



education

Department:
Education
PROVINCE OF KWAZULU-NATAL

ANNUAL REPORT 2011/2012



education
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PROVINCE OF KWAZULU-NATAL

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...Dedicated to Services and Performance
Beyond the Call of Duty

...Ukuzibophezela Nokuzinikela Ekusebenzeni
Ngokuzikhandla Nangokwedlulele





education

Department:
Education
PROVINCE OF KWAZULU-NATAL



Honourable E.S. Mchunu, MPL
KwaZulu-Natal Legislature
MEC: Education

The MEC receives the Annual Report from the Accounting officer in terms of the Public Finance Management Act of 1999.





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Department:
Education
PROVINCE OF KWAZULU-NATAL



Dr S.N.P. Sishi
Superintendent - General
Head of Department: Education
KwaZulu-Natal Province
Republic of South Africa

In fulfilment of my obligations as the Accounting Officer of the KwaZulu-Natal
Department of Education in terms of the Public Finance Management Act of 1999 Chapter 5, Section 40,
Sub-section (1), (b) (c) (d).

"Accounting officers' reporting responsibilities

40. (1) *The accounting officer for a department, trading entity or constitutional institution*
- (b) must prepare financial statements for each financial year in accordance with generally recognized accounting practice;*
 - (c) must submit those financial statements within two months after the end of the financial year to -*
 - (i) the Auditor-General for auditing; and*
 - (ii) the treasury to enable that treasury to prepare consolidated financial statements in terms of section 8;*
 - (d) must submit within five months of the end of a financial year to the treasury and, in the case of a department or trading entity, also to the executive authority responsible for that department or trading entity -*
 - (i) annual report on the activities of that department, trading entity or constitutional institution during that financial year;*
 - (ii) the financial statements for that financial year after those statements have been audited: and*
 - (iii) the Auditor-Generals report on those statements;"*

I have pleasure in presenting the Annual Report 2011/12 to the MEC for Education, Honourable E.S. Mchunu

Nkosinathi S.P. Sishi, PhD
Head of Department: Education
KwaZulu-Natal





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KWAZULU-NATAL DEPARTMENT OF EDUCATION

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SECTION 1

GENERAL INFORMATION

Vision

A well educated, skilled and highly developed citizenry

Mission

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



VALUES

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

(i) Honesty

Displaying honesty in service, as well as intolerance to fraud, corruption, nepotism and maladministration.

(ii) Caring

Discharging our duties with kindness and generosity, and being mindful of the circumstances of other people, their needs and special requirements.

(iii) Empathy

Sharing one another's emotions and feelings.

(iv) Professionalism

Demonstrating the highest standard of our profession and exceptional conduct of our professionals.

(v) Integrity

Ensuring consistency of actions and conduct of the highest ethical and moral standard.

(vi) Fairness

Treating all people in a manner that is fair and just.

(vii) Excellence

Maintaining high standards of performance and professionalism by aiming for excellence in everything we do.

(viii) Teamwork

Establishing and maintaining shared goals, and working together towards improving service delivery.





1.1. LEGISLATIVE AND OTHER MANDATES

The MEC for Education as the Executive Authority responsible for education delivery in the Province 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 strategic objectives of the department are based on the following constitutional and other legislative mandates:

MANDATES	BRIEF DESCRIPTIONS
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.
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 cooperative governance.
South African Schools Act No. 84 of 1996	<p>The South African Schools Act (SASA) seeks to promote access, quality, equity and redress in the provision of education. SASA also establishes a framework for democratic governance in the schooling system by providing for the election of School Governing Bodies. Further, the Act guarantees the right of access to quality education and declares primary education for children aged 7 to 15 compulsory. SASA seeks to redress past imbalances in the allocation of resources and to reduce the infringement of children's rights to basic education due to poverty through the National Norms and Standards for School Funding.</p> <p>SASA was amended by the Education Laws Amendment Act No. 24 of 2005, to enable the Minister of Education to declare certain schools "non-fee paying" after following due processes. The declaration of "no-fee schools" is to ensure that children's rights to basic education are not infringed by their parent's inability to pay school fees.</p>
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 professional council.
Adult Basic Education and Training Act No. 52 of 2000	The Adult Basic Education and Training (ABET) Act provides a framework for the establishment of public and private ABET Centres, ABET funding, governance and quality control mechanisms for public ABET centres.



