	-	-
Machinery and equipment	28	117	-	145	117	28	80.7%	780	780
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	28	117	-	145	117	28	80.7%	780	780
Total	**1 244 372**	**33 681**	**95 503**	**1 373 556**	**1 418 730**	**(45 174)**	**103.3%**	**1 335 736**	**1 280 950**

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

7.1 Payments to SETA

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**78 139**	**-**	**-**	**78 139**	**78 139**	**-**	**100.0%**	**22 030**	**22 030**
Departmental agencies and accounts	78 139	-	-	78 139	78 139	-	100.0%	22 030	22 030

7.2 External Examinations

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**577 603**	**27 147**	**53 366**	**658 116**	**698 502**	**(40 386)**	**106.1%**	**655 715**	**596 792**
Compensation of Employees	364 025	18 467	-	382 492	382 492	-	100.0%	392 976	339 738
Goods and services	213 578	8 680	53 366	275 624	316 010	(40 386)	114.7%	262 739	257 054
Transfers and subsidies	**-**	**-**	**683**	**683**	**683**	**-**	**100.0%**	**749**	**749**
Households	-	-	683	683	683	-	100.0%	749	749
Payments for capital assets	**-**	**117**	**-**	**117**	**117**	**-**	**100.0%**	**780**	**780**
Machinery and equipment	-	117	-	117	117	-	100.0%	780	780

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

7.3 Professional Services

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**538 042**	**6 417**	**36 074**	**580 533**	**580 533**	**-**	**100.0%**	**571 086**	**571 087**
Compensation of Employees	485 706	6 417	1 462	493 585	493 585	-	100.0%	474 166	474 166
Goods and services	52 336	-	34 612	86 948	86 948	-	100.0%	96 920	96 920
Interest and rent on land	-	-	-	-	-	-	-	-	1
Transfers and subsidies	**-**	**-**	**5 172**	**5 172**	**5 172**	**-**	**100.0%**	**3 829**	**3 829**
Households	-	-	5 172	5 172	5 172	-	100.0%	3 829	3 829
Payments for capital assets	**-**	**-**	**208**	**208**	**208**	**-**	**100.0%**	**-**	**-**
Buildings and other fixed structures	-	-	208	208	208	-	100.0%	-	-

7.4 HIV and AIDS (Life-Skills) Grant

	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**38 560**	**-**	**-**	**38 560**	**43 346**	**(4 786)**	**112.4%**	**70 747**	**76 259**
Compensation of Employees	11 638	-	-	11 638	12 141	(503)	104.3%	-	350
Goods and services	26 922	-	-	26 922	31 205	(4 283)	115.9%	70 747	75 909
Transfers and subsidies	**12 000**	**-**	**-**	**12 000**	**12 030**	**(30)**	**100.3%**	**10 800**	**9 424**
Non-profit institutions	12 000	-	-	12 000	12 030	(30)	100.3%	10 800	9 424
Payments for capital assets	**28**	**-**	**-**	**28**	**-**	**28**	**-**	**-**	**-**
Machinery and equipment	28	-	-	28	-	28	-	-	-

NOTES TO THE APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-C) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	1 654 260	1 651 446	2 814	0.2%
Public Ordinary School Education	35 826 451	35 580 506	245 945	0.7%
Independent School Subsidies	77 817	77 278	539	0.7%
Public Special School Education	944 327	942 327	2 000	0.2%
Early Childhood Development	672 506	603 671	68 835	10.2%
This is due to the less than anticipated number of practitioners who enrolled for the NQF level four qualifications as well as the exit of staff from employment.				
Infrastructure Development	2 613 953	2 613 953	-	-
Examinations and Education Related Services	1 373 556	1 418 730	(45 174)	(3.3%)
This over expenditure emanates from activities linked to the administration of examinations which included an additional number of exam monitors travelling to and from schools. Including the printing of additional resource material for progressed and second chance learners; as well as supplementary examinations.				

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	34 678 081	34 527 080	151 001	0.4%
Goods and services	3 884 162	3 841 946	42 216	1.1%
Interest and rent on land	137 888	137 932	(44)	(0.0%)
Transfers and subsidies				
Provinces and municipalities	1 702	1 702	-	0%
Departmental agencies and accounts	78 139	78 139	-	0%
Non-profit institutions	1 706 853	1 656 841	50 012	2.9%
This is in relation to schools that did not comply with transfer requirements.				
Households	171 470	171 470	-	0%
Payments for capital assets				
Buildings and other fixed structures	2 330 917	2 343 612	(12 695)	(0.5%)
Machinery and equipment	136 251	97 297	38 954	28.6%
This is in relation to the late delivery of vehicles as well as the change of the items that had to be procured which was allocated in goods and services classification.				
Software and other intangible assets	5 515	-	5 515	100.0%
This in relation to the late receipt of the invoice for software relating to EMIS as well as late procurement of licences in relation to the Maths, Science and Technology Grant.				
Payments for financial assets	31 892	31 892	-	0%

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
National School Nutrition Programme (NSNP)	1 287 034	1 326 761	(39 727)	(3.1%)
EPWP Incentive Grant For Provinces Grant	2 644	2 644	-	(0%)
Social Sector EPWP Incentive Grant For Provinces Grant	3 000	3 000	-	(0%)
Maths, Science and Technology Grant (MST)	59 998	62 522	(2 524)	(4.2%)
OSD for Therapists Conditional Grant	13 079	13 079	-	(0%)
HIV and Aids (Life-Skills Education) Grants (HIV/Aids)	50 588	55 376	(4 788)	(9.5%)
Education Infrastructure Grant	1 978 683	1 985 975	(7 292)	(0.4%)

NSNP - this is in relation to accruals of prior years that was settled during the current year. MST - in relation to the additional activities aligned with the improvement of Mathematics, Science & Technology in the Province. HIV/Aids - in relation to the activities aligned with this social problem awareness training.

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
REVENUE			
Annual appropriation	1	43 162 870	39 430 376
Departmental revenue	2	93 518	96 705
TOTAL REVENUE		**43 256 388**	**39 527 081**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	34 527 080	32 037 938
Goods and services	4	3 841 946	3 224 999
Interest and rent on land	5	137 932	3 119
Total current expenditure		**38 506 958**	**35 266 056**
Transfers and subsidies			
Transfers and subsidies	6	1 908 152	1 857 892
Total transfers and subsidies		**1 908 152**	**1 857 892**
Expenditure for capital assets			
Tangible assets	7	2 440 909	2 022 135
Intangible assets	7	-	-
Total expenditure for capital assets		**2 440 909**	**2 022 135**
Unauthorised expenditure approved without funding	8	**31 892**	**-**
Payments for financial assets		**-**	**-**
TOTAL EXPENDITURE		**42 887 911**	**39 146 083**
SURPLUS FOR THE YEAR		**368 477**	**380 998**
Reconciliation of Net Surplus for the year			
Voted funds		274 959	284 293
Annual appropriation		274 959	283 777
Conditional grants		-	516
Unconditional grants		-	-
Departmental revenue and NRF Receipts	2	93 518	96 705
Aid assistance		-	-
SURPLUS FOR THE YEAR		**368 477**	**380 998**

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
ASSETS			
Current assets		**179 178**	**356 592**
Unauthorised expenditure	*8*	108 959	260 333
Cash and cash equivalents		-	-
Prepayments and advances	*9*	-	-
Receivables	*10*	70 219	96 259
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-current assets		**378 838**	**425 996**
Investments	*11*	1 509	1 457
Receivables	*10*	377 329	424 539
Loans		-	-
TOTAL ASSETS		**558 016**	**782 588**
LIABILITIES			
Current liabilities		**395 462**	**632 757**
Voted funds to be surrendered to the Revenue Fund	*12*	320 136	(68 554)
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*13*	15 949	6 574
Bank overdraft	*14*	5 345	565 594
Payables	*15*	54 032	129 143
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-current liabilities			
Payables	*16*	1 511	1 460
TOTAL LIABILITIES		**396 973**	**634 217**
NET ASSETS		**161 043**	**148 371**

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2015/16	2014/15
		R'000	R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		161 043	148 371
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		**161 043**	**148 371**

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:		-	-
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		148 371	127 802
Transfers:		**12 672**	**20 569**
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		12 672	20 569
Closing balance		**161 043**	**148 371**
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		-	-
Revaluation Reserve			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
TOTAL		**161 043**	**148 371**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2015/16 R'000	2014/15 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**43 605 899**	**39 172 081**
Annual appropriated funds received	*1.1*	43 517 870	39 075 376
Departmental revenue received	*2*	86 411	95 554
Interest received	*2.2*	1 618	1 151
Net (increase)/decrease in working capital		149 513	283 881
Surrendered to Revenue Fund		(370 586)	(541 079)
Surrendered to RDP Fund/Donor		-	-
Current payments		(38 355 744)	(35 262 937)
Interest paid	*5*	(137 932)	(3 119)
Payments for financial assets		-	-
Transfers and subsidies paid		(1 908 152)	(1 857 892)
Net cash flow available from operating activities	*17*	**2 982 998**	**1 790 935**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	*7*	(2 440 909)	(2 022 135)
Proceeds from sale of capital assets	*2.3*	5 489	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		(52)	(51)
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		**(2 435 472)**	**(2 022 186)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		12 672	20 569
Increase/(decrease) in non-current payables		51	53
Net cash flows from financing activities		**12 723**	**20 622**
Net increase/(decrease) in cash and cash equivalents		560 249	(210 629)
Cash and cash equivalents at beginning of period		(565 594)	(354 965)
Cash and cash equivalents at end of period	*14*	**(5 345)**	**(565 594)**

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act.

1. Presentation of the Financial Statements

1.1. Basis of preparation

The Financial Statements have been prepared on a modified cash standard basis of accounting, except where stated otherwise. The modified cash standard basis constitutes the cash basis of accounting supplemented with additional disclosure items where it is deemed to be useful to the users of the financial statements. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

The "modification" results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

1.2. Going concern

The financial statements have been prepared on a going concern basis.

1.3. Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.4. Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.5. Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current financial statements.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

1.6. Errors

Current period errors in that period are investigated and corrected before the financial statements are authorised for issue. Material errors discovered in a subsequent period and these prior period errors are corrected in the comparative information presented in the financial statements for subsequent period.

1.7. Comparative figures - Appropriation Statement

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

2. Revenue

2.1. Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the appropriated funds made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total appropriated funds are presented in the Statement of Financial Performance.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

2.2. Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

2.2.1 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

2.2.2 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the Statement of Financial Performance when the cash is received.

2.2.3 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

2.2.4 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked is recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

2.2.5 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

2.3. Aid assistance

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements.

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

3. Expenditure

3.1. Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

All other payments are classified as current expense.

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

3.1.2 Post-retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.2. Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5,000 or more is purchased. All assets costing less than R5,000 will also be reflected under goods and services.

3.3. Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4. Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

All **other losses** are recognised when authorisation has been granted for the recognition thereof.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

3.5. Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6. Unauthorised expenditure

The overspending of a vote or a main division within a vote; or expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

3.7. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. It is expenditure made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

3.8. Irregular expenditure

Irregular Expenditure is recorded in the notes to the financial statements when confirmed. Irregular expenditure comprises expenditure, other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

3.9. Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

4. Assets

4.1. Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2. Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3. Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made and derecognised as and when the goods/services are received or the funds are utilised.

Pre-payments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

4.4. Receivables

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5. Investments

Capitalised investments are shown at cost in the Statement of Financial Position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the Statement of Financial Performance when the cash is received.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any loss is included in the disclosure notes.

4.6. Loans

Loans are recognised in the Statement of Financial Position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the Statement of Financial Position at cost.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

4.7. Inventory

Inventories purchased during the financial year are disclosed at cost in the notes. This would be inventory held in the form of materials or supplies that are to be consumed or distributed in the rendering of services.

4.8. Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

4.9. Capital assets

4.9.1 Movable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset", recorded in the notes of the financial statements and is capitalised in the asset register of the department on completion of the project. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

4.9.2 Immovable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". Completed projects before final completion and handover to Department of Public Works is disclosed in the notes. On final completion and handover, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national Department of Public Works.

Repairs and maintenance is expensed as current "goods and services" in the Statement of Financial Performance.

4.9.3 Intangible assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset", recorded in the notes of the financial statements and is capitalised in the asset register of the department on completion of the project. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

5. Liabilities

5.1. Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

5.2. Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

5.3. Bank overdraft

The bank overdraft is carried in the Statement of Financial Position at cost.

5.4. Payables

Payables comprise of all money owed by the department which is due after reporting date. This is recognised in the Statement of Financial Position at cost.

5.5. Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

5.6. Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

5.7. Accruals

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the notes.

Accrued expenditure payable is recorded in the notes to the financial statements. Accrued expenditure payable is measured at cost.

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

5.8. Payables not recognised

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the notes.

5.9. Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or the Statement of Financial Position.

5.10. Lease commitments

Lease commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the notes.

Operating lease payments are recognised as an expense in the Statement of Financial Performance. The operating lease commitments are disclosed in the disclosure notes to the financial statements.

5.11. Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

6. Accrued departmental revenue

Accrued departmental revenue are disclosed in the notes to the annual financial statements. These accrued departmental revenues are written off when identified as irrecoverable and are disclosed separately.

7. Net assets

7.1. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are transferred to the National/Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

7.2. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

8. Related party transactions

Specific information with regards to related party transactions is included in the notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the notes.

10. Principal-Agent

The Agents costs is recorded in the notes to the financial statements. These Agents are contracted to the Department of Education to manage and facilitate capital projects on its behalf.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2015/16			2014/15	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	1 654 260	1 654 260	-	1 452 318	1 452 318
Public Ordinary School Education	35 826 451	35 826 451	-	32 832 012	32 832 012
Independent School Subsidies	77 817	77 817	-	74 395	74 395
Public Special School Education	944 327	944 327	-	888 713	888 713
Early Childhood Development	672 506	672 506	-	629 853	629 853
Infrastructure Development	2 613 953	2 968 953	(355 000)	2 217 349	1 862 349
Examination and Education Related Services	1 373 556	1 373 556	-	1 335 736	1 335 736
Total	**43 162 870**	**43 517 870**	**(355 000)**	**39 430 376**	**39 075 376**

Infrastructure funding received in 2015/16 amounting to R 355 000 ('000) owed by the Provincial Revenue Fund for 2014/15 financial year.