MANDATES	BRIEF DESCRIPTIONS
Education White Paper 5 on Early Childhood Development of 2000	The Education White Paper 5 on Early Childhood Development (ECD) provides for the full universal access to Grade R for five-year old children by 2010. White Paper 5 promotes the improvement of quality programmes, curriculum and teacher development for the benefit of children aged nine and below.
Education White Paper 6 on Inclusive Education of 2001	The Education White Paper 6 provides a framework for the implementation of an inclusive education system. The policy seeks to reduce barriers to learning and development and to meet the needs of vulnerable learners at all levels.
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.
Further Education and Training Colleges Act No. 16 of 2006	The Further Education and Training Colleges' Act No. 16 of 2006 provides for the establishment, governance, employment of staff and funding of public FET Colleges. The Act also provides for the registration of private FET Colleges and promotion of quality further education and training in both public and private FET Colleges. The FET Colleges Act repeals the FET Act No. 98 of 1998.
National Curriculum Statement	The National Curriculum Statement is an outcomes-based curriculum for the General Education and Training Band (Grades R-9) and the Further Education and Training Band (Grades 10-12). Outcomes based education is a learner centered approach to learning which seeks to extol the potential of all learners by indicating upfront what has to be accomplished during the learning process.

OTHER LEGISLATIONS AND POLICIES

Other than the legislation and policies pertaining to its core function, the Department is obliged to comply with all the legislation and policies in the public service.

These include:

- i. Public Service Act of 1994
- ii. Labour Relations Act of 1999
- iii. Employment Equity Act of 1999
- iv. Public Finance Management Act of 1999
- v. Preferential Procurement Framework Act of 2000
- vi. Intergovernmental Relations Framework Act No. 13 of 2005
- vii. Framework for Managing Programme Performance Informance
- viii. Treasury Regulations



1.2 FOREWORD



Mr E.S. Mchunu, MPL
MEC: Education

The Department of Education started the Mid Term in 2008/09 with a 58% pass rate in the National Senior Certificate Examination and upped this to 68% in 2011/12. This was a result of our coordinated efforts that were aimed specifically at ensuring that requisite work was conducted inside the classroom thus empowering our learners with the required knowledge to perform at a standard that produced results mentioned above. It is the goal of the Department to give all learners a far chance to succeed. We are committed in ensuring that the previous year's attainment baseline is surpassed.

At the beginning of this financial year we therefore consolidated our efforts relating to work conducted in the classroom. The Department launched Provincial Intervention teams to directly give support to under-performing schools. These teams are divided into two focal areas viz. curriculum coverage and curriculum support. The Intervention Teams were focused in all our 12 Districts and had a weekly program of going to these schools unannounced to conduct various activities aimed at lifting the standard of teaching and learning in our underperforming schools

This has had the effect not only of keeping our schools on their toes but also of ensuring that the educators are well vest on their duties and functions at the school. In this way our aim is to develop well-oiled machinery that will eventually deliver quality education in our classrooms and produce learners of high quality.

Coupled with this effort are the surprise school visits conducted by the MEC himself with senior officials of the department. While the exercise is similar to the one above and also involves the Intervention Team, it also introduces a new dimension in the person of the MEC, the HOD and senior officials actually going down to the school level to register on the ground to the educators that their work is very important to the functioning of the entire Department.

As part of developing well-oiled machinery, during this financial year we have also completed and started implementing the new organizational structure for the Department. We now have a full complement of our Top Management led by the Head of Department who was appointed at the beginning of April 2011. During this financial year we also introduced a concept document on purchasing classroom equipment to ensure that each classroom in KZN schools depicts the type of subject taught in it – a concept that will be implemented in the 2012/2013 financial year, and is aimed at stimulating learner interest in each subject by installing latest technological tools such as Digital Projectors, White Boards, Laptops etc.

In an effort to improve performance across the board in the province, the department launched the KwaZulu-Natal Department of Education Programme of Action (POA) 2012 in January of this financial year. This programme been entrusted to the work of the four branches that have been established. Importantly, the work of branches is integrated in order that the development of the education system can be seen in a co-ordinated and coherent manner.