1.2 Conditional grants

	Note	2015/16	2014/15
		R'000	R'000
Total grants received	*34*	3 395 026	3 193 492
Provincial grants included in Total Grants received		1 978 683	1 385 781

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	48 807	47 669
Interest, dividends and rent on land	2.2	1 618	1 151
Sales of capital assets	2.3	5 489	-
Transactions in financial assets and liabilities	2.4	37 604	47 885
Total revenue collected		93 518	96 705
Less: Own revenue included in appropriation		-	-
Departmental revenue collected		**93 518**	**96 705**

2.1 Sales of goods and services other than capital assets

	Note 2	2015/16 R'000	2014/15 R'000
Sales of goods and services produced by the department		48 772	47 668
Sales by market establishment		2 094	2 329
Administrative fees		-	-
Other sales		46 678	45 339
Sales of scrap, waste and other used current goods		35	1
Total		**48 807**	**47 669**

2.2 Interest, dividends and rent on land

	Note 2	2015/16 R'000	2014/15 R'000
Interest		1 618	1 151
Dividends		-	-
Rent on land		-	-
Total		**1 618**	**1 151**

2.3 Sale of capital assets

	Note 2	2015/16 R'000	2014/15 R'000
Tangible assets		5 489	-
Buildings and other fixed structures		-	-
Machinery and equipment	30.2	5 489	-
Total		**5 489**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2.4 Transactions in financial assets and liabilities

	Note	2015/16	2014/15
	2	R'000	R'000
Loans and advances		-	-
Receivables		15 235	20 430
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		22 369	27 455
Gains on GFECRA		-	-
Total		**37 604**	**47 885**

3. Compensation of employees

3.1 Salaries and Wages

	Note	2015/16	2014/15
		R'000	R'000
Basic salary		25 293 571	23 540 755
Performance award		36 679	38 383
Service Based		60 046	60 194
Compensative/circumstantial		464 258	431 800
Periodic payments		71 029	141 944
Other non-pensionable allowances		3 730 909	3 500 369
Total		**29 656 492**	**27 713 445**

3.2 Social contributions

	Note	2015/16	2014/15
		R'000	R'000
Employer contributions			
Pension		3 130 717	2 943 294
Medical		1 731 542	1 373 177
UIF		465	243
Bargaining council		2 349	2 225
Official unions and associations		5 513	5 554
Insurance		2	-
Total		**4 870 588**	**4 324 493**
Total compensation of employees		**34 527 080**	**32 037 938**
Average number of employees		**105 538**	**106 777**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

4. Goods and services

	Note	2015/16	2014/15
		R'000	R'000
Administrative fees		6 105	6 931
Advertising		6 783	6 354
Minor assets	*4.1*	3 633	170
Bursaries (employees)		88 642	70 088
Catering		54 315	54 810
Communication		26 390	34 352
Computer services	*4.2*	31 382	37 009
Consultants: Business and advisory services		107 335	56 450
Legal services		120 626	9 931
Contractors		10 467	21 573
Agency and support / outsourced services		1 350 847	1 260 544
Entertainment		15	139
Audit cost – external	*4.3*	9 923	9 923
Fleet services		38 190	38 540
Inventory	*4.4*	827 039	644 640
Consumables	*4.5*	143 603	105 625
Operating leases		21 283	59 963
Property payments	*4.6*	457 009	394 486
Rental and hiring		30 142	2 012
Transport provided as part of the departmental activities		8 294	13 829
Travel and subsistence	*4.7*	300 288	272 683
Venues and facilities		18 700	20 571
Training and development		52 761	61 500
Other operating expenditure	*4.8*	128 174	42 876
Total		**3 841 946**	**3 224 999**

4.1 Minor assets

	Note	2015/16	2014/15
	4	R'000	R'000
Tangible assets			
Buildings and other fixed structures		-	-
Machinery and equipment		3 633	170
Transport assets		-	-
Intangible assets			
Software		-	-
Total		**3 633**	**170**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

4.2 Computer services

	Note	2015/16	2014/15
	4	R'000	R'000
SITA computer services		30 687	35 153
External computer service providers		695	1 856
Total		**31 382**	**37 009**

4.3 Audit cost – External

	Note	2015/16	2014/15
	4	R'000	R'000
Regularity audits		9 923	9 923
Performance audits		-	-
Total		**9 923**	**9 923**

4.4 Inventory

	Note	2015/16	2014/15
	4	R'000	R'000
Clothing material and accessories		3 264	291
Farming supplies		-	-
Food and food supplies		31	16
Fuel, oil and gas		367	516
Learning, teaching and support material		611 674	453 897
Materials and supplies		4 273	851
Medical supplies		164	28 607
Medicine		-	-
Other supplies	4.4.1	207 266	160 462
Total		**827 039**	**644 640**

4.4.1 Other supplies

	Note	2015/16	2014/15
	4.4	R'000	R'000
Assets for distribution		207 232	160 462
Machinery and equipment		-	-
School furniture		207 232	160 462
Sports and recreation		-	-
Library material		-	-
Other assets for distribution		-	-
Other		34	-
Total		**207 266**	**160 462**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

4.5 Consumables

	Note	2015/16	2014/15
	4	R'000	R'000
Consumable supplies		8 652	8 536
Uniform and clothing		345	499
Household supplies		6 951	7 419
Building material and supplies		98	5
Communication accessories		-	-
IT consumables		-	-
Other consumables		1 258	613
Stationery, printing and office supplies		134 951	97 089
Total		**143 603**	**105 625**

4.6 Property payments

	Note	2015/16	2014/15
	4	R'000	R'000
Municipal services		130 866	113 385
Property management fees		-	-
Property maintenance and repairs		238 941	180 970
Other		87 202	100 131
Total		**457 009**	**394 486**

4.7 Travel and subsistence

	Note	2015/16	2014/15
	4	R'000	R'000
Local		299 751	272 495
Foreign		537	188
Total		**300 288**	**272 683**

4.8 Other operating expenditure

	Note	2015/16	2014/15
	4	R'000	R'000
Professional bodies, membership and subscription fees		2	5
Resettlement costs		2 840	4 995
Other		125 332	37 876
Total		**128 174**	**42 876**

5. Interest and rent on land

	Note	2015/16	2014/15
		R'000	R'000
Interest paid		137 932	3 119
Total		**137 932**	**3 119**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

6. Transfers and subsidies

	Note	2015/16 R'000	2014/15 R'000
Provinces and municipalities	35	1 702	2 097
Departmental agencies and accounts	Annex 1A	78 139	22 030
Non-profit institutions	Annex 1B	1 656 841	1 666 314
Households	Annex 1C	171 470	167 451
Total		**1 908 152**	**1 857 892**

7. Expenditure for capital assets

	Note	2015/16 R'000	2014/15 R'000
Tangible assets		**2 440 909**	**2 022 135**
Buildings and other fixed structures		2 343 612	2 017 870
Machinery and equipment	30.1	97 297	4 265
Intangible assets		**-**	**-**
Software	31	-	-
Total		**2 440 909**	**2 022 135**

7.1 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**2 440 909**	**-**	**2 440 909**
Buildings and other fixed structures	2 343 612	-	2 343 612
Machinery and equipment	97 297	-	97 297
Intangible assets			
Software	-	-	-
Total	**2 440 909**	**-**	**2 440 909**

7.2 Analysis of funds utilised to acquire capital assets – 2014/15

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**2 022 135**	**-**	**2 022 135**
Buildings and other fixed structures	2 017 870	-	2 017 870
Machinery and equipment	4 265	-	4 265
Total	**2 022 135**	**-**	**2 022 135**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		260 333	559 635
Prior period error		-	-
As restated		260 333	559 635
Unauthorised expenditure – discovered in current year (as restated)		45 174	-
Less: Amounts approved by Parliament/Legislature with funding		(164 656)	(299 302)
In the Statement of Financial Performance		(31 892)	-
Current		(31 892)	-
Unauthorised expenditure awaiting authorisation / written off		**108 959**	**260 333**

8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2015/16	2014/15
	R'000	R'000
Current	108 959	260 333
Capital	-	-
Transfers and subsidies	-	-
Total	**108 959**	**260 333**

8.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2015/16	2014/15
	R'000	R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	108 959	260 333
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division	-	-
Total	**108 959**	**260 333**

8.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16
		R'000
Programme 7	Examination and Education Related Services	45 174
Total		**45 174**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9. Prepayments and advances

	Note	2015/16 R'000	2014/15 R'000
Advances paid	9.1	-	-
Total		**-**	**-**

9.1 Advances paid

	Note	2015/16 R'000	2014/15 R'000
	9		
Public entities		-	-

10. Receivables

		2015/16			2014/15		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
	Note						
Claims recoverable	10.1	3 980	2 317	6 297	4 639	3 197	7 836
Staff debt	10.2	57 814	332 209	390 023	67 790	297 838	365 628
Fruitless and wasteful expenditure	10.4	-	19 924	19 924	-	19 924	19 924
Other debtors	10.3	8 425	22 879	31 304	23 830	103 580	127 410
Total		**70 219**	**377 329**	**447 548**	**96 259**	**424 539**	**520 798**

10.1 Claims recoverable

	Note	2015/16	2014/15
	10	R'000	R'000
National departments		454	158
Provincial departments		5 843	7 678
Total		**6 297**	**7 836**

10.2 Staff debt

	Note	2015/16	2014/15
	10	R'000	R'000
Staff Debt Account		389 361	363 639
Salary: Tax Debt		662	1 989
Total		**390 023**	**365 628**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

10.3 Other debtors

	Note	2015/16	2014/15
	10	R'000	R'000
Advances to Public Corporations and Private Enterprises		-	1 095
Provincial Revenue Fund - Indiza Receivables		-	99 054
Salary Accounts		6 241	8 490
Debt Account: Supplier Debtors		1 290	983
Official Union Debt		23 773	17 788
Total		**31 304**	**127 410**

10.4 Fruitless and wasteful expenditure

	Note	2015/16	2014/15
	10	R'000	R'000
Opening balance		19 924	19 924
Less amounts recovered		-	-
Less amounts written off		-	-
Transfers from note 26 Fruitless and Wasteful Expenditure		-	-
Total		**19 924**	**19 924**

11. Investments

	2015/16	2014/15
	R'000	R'000
Non-Current		
Securities other than shares		
JMNA Hershensohnn Funds	239	237
Robert Acutt Scholarship Fund	203	198
FL Johnsson Scholarship Fund	104	100
Harry Escombe Scholarship Fund	141	135
HA Koch Scholarship Fund	749	717
Jean Miller Memorial Prize Fund	73	70
Total	**1 509**	**1 457**
Total Non-Current	**1 509**	**1 457**

	2015/16	2014/15
	R'000	R'000
Analysis of non-current investments		
Opening balance	1 457	1 406
Additions in cash	52	51
Closing balance	**1 509**	**1 457**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

These trust funds were inherited from the erstwhile Natal Education Department and they stem from bequeaths of individuals who had left monies in their wills to the erstwhile Natal Education Department. The main purposes of these funds were to distribute bursaries to individuals in terms and conditions as stipulated in the wills of the individuals. These funds are invested in savings and money market instruments, thus earning market related interest. For the 2015/16 financial period the trusts earned R 53 367-19 (R 465 495 - from 2006/7 to 2014/15). The credit in respect of the interest is posted to the Payables-non-current - Note 16.

12. Voted funds to be surrendered to the Revenue Fund

	Note	**2015/16**	**2014/15**
		R'000	**R'000**
Opening balance		(68 554)	435 748
Prior period re-statement	*12.1*	-	2 149
As restated		(68 554)	437 897
Transfer from statement of financial performance (as restated)		274 959	284 293
Add: Unauthorised expenditure for current year	*8*	45 174	-
Voted funds not requested/not received	*1.1*	355 000	(355 000)
Paid during the year		(286 443)	(435 744)
Closing balance		**320 136**	**(68 554)**

The above closing balance consists of a nil ('000) rand value to be surrendered to National Departments for unspent conditional grants and a 320 136 ('000) rand value to be surrendered to the Provincial Revenue Fund.

12.1 Prior period re-statement

	Note	**2014/15**
		R'000
Nature of prior period re-statement	*12*	
Relating to 2014/15		**2 149**
Re-statement of voted funds due to the removal of the FET & AET programmes from the Department to the Higher Education Department.		2 149
Total prior period re-statement		**2 149**

The above adjustment 2 149 (R'000) is done to bring this account in line with 2014/15 financial year after the re-statement of Revenue and Expenditure for the two programmes (as stated above) that have been removed. In the 2014/15 audit year this was reported correctly for the pay over to the Provincial Revenue Fund. This is a re-statement of the comparative year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	2015/16	2014/15
	R'000	R'000
Opening balance	6 574	15 204
Prior period error	-	-
As restated	6 574	15 204
Transfer from Statement of Financial Performance (as restated)	93 518	96 705
Paid during the year	(84 143)	(105 335)
Closing balance	**15 949**	**6 574**

14. Bank Overdraft

	2015/16	2014/15
	R'000	R'000
Consolidated Paymaster General Account	5 345	565 594
Total	**5 345**	**565 594**

15. Payables – current

	Note	2015/16	2014/15
		R'000	R'000
Amounts owing to other entities		-	-
Clearing accounts	*15.1*	44 455	30 089
Other payables	*15.2*	9 577	99 054
Total		**54 032**	**129 143**

15.1 Clearing accounts

	Note	2015/16	2014/15
	15	R'000	R'000
Sal:ACB recalls		19 492	15 986
Sal: UIF		5	8
Sal: Bargaining council		145	67
Sal: Finance institution study loans		839	82
Sal: Garnishee Order		414	1 055
Sal: Income Tax		22 809	11 726
Sal: Medical Aid		751	1 165
Total		**44 455**	**30 089**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

15.2 Other payables

	Note	2015/16	2014/15
	15	R'000	R'000
Salary: Pension Debt Account		881	-
Supplier for LTSM - Stationery - Legal Dispute		-	99 054
Advances to Public Corporations and Private Enterprises		8 696	-
Total		**9 577**	**99 054**

16. Payables – non-current

		2015/16				2014/15
		R'000	R'000	R'000	R'000	R'000
		One to two years	Two to three years	More than three years	Total	Total
	Note					
Other payables	16.1	104	44	1 363	1 511	1 460
Total		**104**	**44**	**1 363**	**1 511**	**1 460**

16.1 Other payables

	Note	2015/16	2014/15
	16	R'000	R'000
JMNA Hershensohnn Funds		242	240
Robert Acutt Scholarship Fund		203	198
FL Johnsson Scholarship Fund		104	100
Harry Escombe Scholarship Fund		141	135
HA Koch Scholarship Fund		747	716
Jean Miller Memorial Prize Fund		73	70
Umkomaas War Memorial Prize Fund		1	1
Total		**1 511**	**1 460**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

17. Net cash flow available from operating activities

	2015/16 R'000	2014/15 R'000
Net surplus/(deficit) as per Statement of Financial Performance	368 477	380 998
Add back non-cash/cash movements not deemed operating activities	2 614 521	1 409 937
(Increase)/decrease in receivables – current	73 250	(27 552)
(Increase)/decrease in prepayments and advances	-	7 645
(Increase)/decrease in other current assets	196 548	299 302
Increase/(decrease) in payables – current	(75 111)	4 486
Proceeds from sale of capital assets	(5 489)	-
Proceeds from sale of investments	-	-
(Increase)/decrease in other financial assets	-	-
Expenditure on capital assets	2 440 909	2 022 135
Surrenders to Revenue Fund	(370 586)	(541 079)
Surrenders to RDP Fund/Donor	-	-
Voted funds not requested/not received	355 000	(355 000)
Own revenue included in appropriation	-	-
Other non-cash items	-	-
Net cash flow generated by operating activities	**2 982 998**	**1 790 935**

18. Reconciliation of cash and cash equivalents for cash flow purposes

	2015/16 R'000	2014/15 R'000
Consolidated Paymaster General account	(5 345)	(565 594)
Total	**(5 345)**	**(565 594)**