The development of the Programme of Action has drawn from the goals and objectives of the basic sector plan articulated in the Action Plan to 2014 Towards the Realisation of Schooling 2025.



Six pillars, which we believe are fundamental in order for the department to ultimately achieve the targets as set out in the Schooling 2025 are:

- i. Curriculum Management and Delivery
- ii. Teacher Supply and Delivery
- iii. Provisions of Classroom Support Resources and Equipment
- iv. Management at all levels
- v. Financial Management
- vi. Infrastructure

It is envisaged that with this plan the department will improve performance tremendously.

Lastly we were able to conduct our business under the strictest austerity measures by doing more with limited resources and cut down the initial projected over expenditure of R1.7 billion to just around half a million rand at the end of the financial year. We aim to continue observing these austerity measures and doing more with little while appealing to our colleagues at Treasury to reconsider our budget as it has been proven that our Department is under-budgeted for.



Mr E.S. Mchunu, MPL
MEC: Education



1.3. HEAD OF DEPARTMENT'S OVERVIEW



Dr S.N.P. Sishi, PHD
Head of Department

In this Annual Report we reflect on our progress pursuing quality education for all.

The focus of KZNDoE is quality education, education for democracy and human rights as well as Education for sustainable development. The Bill of Rights (Chapter 2, Section 29) enshrines the right of everyone to a basic education. We in the province operate on this premise that everybody has the right to education, which has been recognised since the Universal Declaration of Human Rights (UDHR) in 1948. The right to free and compulsory primary education, without discrimination and of good quality, has been reaffirmed in all major international human rights conventions. Many of these same instruments encourage, but do not guarantee, post-primary education. These rights have been further elaborated to address issues like quality and equity, moving forward the issue of what the right to education means, and

exploring how it can be achieved. As a minimum: all the provinces in our country must ensure that basic education is available, accessible, acceptable and adaptable for all. The right of girls to education is one of the most critical of all rights – because education plays an important role in enabling girls and women to secure other rights.

To this end, we in our province have stepped up our efforts at improving educational opportunities for girls to help them develop skills that allow them to make decisions and influence community change in key areas. Our Inclusive Education programme acknowledges the past prejudices against girl learners and vigorously seeks to fully embrace and extend the true potential of the girl learner. We have also ratcheted our efforts at increasing the number of girl learners pursuing mathematics, science and technology at the further education and training level at schools and beyond.

In response to the challenge that the majority of learners in the province live in impoverished areas where education is not easily accessible, the Department has developed a strategy to provide learner transport for learners who travel long distances to schools, cater for the special education needs of the vulnerable children of extreme rural areas and to build many smaller and viable schools in rural areas.

Access to education has long been considered an important vehicle for poverty alleviation and tremendous efforts have been made by the department to broaden such access in the province. The promotion of access to, and participation of historically marginalised groups in education, continued in the 2011/12 financial year and the success thereof was evident in the accommodation of all applicants in our schools. The number of no fee schools is 4 739, rendering close to 80 per cent of the schools in KZN as No Fee schools.

In KZN poverty (hunger) has proven to be a major barrier to access to quality schooling whereby many hungry learners either did not attend school or simply attended but could not concentrate on what was being taught. A counter measure to this phenomenon was the expansion of the National School Nutrition Programme (NSNP) to cover all primary and secondary schools in Quintiles 1, 2 and 3. Currently 2.2 million learners are fed. A deviation was granted by the Department of Basic Education, to the effect that the department may continue to feed primary schools in Quintiles 4 and 5, provided that the minimum requirements of the NSNP conditional grant are being met.



The success of this intervention is noted in the improved attendance record of learners coming from largely impoverished areas. Our improved retention is ranked highest in the country. As a result of poverty packages, learner transport, nutrition, no fees schools and inclusive education the poor have a better chance in KZN to succeed in education than any where else in the country, results in matriculation examinations, ANA and SACMEQ being proof thereof.

Infrastructure is critical in the Department's pursuit of accessible quality education yet the provisioning of infrastructure in our province still remains a challenge seeing that we inherited a infrastructure backlog of R75 billion when we took over education in the province. While there have been significant improvements in the overall state of infrastructure provisioning in KZN schools, many of the improvements were developed from a low base of infrastructure provisioning. Therefore, many poor and rural districts still find themselves at the lowest end of infrastructure provisioning in spite of dramatic positive changes.