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

Liable to	Nature		2015/16 R'000	2014/15 R'000
Motor vehicle guarantees	Employees		-	-
Housing loan guarantees	Employees	*Annex 2A*	4 065	5 454
Other guarantees			-	-
Claims against the department		*Annex 2B*	224 809	891 685
Intergovernmental payables (unconfirmed balances)		*Annex 4*	468	8 098
Environmental rehabilitation liability			-	-
Other		*Annex 2B*	114 601	96 285
Total			**343 943**	**1 001 522**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

19.2 Contingent assets

	2015/16 R'000	2014/15 R'000
Nature of contingent asset		
Strike debtors 2010/11 recovery	606 325	606 325
Termination Ex-employees (Without Reversals) and Frozen cases	9 461	21 365
Legal claims on behalf of the department	1 060	921
Transfers to other Departments	12 833	10 845
Secondment of staff to Trade Unions Claim	-	-
Disputed payments Ilembe Enterprises/NSNP	6 304	6 304
Total	**635 983**	**645 760**

20. Commitments

	2015/16 R'000	2014/15 R'000
Current expenditure		
Approved and contracted	544 776	754 209
Approved but not yet contracted	7 787	4 107
	552 563	**758 316**
Capital expenditure		
Approved and contracted	2 934 726	2 751 231
Approved but not yet contracted	9 745	2
	2 944 471	**2 751 233**
Total Commitments	**3 497 034**	**3 509 549**

Capital commitments amounting to R 2 934 034 ('000) is per the Infrastructure Reporting Template developed internally by the department. This amount includes infrastructure accruals.

The Department has re-stated the comparative year (2014/15) by adjusting the "Approved but not yet contracted" with Infrastructure project commitments in line with the SCM principles for consistency. The adjustment reduces "Approved but not yet contracted" by 4 479 239 ('000) rand value (breakdown below).

Below is the value of projects per Implementing Agent that was "Approved but not yet contracted" for 2014/15:

COEGA - R 1 863 474 ('000)

IDT - R 763 411 ('000)

DPW - R 1 735 490 ('000)

Ethekwini Water - R 38 783 ('000)

Umhlathuze Water - R 78 081 ('000)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

21. Accruals and payables not recognised

21.1 Accruals

			2015/16 R'000	2014/15 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	100 752	257 159	357 911	424 972
Interest and rent on land	-	-	-	382
Transfers and subsidies	48	17 034	17 082	21 695
Capital assets	484	87 678	88 162	322 739
Other	4 554	179 600	184 154	63 330
Total	**105 838**	**541 471**	**647 309**	**833 118**

Listed by programme level	*Note*	2015/16 R'000	2014/15 R'000
Administration		86 474	111 765
Public ordinary school education		411 717	358 577
Independent school subsidies		-	1 602
Public special school education		199	182
Early childhood development		468	26 983
Infrastructure development		91 724	322 013
Examination and education related services		56 727	11 996
Total		**647 309**	**833 118**

21.2 Payables not recognised

			2015/16 R'000	2014/15 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	-	4 433	4 433	2 332
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	-	-	639
Capital assets	-	-	-	140 804
Other	-	248	248	292
Total	**-**	**4 681**	**4 681**	**144 067**

Listed by programme level	*Note*	2015/16 R'000	2014/15 R'000
Administration		4 681	3 227
Public ordinary school education		-	36
Independent school subsidies		-	-
Public special school education		-	-
Early childhood development		-	-
Infrastructure development		-	140 804
Examination and education related services		-	-
Total		**4 681**	**144 067**

	Note	2015/16 R'000	2014/15 R'000
Included in the totals are the following:			
Confirmed balances with other departments	*Annex 4*	1 766	144 067
Confirmed balances with other government entities		-	-
Total		**1 766**	**144 067**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

22. Employee benefits

	Note	2015/16	2014/15
		R'000	R'000
Leave entitlement		136 553	113 944
Service bonus (Thirteenth cheque)		1 046 822	986 013
Performance awards		-	-
Capped leave commitments		2 664 574	2 716 786
Other		23 914	20 734
Total		**3 871 863**	**3 837 477**

The leave entitlement and capped leave balances as disclosed above are the net of negative balances. The negative balances amount is R 459 484-10.

23. Lease commitments

23.1 Operating leases expenditure

2015/16	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	4 373	66 301	108 895	179 569
Later than 1 year and not later than 5 years	-	2 932	89 781	6 567	99 280
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**7 305**	**156 082**	**115 462**	**278 849**

2014/15	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	5 515	60 978	50 253	116 746
Later than 1 year and not later than 5 years	-	21 406	53 819	15 711	90 936
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**26 921**	**114 797**	**65 964**	**207 682**

Generally the lease commitments of the Department relates to leased buildings whose period may be between periods of one to ten years. The other category relates to the leasing of machinery whose period is less than or equal to three years. The final category relates to the renting of public schools on private land which are termed Section 14 agreements per the South African Schools Act of 1996. These agreements are in perpetuity, however the disclosure is made up of five years.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

24. Accrued departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Interest, dividends and rent on land		7 417	7 417
Other		15 289	15 289
Total		**22 706**	**22 706**

24.1 Analysis of accrued departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Opening balance		22 706	7 417
Less: amounts received		-	-
Add: amounts recognised		-	15 289
Less: amounts written-off/reversed as irrecoverable		-	-
Closing balance		**22 706**	**22 706**

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		**2 533 280**	**3 181 007**
Prior period error		-	-
As restated		**2 533 280**	**3 181 007**
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		283 278	447 991
Less: Prior year amounts condoned		-	(17 882)
Less: Current year amounts condoned		(5 453)	(6 407)
Less: Amounts not condoned and not recoverable		-	(1 071 429)
Closing balance		**2 811 105**	**2 533 280**
Analysis of awaiting condonation per age classification			
Current year		277 825	441 020
Prior years		2 533 280	2 092 260
Total		**2 811 105**	**2 533 280**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

25.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16 R'000
Goods and Services	Refer to working paper schedules	283 278
Total		**283 278**

25.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2015/16 R'000
Goods and Services	Refer to working paper schedules	5 453
Total		**5 453**

25.4 Details of irregular expenditure not recoverable (not condoned)

Incident	Not condoned by (condoning authority)	2015/16 R'000
		-
		-
Total		**-**

25.5 Details of irregular expenditures under investigation

Incident	2015/16 R'000
3 quotes not obtained	1 356
3 quotes not requested	6 211
Acting allowance longer than prescribed period	18
Competitive bidding process not followed	265 272
Conflict of interest	312 809
Month to month contract	1 359
No order issued	1 011
No tax clearance certificate or expired tax clearance certificate	12 176
Over expenditure on transfers and subsidies	22 124
Payment not found	5 913
PPPFA not applied	5 867
Goods and Services prior year	1 675 619
Goods and Services 2014/15	441 584
Goods and Services 2015/16	277 825
Total	**3 029 144**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		**19 455**	**16 379**
Prior period error		-	-
As restated		**19 455**	**16 379**
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		141 588	3 076
Less: Amounts resolved		-	-
Fruitless and wasteful expenditure awaiting resolution		**161 043**	**19 455**

26.2 Analysis of awaiting resolution per economic classification

	2015/16	2014/15
	R'000	R'000
Current	161 043	19 455
Total	**161 043**	**19 455**

26.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2015/16
		R'000
Goods and Services	Refer to working paper schedules	141 588
Total		**141 588**

27. Related party transactions

The Department is involved in the KwaZulu-Natal Education Development Trust. This trust is operated in conjunction with major donors in the private sector. The Department exercises significant influence over the activities of the trust as majority of the Trustees are officials of the Department of Education. No voted funds were transferred to the trust during this 2015/16 financial period. No funds was received from the Flemish Government on behalf of the trust for 2015/16 financial period at year end, as a result no funds are credited to the KwaZulu-Natal Education Development Trust. The Department acts as an agent in respect of the receipt of these funds.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