In spite of serious challenges we managed to build on average a total of fourteen (14) schools per year. In the 2011/12 financial year the department made significant strides in addressing backlogs in the provision of classrooms, ablution facilities, computer rooms, laboratories and media centres at existing schools and the construction of new schools with all the buildings as envisaged in the DBE optimum space norms for public ordinary schools through existing programmes, and newly initiated programmes based on new needs and new policy directives.

The Department has now become an active participant in the infrastructure development improvement programme of the province. It aims to institutionalise forward planning and adoption of best practices espoused by the Construction Industry Development Board (CIDB). The department has started the process of realizing Public-Private Partnerships (PPP) to expedite the delivery of infrastructure. In the context of the disjuncture between infrastructure backlogs and the available budget, the realization of the PPP will accelerate the speed with which the Department achieves the outcomes of schooling 2025.

Less dramatic progress has been made in the provision of water, electricity, sanitation and telephones. The Programme of Action outlines key priority areas that are being addressed in 2012. In this regard, we are determined to close the gap in infrastructure backlogs by reducing the number of schools without clean water, adequate number of toilets and appropriate classrooms. The Department will also explore models of partnerships that will help us to speed up progress in these areas.

The PoA is a third step planning document after the Strategic Plan and the Annual Performance Plan at a Department level. The PoA also follow an outcomes-based model of planning as adopted by the Cabinet in the 2010 January Cabinet Lekgotla. The Programme of Action sets out performance indicators and targets to facilitate the Department's realisation of its goals and objectives set out in the Strategic Plan.

The Programme of Action enlists activities identified as important elements to provide quality education. These elements include:

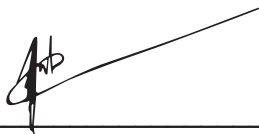
- i. Measures to improve quality of early childhood development services, with universal access to Grade R and doubling the number of 0-4 year-old ECD learners in schools by 2014.
- ii. Strengthening adult learning opportunities, encouraging co-operation and collaboration between ECD & ABET centres.



- iii. Putting in place measures to remove obstacles preventing access to education as well as completion of the schooling programme.
- iv. Providing principals with training and administrative support to enable them to carry out their task of managing schools.
- v. Supporting and developing a teaching profession that is dedicated to providing education of high quality.
- vi. Improving teachers' content knowledge through training in targeted subject areas.
- vii. Creating a culture of achievement and improving learner outcomes.
- viii. Implementing programmes towards universal access to electricity, water and sanitation
- ix. Intensifying the drive for skills development through FET Colleges.
- x. Improving service delivery in rural areas to ensure quality of life: recognising the unique challenges facing rural areas.

The Department has made a major breakthrough in the provision of classroom equipment to schools. We have reached an agreement with school governing bodies to supply basic classroom equipment, LTSM as well as poverty packs to schools. In the 2012 financial year the Department will continue to intensify the implementation of programmes such as resourcing poor schools, expanding No Fee Schools and extension of the National School Nutrition Programme, all of which will broaden access and improve basic quality education.

This Annual Report will shed more light on the overall performance of the Department. No matter what the difficulties are: nothing can stop us now!



Nkosinathi SP Sishi, PhD
Head of Department: Education





SECTION 2:

PROGRAMME PERFORMANCE



2.1 INFORMATION ON PREDETERMINED OBJECTIVES

2.1.1 VOTED FUNDS

PROGRAMMES	Main Appropriation (R'000)	Roll-overs and Adjustments (R'000)	Virements (R'000)	Adjusted Appropriation (R'000)	Actual Amount Spent (R'000)	Over/Under Expenditure (R'000)
Administration	1,445,530	14,761	(70,989)	1,389,302	1,332,174	57,128
Public Ordinary Schools	27,735,065	604,291	231,711	28,570,071	29,467,468	(897,397)
Indipendente School Subsidies	63,357	-	-	63,357	63,114	243
Public Special Education	1,026,653	9,992	(82,831)	953,714	879,823	73,891
Adult Education and Training	760,823	15,559	1,372	777,754	834,148	(56,394)
Further Education and Training	153,449	3,575	384	157,408	155,366	2,042
Early Childhood Development	731,572	(44,852)	(56,021)	630,699	488,423	142,276
Auxiliary and Associated Services	701,827	6,395	(23,526)	684,696	578,701	105,995
Total	32,618,276	609,721	-	33,227,001	33,799,217	(572,216)

The above table indicates the funds that were appropriated for the year under review together with any adjustments and virements that could have taken place during the year. The financial outcome for the year is an over-expenditure of R572 million.

2.1.2 AIM OF THE VOTE

The department's mission is: "To provide equitable access to quality education for the people of KwaZulu-Natal".

2.1.3 STRATEGIC OUTCOME ORIENTED GOALS

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



2.1.4 Overview of the Service Delivery Environment for 2011/12

The service delivery environment is the situation where prospective clients find themselves in when they seek services, both in terms of tangible factors (e.g., the physical, personnel, equipment, and supplies) and the intangibles (e.g., treatment received from the staff). The stronger the input from each of these functional areas, the better will be the services available to clients. The Services Charter adopted by the department will serve a great deal in setting clear outcomes for employees in the delivery of services.

The Delivery Agreement, Action Plan to 2014 and the Strategic Plan 2010/11 to 2014/15 formed the pillars for the delivery environment that the Department provided in the 2011/12 financial year and remaining period of this electoral cycle. While the higher-level strategic goals remain constant, a key question has arisen as to the department's role in mitigating conditions of under-development. All programmes are continually assessed in terms of how effectively they contribute to addressing issues of physical, epistemological and socio-cultural access of the population of this province within the prevailing pressures in population dynamics, employment opportunities, health, poverty and other related socio-economic issues affecting the people of the province.

The main strategy of our KwaZulu-Natal Department of Education is driven by a vision to transform the uneven social and economic situation through education by empowering the citizens with skills, knowledge and values. It is expected from our citizens that once they are well educated and skilled they will be empowered to make a meaningful contribution in our economy and also enhance the developed citizenry in the province.

The distinction between our department and many others who may share our vision is our mission to provide opportunities for all the people of KwaZulu-Natal to access quality public education within the population and socio-economic pressures.

The KwaZulu-Natal Department of Education addresses a wide range of challenges that serve as potential obstacles to successfully carrying out its educational mission and statutory mandate. Challenges at school and classroom level bring KZNDoE to the crux of the concerns that affect educators, learners and communities. Large class sizes, high poverty rates, low levels of literacy, weak school-family relationships and high learner numbers walking long distances to schools are some of the challenges faced. The challenges mentioned are experienced in many schools and the impact is what is observed in learner attainment.

The majority of learners in the province live in impoverished areas where education is not easily accessible. In responding to this challenge the Department has developed a strategy to provide learner transport for learners who travel long distances to schools. The plan is to accommodate learners in the programme from the targeted group in the deep rural, farm areas and under-served areas. Plans have been completed with Department of Transport to ensure the target is reached. In an endeavour to optimize access to education 80% of schools will be declared "no fee" schools and indeed the doors of education will be opened to many more of our people benefiting over a million learners. The challenge is better and accurate identification of deserving schools as at times quintile ranking is contested. The inclusion of quintile 1 Secondary schools in the nutrition programme is a positive step towards the extension in the alleviation of poverty. The inclusion of quintile 1 Secondary schools in the nutrition programme is a positive step towards the extension in the alleviation of poverty. The challenge is that at the bottom three ranks it is not easy to differentiate poverty; however this is a positive step in chipping away poverty.

Whilst the KwaZulu-Natal Department of Education is committed towards increasing access to quality education, the prevalence of HIV/AIDS in the province poses a serious threat towards the attainment of universal access to free and quality education by 2015. The prevalence of the pandemic amongst



educators remains an issue for concern, and therefore a rigorous approach is needed to increase educational awareness programmes to prevent the dissemination of the virus that causes the pandemic. There are projections that the number of orphans and child-headed households is likely to increase especially in the Ugu District. Some of the learners are likely to drop out of school in an attempt to fend for themselves or to provide care for family members. One of the challenges in relation to the HIV/AIDS pandemic is the lack of adequate and reliable data on the magnitude of the phenomenon so as to inform and reinforce the strategic plans of the Department to deal with the pandemic.

It is against this backdrop that the delivery of quality education has to take place and indeed the dedication to service and performance beyond the call of duty will make positive contributions to create a better life for the people in the province.