28. Key management personnel

	No. of Individuals	2015/16 R'000	2014/15 R'000
Political office bearers (provide detail below)	1	1 902	1 822
Officials:			
Level 15 to 16	5	6 888	5 113
Level 14 (incl. CFO if at a lower level)	16	12 463	9 788
Family members of key management personnel	27	8 558	6 139
Total		**29 811**	**22 862**

29. Provisions

	Note	2015/16 R'000	2014/15 R'000
Provision 1 - Debtors ex-employees (3 yrs and over)		201 616	136 441
Provision 2 - S14 Schools Unsigned Leases		728	735
Provision 3 - Retentions for Infrastructure Projects (Capital)		85 386	-
Total		**287 730**	**137 176**

29.1 Reconciliation of movement in provisions – 2015/16

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	136 441	735	-	137 176
Increase in provision	65 175	-	85 386	150 561
Unused amount reversed	-	(7)	-	(7)
Closing balance	**201 616**	**728**	**85 386**	**287 730**

Reconciliation of movement in provisions – 2014/15

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	93 425	735	-	94 160
Increase in provision	43 016	-	-	43 016
Closing balance	**136 441**	**735**	**-**	**137 176**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

30. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**265 379**	**-**	**99 234**	**39 766**	**324 847**
Transport assets	169 831	-	64 747	17 260	217 318
Computer equipment	71 748	-	28 610	17 825	82 533
Furniture and office equipment	22 055	-	5 469	3 545	23 979
Other machinery and equipment	1 745	-	408	1 136	1 017
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**265 379**	**-**	**99 234**	**39 766**	**324 847**

30.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**97 297**	**-**	**-**	**1 937**	**99 234**
Transport assets	62 810	-	-	1 937	64 747
Computer equipment	28 610	-	-	-	28 610
Furniture and office equipment	5 469	-	-	-	5 469
Other machinery and equipment	408	-	-	-	408
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**97 297**	**-**	**-**	**1 937**	**99 234**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

30.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**17 260**	**22 506**	**39 766**	**5 489**
Transport assets	17 260	-	17 260	5 489
Computer equipment	-	17 825	17 825	-
Furniture and office equipment	-	3 545	3 545	-
Other machinery and equipment	-	1 136	1 136	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	**17 260**	**22 506**	**39 766**	**5 489**

30.3 Movement for 2014/15

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT					
	253 079	**9 808**	**2 492**	**-**	**265 379**
Transport assets	159 652	9 808	371	-	169 831
Computer equipment	71 048	-	700	-	71 748
Furniture and office equipment	21 234	-	821	-	22 055
Other machinery and equipment	1 145	-	600	-	1 745
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**253 079**	**9 808**	**2 492**	**-**	**265 379**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

30.3.1 Prior period error

	Note	2014/15
	30.3	R'000
Relating to 2014/15		**9 808**
Motor Vehicle FAR Opening Balance adjustments		9 808
Total		**9 808**

Motor Vehicle Fixed Asset Register (FAR) opening balance adjustments relate to three adjustments being made:

1. Disposal (auctioned assets) not on the FAR opening balance amounting to 179 ('000) rand value.
2. Vehicles excluded from the FAR amounting 9 289 ('000) rand value.
3. Purchase prices adjustment on the FAR amounting to 340 ('000) rand value.

30.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	106	-	29 209	-	**29 315**
Additions	-	-	-	3 633	-	**3 633**
Disposals	-	-	-	6 942	-	**6 942**
TOTAL MINOR ASSETS	**-**	**106**	**-**	**25 900**	**-**	**26 006**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	42 281	-	42 281
Number of minor assets at cost	-	-	-	30 507	-	30 507
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**72 788**	**-**	**72 788**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2015

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	106	-	29 039	-	**29 145**
Prior period error	-	-	-	-	-	**-**
Additions	-	-	-	170	-	**170**
Disposals	-	-	-	-	-	**-**
TOTAL MINOR ASSETS	**-**	**106**	**-**	**29 209**	**-**	**29 315**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	58 605	-	58 605
Number of minor assets at cost	-	-	-	18 476	-	18 476
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**77 081**	**-**	**77 081**

30.4.1 Prior period error

	Note	2014/15
	30.4	R'000
Nature of prior period error		
Relating to 2014/15		-
		-
Total		**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

31. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 313	-	-	-	1 313
TOTAL INTANGIBLE CAPITAL ASSETS	**1 313**	**-**	**-**	**-**	**1 313**

31.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-Cash	(Develop-ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

31.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	-	-	-

31.3 Movement for 2014/15

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 313	-	-	-	1 313
TOTAL INTANGIBLE CAPITAL ASSETS	1 313	-	-	-	1 313

32. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	790 435	-	653 144	-	1 443 579
Non-residential buildings	790 435	-	653 144	-	1 443 579
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	790 435	-	653 144	-	1 443 579

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

32.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	**2 343 601**	**459 739**	**(1 687 896)**	**(462 300)**	**653 144**
Non-residential buildings	2 343 601	459 739	(1 687 896)	(462 300)	653 144
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**2 343 601**	**459 739**	**(1 687 896)**	**(462 300)**	**653 144**

32.2 Movement for 2014/15

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**-**	**-**	**790 435**	**-**	**790 435**
Non-residential buildings	-	-	790 435	-	790 435
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**-**	**-**	**790 435**	**-**	**790 435**

33. Agent-principal arrangements

33.1 Department acting as the principal

	2015/16	2014/15
	R'000	R'000
COEGA	451 813	422 950
IDT	1 171 131	597 491
DPW	960 376	732 987
Ethekwini Water	9 915	38 537
Umhlathuze Water	35 731	-
Total	**2 628 966**	**1 791 965**

The Agents listed above are contracted to the Department of Education to manage and facilitate capital projects on its behalf.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION						SPENT			2014/15	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Division of Revenue Act:											
National Department of Education - HIV/AIDS	50 588	-	-	-	50 588	50 588	50 588	-	100%	81 547	81 547
National Department of Education - National School Nutrition Programme	1 287 034	-	-	-	1 287 034	1 287 034	1 287 034	-	100%	1 253 300	1 253 300
EPWP Integrated Grant for Provinces	2 644	-	-	-	2 644	2 644	2 644	-	100%	2 937	2 937
EPWP Social Sector Incentive Grant for Provinces	3 000	-	-	-	3 000	3 000	3 000	-	100%	2 580	2 580
OSD for Education Therapists	13 079	-	-	-	13 079	13 079	13 079	-	100%	41 581	41 581
Maths, Science and Technology Grant	59 998	-	-	-	59 998	59 998	59 998	-	100%	74 291	74 291
Provincial Grants:											
Education Infrastructure Grant	1 978 683	-	-	-	1 978 683	1 978 683	1 978 683	-	100%	1 385 781	1 385 781
	3 395 026	**-**	**-**	**-**	**3 395 026**	**3 395 026**	**3 395 026**	**-**		**2 842 017**	**2 842 017**

The Conditional Grants are limited to the budget amount if they are overspent (per the BAS reports) for the "Amount spent by department".