To address the challenges the Department continues to provide services which cater for the observed challenges in the delivery environment. To this end, the provision of the National School Nutrition Programme is biased to schools in Quintiles 1, 2 and 3, where most of the poor schools are ranked. This is evidenced by the highest number of beneficiaries being in the poorest Districts, namely Zululand District (725) followed by the Empangeni District (618), with the least schools in the Pinetown District (176) and the Umlazi District (124) respectively. Inadequate infrastructure for catering is proportionately pronounced in urban areas but extremely pronounced in rural areas.

In this regard, mobile kitchens have been ordered for delivery in the new financial year and the Department continues to receive them through donors.

The Department continues to offer co-curricular activities that range from choral music, cultural activities, indigenous games and sporting activities in order to promote national identity and social cohesion. Co-operation with strategic partners helps the programme to achieve its goal, objectives and targets. The renewing of the Memorandum of Understanding with other relevant sister Departments and clearly defining roles and responsibilities for each partner will help in the sharing of resources among municipalities, ex-model C schools, Department of Sport and Recreation and Arts and Culture. Budgetary constraints had a negative impact for programme delivery at all levels. It also inhibited the training of teachers in coaching, technical officiating and administration.

There has been considerable progress in the implementation of the “No Fee Schools” policy initiative. The “No Fee” coverage in respect of schools is 4 739, accounting for 80% of schools and 1 797 952 learners in quintiles 1 to 3 schools at both primary and secondary levels. Furthermore, funding has been made available for the re-imbursement of fee charging schools who grant exemptions to learners whose parents cannot afford to pay school fees.

Public schools on private property (Section 14) continue to be a challenge for the Department as the learner enrolment is normally low and the structures are generally inappropriate. Generally, it is in these schools where multi-grade teaching is practiced. This inhibits the Department from improving the quality of education offering. As such, where appropriate these schools are merged and learners are transferred to bigger schools with boarding facilities.

2.1.5 Overview of the Organisational Environment for 2011/12

The current electoral mandate has elevated the education sector as the country’s foremost priority. This has led to the development of an education sector plan in the form of Schooling 2025 implemented through Action Plan to 2014 as a policy framework that provides a basis for the realization of the country’s development outcomes in relation to learner attainment and learner enrolments.



In line with the current changes resulting in the split between the Department of Basic Education and Department of Higher Education, the provincial Department of Education has restructured its organisational structure for more optimization and enhancement of co-ordination and synergy. The new organisational structure is aligned to the current strategy pursued for this electoral cycle. The restructuring will ensure effective implementation of policies at the coal face.

Having considered the StatsSA 2009 midyear population estimates, which place KwaZulu-Natal as the second-most populous province after Gauteng, with 21.2% of the country's 49.32 million people living in KwaZulu-Natal, the Department's interventions which are aimed at removing barriers of access to education for the people of KwaZulu-Natal continue to be multi-faceted-addressing all forms of barriers from physical barriers to barriers created by resource constraints and various forms of poverty.

A change in the demography of communities and their patterns of migrations due to shack-dwellers being relocated to new lost cost housing, the in-migrations from the shacks to the area with new lost cost houses, burden of disease and pregnancies contribute to fluctuations in enrolments resulting in a change in workload and service needs. These factors impact on staff numbers, roles, competencies and distribution.

For some schools the above scenario has implications of increased workload without the necessary increase in financial and human resources thus contributing to a shortage of skilled personnel to deliver the required quality education service. Once the Department fails to provide human resource within a reasonable time, the service pressures are exacerbated by the stressful working environment which contributes to sub-optimal performance, high level of absenteeism and low morale.

An analysis of the current supply of the core competencies identified as critical within the Department indicates limited availability of certain professional categories i.e. 1454 teachers, 28 FET Colleges lecturers, 15 senior managers, 6 professional nurses, 116 finance clerks, 284 administration clerks, 24 librarian clerks, 8 psychological therapists, 7963 auxiliary occupations, 320 cleaning staff and 443 security guards among the 11 455 vacancies.