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

35. STATEMENT OF CONDITIONAL/UNCONDITIONAL GRANTS AND TRANSFERS PAID TO PROVINCIAL DEPARTMENTS AND MUNICIPALITIES

NAME OF MUNICIPALITY / PROVINCIAL DEPARTMENTS	GRANT ALLOCATION				TRANSFER			2014/15
	Division of Revenue Act	Roll Overs / Shifting of Funds	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000
KwaZulu-Natal Department of Transport	1 100	-	602	1 702	1 702	-	-	2 097
	1 100	**-**	**602**	**1 702**	**1 702**	**-**	**-**	**2 097**

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted Appro-priation	Roll Overs / Shifting of Funds	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
EDTP SETA	78 139	-	-	78 139	78 139	100%	22 030
Total	**78 139**	**-**	**-**	**78 139**	**78 139**		**22 030**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2014/15
	Adjusted Appropriation Act	Roll Overs / Shifting of Funds	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Public Ordinary School Education	1 477 239	-	(2 084)	1 475 155	1 426 584	97%	1 417 706
Independent Schools	77 817	-	-	77 817	77 278	99%	74 395
Public Special School Education	124 848	-	(921)	123 927	123 927	100%	127 801
Early Childhood Development	18 000	-	(46)	17 954	17 022	95%	31 408
Examination and Education Related Services	12 000	-	-	12 000	12 030	100%	10 800
Total	**1 709 904**	**-**	**(3 051)**	**1 706 853**	**1 656 841**		**1 662 110**

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2014/15
	Adjusted Appropriation Act	Roll Overs / Shifting of Funds	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employees	120 369	-	51 101	171 470	171 470	100%	181 149
Total	**120 369**	**-**	**51 101**	**171 470**	**171 470**		**181 149**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2016 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2015	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2016	Guaranteed interest for year ended 31 March 2016	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
	Standard Bank	-	1 442	-	77	-	1 365	-	-
	FNB	-	538	-	71	-	467	-	-
	Nedbank	-	747	-	279	-	468	-	-
	ABSA	-	2 270	-	812	-	1 458	-	-
	Peoples Bank FBC	-	19	-	-	-	19	-	-
	Old Mutual	-	49	-	-	-	49	-	-
	Hlano Financial Services	-	-	-	-	-	-	-	-
	Ithala Limited	-	297	-	119	-	178	-	-
	Free State Development	-	-	-	-	-	-	-	-
	Green Start HL	-	72	-	31	-	41	-	-
	Company Unique Finance	-	20	-	-	-	20	-	-
	Subtotal	**-**	**5 454**	**-**	**1 389**	**-**	**4 065**	**-**	**-**
	Total	**-**	**5 454**	**-**	**1 389**	**-**	**4 065**	**-**	**-**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016

Nature of Liability	Opening Balance 1 April 2015	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2016
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal Claims	891 685	-	666 876	-	224 809
Subtotal	**891 685**	**-**	**666 876**	**-**	**224 809**
Other					
Ithala (Utilisation of own funds to pay contractors)	5 912	-	-	-	5 912
SANTS	45 321	33 447	22 661	-	56 107
Durban University of Technology (DUT)	9 452	12 358	6 669	-	15 141
University of Zululand	9 337	6 852	4 781	-	11 408
University of KwaZulu-Natal	14 182	13 087	11 978	-	15 291
University of South Africa	12 081	8 489	12 081	-	8 489
North West University	-	4 563	2 310	-	2 253
Subtotal	**96 285**	**78 796**	**60 480**	**-**	**114 601**
TOTAL	**987 970**	**78 796**	**727 356**	**-**	**339 410**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Gauteng Department of Education	-	-	1 074	3 227	1 074	3 227
Gauteng Department of Infrastructure and Development	-	-	5	5	5	5
Mpumalanga Department of Education	-	-	372	445	372	445
Eastern Cape Department of Education	-	-	1 025	1 219	1 025	1 219
KZN Agriculture	-	-	99	-	99	-
KZN Office of the Premier	-	-	24	232	24	232
KZN Department of Social Development	-	-	679	-	679	-
National Labour	-	-	15	55	15	55
KZN Arts & Culture	-	-	-	4	-	4
Free State Department of Education	-	-	502	454	502	454
KZN Department of COGTA	-	-	-	10	-	10
National Department of Home Affairs	-	-	-	-	-	-
KZN Department of Transport	-	-	432	63	432	63
Government Employees Pension Fund	-	-	-	-	-	-
KZN Department of Public Works	-	-	-	15	-	15
Western Cape Department of Education	-	-	46	966	46	966
National Basic Education	-	-	-	-	-	-
National Higher Education & Training	-	-	315	-	315	-
Total c/f	**-**	**-**	**4 588**	**6 695**	**4 588**	**6 695**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 3 (continued)
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Total b/f	**-**	**-**	**4 588**	**6 695**	**4 588**	**6 695**
National Department of Correctional Services	-	-	103	103	103	103
North West Department of Education	-	-	291	249	291	249
KZN Department of Economic Development	-	-	-	11	-	11
KZN Sport & Recreation	-	-	743	-	743	-
Northern Cape Department of Education	-	-	47	47	47	47
KZN Safety and Security	-	-	163	-	163	-
National Department of Trade & Industry	-	-	-	-	-	-
KZN Department of Health	-	-	5	89	5	89
Limpopo Department of Education	-	-	336	634	336	634
KZN Human Settlement	-	-	-	2	-	2
Pretoria Economic Affairs	-	-	-	6	-	6
South African Police Services	-	-	21	-	21	-
Total	**-**	**-**	**6 297**	**7 836**	**6 297**	**7 836**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
KwaZulu-Natal Department of Transport	-	639	-	7 355	-	7 994
KwaZulu-Natal Department of Public Works	-	140 906	-	-	-	140 906
Department of Justice	1 519	1 936	425	106	1 944	2 042
KZN Provincial Treasury	-	36	-	-	-	36
KwaZulu-Natal Department of Health	5	-	-	-	5	-
Department of Basic Education	242	292	-	-	242	292
KwaZulu-Natal Department of Social Development	-	-	3	-	3	-
Gauteng Department of Education	-	-	-	347	-	347
Government Printers	-	258	-	80	-	338
Gauteng Department of Transport	-	-	-	210	-	210
National Department of Home Affairs	-	-	40	-	40	-
Total	**1 766**	**144 067**	**468**	**8 098**	**2 194**	**152 165**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 5
INVENTORY

Inventory	*Note*	Quantity	2015/16	Quantity	2014/15
			R'000		R'000
Opening balance		-	9 638	-	9 367
Add/(Less): Adjustments to prior year balance		-	194	-	-
Add: Additions/Purchases - Cash		-	590 249	-	438 944
Add: Additions - Non-cash		-	173	-	86
(Less): Disposals		-	(94)	-	(331)
(Less): Issues		-	(586 447)	-	(438 412)
Add/(Less): Adjustments		-	(7)	-	(16)
Closing balance		**-**	**13 706**	**-**	**9 638**

No quantities have been disclosed as the inventory consists of different types of inventory and each type of inventory has a different unit of measure. This annexure discloses opening, movements and closing values relating to the departments stores and Ndabase Printing Solutions Warehouse. This excludes "Inventory" as represented by certain directorates that purchase on their own behalf and any other that the department buys on behalf of schools.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**5 328 451**	**1 943 224**	**(653 144)**	**6 618 531**
Non-residential buildings	5 328 451	1 943 224	(653 144)	6 618 531
Total	**5 328 451**	**1 943 224**	**(653 144)**	**6 618 531**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
	4 019 969	**1 014 018**	**1 084 899**	**(790 435)**	**5 328 451**
Non-residential buildings	4 019 969	1 014 018	1 084 899	(790 435)	5 328 451
TOTAL	**4 019 969**	**1 014 018**	**1 084 899**	**(790 435)**	**5 328 451**

ANNEXURE 7
INTER-ENTITY ADVANCES PAID (note 9)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	-	-	-	-	-	-

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SCHEDULE – IMMOVABLE ASSETS, LAND AND SUB SOIL ASSETS

Opening balances – 2007/2008

In the 2006/07 financial year the Department applied Accounting Circular 1 of 2007. The impact of this circular on the financial statements resulted in the cumulative balances on buildings being transferred to the provincial Department of Works. The balance that was transferred was **R 2 384 355 000** under the category *Buildings and other fixed structures.*

Movements to immovable assets – 2007/2008

The department has applied the exemption as granted by the National Treasury and thus immovable assets have not been disclosed on the face of the annual financial statements.