Whilst the core competencies identified reflect a total of 117 680 post structure, only 90% of the posts are filled accounting for 106 255 posts. The remaining 10% amounting to 11455 are vacant. Whilst there are these vacancies in the budget allocation, a different picture emerges. A compensation budget of R22 billion is planned for a total of 124 804 employees. This number is above the personnel structure considered adequate and relevant by 7124 posts. The total number of employees considered abnormal appointments and periodic remunerations is 18 580. These employees consume a budget of R327, 110 million per annum.

The analysis indicates that there are a few factors to be addressed and those that require rearrangement for the organisation to produce optimal performance. The analysis indicates that it is within budget to have all the posts filled. The Department will begin addressing the filling of posts identified as core in the personnel structure. The filling of these posts will be done by allocating posts to districts. This strategy will also go a long way in the reduction of substitute appointments and appointment of temporary educators.

There are certain imbalances in the educator staff mix, especially within the schools where there is a shortage of educators specialising in mathematics and science and an oversupply of educators in languages and humanities. These imbalances are more so prevalent in rural areas. The Department is in a process of addressing these imbalances through the rural academic support and rural infrastructure strategies which will provide incentives for educators with mathematics, science and other scarce subjects in order to enhance delivery of quality education in the rural areas. The majority of employees are in schools employed as educators. Educators that are above the staff establishment in a school



have been declared in excess and redeployed in terms of the provisions as set out in Departmental Human Resource Regulations.

Restructuring process has been finalized and leeters of placements distributed to employers of their relocation. Most of grievances have been addressed. Where there are employees not accommodated in accordance with the placement criteria, they may apply to be discharged in terms of the measures relating to Employee Initiated Severance Package.

2.1.5.1 Structural Re-Alignment

The Departmental Organisational Structure was approved by the MEC in October 2011 in consultation with DPSA and the Provincial Treasury. An addendum report in relation to the devolution of Human Resource and Finance functions from the Service Centres to the Districts was prepared and approved by the MEC on 16 March 2012.

The MEC instituted an Organogram Implementation Task Team (OITT) comprised of representatives from all Branches to play an overseeing role on the implementation of the structure. The placement model outlining specified principles and guidelines was developed to facilitate the placement of existing personnel to the new structure.

In terms of the placement model, Placement Committees were instituted as follows:-

- i. Placement Committee for Office Based Educators
- ii. Placement Committee for officials on salary level 7 to 12
- iii. Placement Committee for officials on salary level 1 to 6

All Placement Committees have dealt with Phases 1 and 2 of the process and all Chairpersons have submitted progress reports to the Organisational Implementation Task Team (OITT). The Placement Committees still have to deal with phases 3 and 4 as per the placement model.

The OITT is also dealing with transversal matters related to the implementation of the structure which includes inter alia the following:-

- i. Office Accommodation
- ii. Transportation of files from Service Centres to the Districts
- iii. Access to electronic systems like BAS and PERSAL
- iv. Actual movement of personnel and/or
- v. Finalisation of grievances if any

The placement of all SMS members has been dealt with by Top Management.



The KZN Department of Education is composed of approximately 106 000 employees and is the largest department within the public service in South Africa, therefore the terrain of employee relations is a critical one. In view of the strategic role that the Education department has to play in shaping the education and economic destiny of both the province and the country it has made concerted efforts to strive for labour peace , equity and equality within the work place.

The Department has managed to significantly improve its performance with respect to dealing with cases of misconduct as well as grievances and disputes. This year has seen a reduction of cases where employees are suspended for lengthy periods before their disciplinary cases are finalised. Through the Employee Relation directorate, guidance is provided to the whole Department on various pieces of legislation that govern employment relations within the education sector, taking into account the complexities and challenges which are specific to Kwazulu-Natal.

2.1.5.2 Labour Relations

Despite the vast geographical terrain and size of our department, the Department has made huge strides in dealing expeditiously with processes of grievances, disputes and discipline. Furthermore, the department is fully represented and participates meaningfully in Collective Bargaining Fora both provincially and nationally. The KwaZulu-Natal Chamber of the ELRC is regarded as the most productive nationally.

2.1.5.3 Office Accommodation

The Department experiences numerous challenges in attempting to provide suitable office accommodation for staff. Adequate office accommodation is a problematic area that affects the Department's quest for service excellence. Notwithstanding the challenges, the Department is in the process of adopting innovative strategies to overcome the dire challenges that it is confronted with year on year.