Additions

The additions for the 2007/08 financial year on buildings recorded under the category *Buildings and other fixed structures was* **R 913 233 000**.

Disposals

The department did not dispose of any additions on buildings for the 2007/08 financial year.

Movements to immovable assets – 2008/2009

The department has applied the exemption as granted by the National Treasury and thus where there is uncertainty with regards to ownership of immovable assets; these have not been disclosed on the face of the annual financial statements.

Additions

The additions for the 2008/09 financial year on buildings recorded under the category *Buildings and other fixed structures was* **R 1 145 450 000**.

Disposals

The department did not dispose of any additions on buildings for the 2008/09 financial year.

Movements to immovable assets – 2009/2010

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2009/2010 year recorded on *Buildings and other fixed structures* are **R 1 288 343 000**.

Work-In-Progress

The work-in-progress as at 31 March 2010 recorded on *Buildings and other fixed structures* are **R 798 381 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2009/10 financial year.

Movements to immovable assets – 2010/2011

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2010/2011 year recorded on *Buildings and other fixed structures* are **R 1 836 333 000**.

Work-In-Progress

The work-in-progress as at 31 March 2011 recorded on *Buildings and other fixed structures* are **R 960 359 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2010/11 financial year.

Movements to immovable assets – 2011/2012

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2011/2012 year recorded on *Buildings and other fixed structures* are **R 2 097 788 000**.

Work-In-Progress

The work-in-progress as at 31 March 2012 recorded on *Buildings and other fixed structures* are **R 1 521 296 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2011/12 financial year.

Movements to immovable assets – 2012/2013

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2012/2013 year recorded on *Buildings and other fixed structures* are **R 2 463 676 000**.

Work-In-Progress

The work-in-progress as at 31 March 2013 recorded on *Buildings and other fixed structures* are **R 2 313 991 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2012/13 financial year.

Movements to immovable assets – 2013/2014

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2013/2014 year recorded on *Buildings and other fixed structures* are **R 2 360 611 000**.

Work-In-Progress

The work-in-progress as at 31 March 2014 recorded on *Buildings and other fixed structures* are **R 1 944 036 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2013/14 financial year.

Movements to immovable assets – 2014/2015

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2014/2015 year recorded on *Buildings and other fixed structures* are **R 2 017 870 000**.

Work-In-Progress

The work-in-progress as at 31 March 2015 recorded on *Buildings and other fixed structures* are **R 1 084 899 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2014/15 financial year.

Movements to immovable assets – 2015/2016

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2015/2016 year recorded on *Buildings and other fixed structures* are **R 2 343 612 000**.

Work-In-Progress

The work-in-progress as at 31 March 2016 recorded on *Buildings and other fixed structures* are **R 1 943 224 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2015/16 financial year.

The supplementary information presented does not form part of the annual financial statements and is unaudited.

PART F

GENERAL INFORMATION



CONCLUSION

The Department will continue to review systems and procedures in an attempt to ensure excellent service delivery to the people of KwaZulu-Natal in line with our aim of uplifting and empowering the nation. The accomplishment of the Department over the period under review can be measured by the numerous interventions, programmes and projects which collectively contributed to increasing access to suitable infrastructure, increasing access to knowledge and knowledge creation, increasing access to economic activities and promoting socio-cultural access that has been a barrier to the majority of people of KwaZulu-Natal.

The successes of the Department are largely due to the improved systems and procedures that we have in place to ensure compliance with the Public Finance Management Act and other related policies. The Department will continue to review systems and procedures in an attempt to ensure excellent service delivery to the people of KwaZulu-Natal in line with our aim of uplifting and empowering the nation.

GLOSSARY OF PLANNING TERMS

The definitions attached to particular terms in this document are provided below

Accessibility indicators	**Reflect the extent to which the intended beneficiaries are able to access services or outputs. Such indicators could include distances to service points, traveling time, waiting time, affordability, language, accommodation of the physically challenged.**
Activities	The processes or actions that use a range of inputs to produce an output and ultimately an outcome.
Adequacy indicators	Reflect the quantity of input or output relative to the need or demand. They respond to the question: "Is enough being done to address the problem?".
Baseline	Baseline refers to the current level of performance that the institution aims to improve. The initial step in setting performance targets is to identify the baseline, which in most instances is the level of performance recorded in the year prior to the planning period.
Cost or Price indicators	Important in determining the economy and efficiency of service delivery.
Dates and time frame indicators	Reflect timeliness of service delivery. They include service frequency measures, waiting times, response time, turnaround times, time frames for service delivery and timeliness of service delivery.
Distribution indicators	Relate to the distribution of capacity to deliver services and are critical to assessing equity across geographical areas, urban-rural divides or demographic categories. Such information could be presented using geographic information systems
Economy indicators	Explore whether specific inputs are acquired at the lowest cost and at the right time; and whether the method of producing the requisite outputs is economical.
Effectiveness indicators	Explore the extent to which the outputs of an institution achieve the desired outcomes. An effectiveness indicator assumes a model of how inputs and outputs relate to the achievement of an institution's strategic objectives and goals.
Efficiency indicators	Explore how productively inputs are translated into outputs. An efficient operation maximises the level of output for a given set of inputs, or it minimises the inputs required to produce a given level of output. Efficiency indicators are usually measured by an input: Output ratio or an output: input ratio. These indicators also only have meaning in a relative sense. To evaluate whether an institution is efficient, its efficiency indicators need to be compared to similar indicators elsewhere or across time. An institution's efficiency can also be measured relative to predetermined efficiency targets.

Accessibility indicators	Reflect the extent to which the intended beneficiaries are able to access services or outputs. Such indicators could include distances to service points, traveling time, waiting time, affordability, language, accommodation of the physically challenged.
Equity indicators	Explore whether services are being provided impartially, fairly and equitably. Equity indicators reflect the extent to which an institution has achieved and been able to maintain an equitable supply of comparable outputs across demographic groups, regions, urban and rural areas, and so on.
Inputs	The resources that contribute to the production and delivery of an output.
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving particular outputs.
Outputs	The goods and services produced by an institution for delivery.
Performance Indicator	Identify specific numerical that tracks progress towards the achievement of a goal.
Performance standards	Express the minimum acceptable level of performance, or the level of performance that is generally expected.
Performance Target [PT]	A performance target is one numerical value for one future period in time with respect to a performance measure. Performance targets indicate in a precise manner the improvements that are envisaged in the education system.
Programme Performance Measure [PPM]	Performance measures are national indicators linked to specific statistics. They are used to gauge performance in the education system. Each performance measure is linked to one measurable objective. Each performance measure takes the form of one provincial time series statistic that tracks progress towards the achievement of a sector priority.
Quality indicators	Reflect the quality of that which is being measured against predetermined standards. Such standards should reflect the needs and expectations of affected parties while balancing economy and effectiveness. Standards could include legislated standards and industry codes.
Quantity indicators	Relate to the number of inputs, activities or outputs. Quantity indicators should generally be time-bound; e.g. the number of inputs available at a specific point in time, or the number of outputs produced over a specific time period.
Strategic Objective [SO]	Strategic objectives are one level below the strategic goals. Their focus is more specific than that of the strategic goals. Most strategic objectives are linked to one provincial budget programme, though some may be generic to the sector as a whole.

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