In terms of the budget, the Department has received insufficient funding for the acquisition of adequate office accommodation for staff. As a result of the inadequate funding, projects have to be prioritized in terms of medium term and long term. Although this is not the ideal, as many staff work under trying conditions in offices that provide little comfort, it is the best approach under the circumstances.

The Department of Education occupies a total of 84 buildings spread over a wide geographical area in KwaZulu-Natal. Of the 84 buildings, 58 are provincially owned and 26 are leased. A total of R 78 million has been provided for non school buildings in the 2011/12 fiscal year. The money is used for payment of leases , renovations and maintenance of Head Office Buildings, Service Centres, District Offices, Circuit Offices as well as Education Centres. Of the R 78 million a total of R 44 355 096 is used for the payment of rental for the leasing of the existing 26 buildings.

As part of the solution for the provision of office accommodation, the Department in collaboration with national treasury is embarking on projects via Private-Public Partnerships.

The pilot will cover four nodes in the Province, namely,

- i. Pietermaritzburg (Head Office and Umgungundlovu District Office)
- ii. Port Shepstone (Ugu District)



iii. Stanger/Durban (Ilembe District)

iv. Ladysmith (Othukela District)

Insofar as Office Accommodation projects are concerned, capital projects as well as repair and renovation projects to the value of R 15 631 053.00 were undertaken during the period under review.

2.1.6 Key policy developments and legislative changes

2.1.6.1 Schooling 2025

Arising from the 2009 Programme of Action, the plan known as “Toward the realisation of Schooling 2025” was conceptualised. Schooling 2025 is a long-term plan aimed at the improvement of the schooling system to ensure that education is prioritised as the main lever to alleviate poverty. This is an integrated plan for which and through which the education sector will be held accountable. It seeks to consolidate all existing public commitments and priorities and will flag priorities and key measurable areas of performance for all levels, including schools. In addressing the national plan the department launched the Programme of Action 2012 in January 2012 which is aimed at elaborating and simplifying the Annual Performance Plan.

Due to its long-term nature, the plan has been broken down into manageable five-year cycles, termed ‘Action Plans’, the first being the Action Plan to 2014 which sees 2012/13 as its third year of implementation. This plan focuses on three types of goals, these being:

- i. Output goals, which focus on what the quality of learning outcomes should be, in measurable terms or how grade attainment indicators should be improved.
- ii. Foreground goals, which focus on what the society can observe directly, such as smaller classes.
- iii. Background goals, which relate to improvements in administration and governance.

The department will also continue with its drive to convert some Section 20 schools into Section 21 schools, where they will perform the functions performed by Section 21 schools and the department will not need to keep petty cash for such schools.

2.1.6.2 ‘No Fee’ Schools and the Extension of No Fee Policy to Q3 Schools

The promotion of access to, and participation of historically marginalised groups in education, continues, and the success thereof was evident in the accommodation of all applicants in schools. The department increased the number of “No Fee” schools from 3 513 to 4 739, including farm schools, rendering close to 80 per cent of the schools in KZN as “No Fee” schools. The high increase was brought about by the deeming of Quintile 3 schools as “No Fee” schools, provided they would not be financially adversely affected.



2.1.6.3 Teacher Development and Teacher Accountability

The Department introduced a series of weekend subject content specific training workshops for mathematics and science teachers. These workshops are aimed at improving the understanding of subject content for the term as well as addressing common areas of difficulty within certain sections. The attendance was good and there have been reports of general improvement in learner attainment by attending teachers.

For years classroom management has been an area of concern at many schools. The Department had to put in place measures to improve teachers' skills in this area. In the 2011/12 financial year five hundred (500) teachers were skilled in classroom management.

All NSLA Schools (5766) had their teachers trained (about 10 000) in subject specific content.

One day CAPS orientation workshops for Grade 10 educators were conducted in collaboration with Teacher Unions. Two hundred and forty nine (249) subject advisors attended CAPS training by DBE in preparation for CAPS implementation in Grade 11 in 2013.

Two Thousand Six hundred and twelve (2612) Foundation Phase teachers were trained on CAPS as well as in Literacy and Numeracy. Specialized training to empower teachers to deliver inclusive education was also conducted.

2.1.6.4 Annual National Assessments and Learner Attainment

The annual national assessment (ANA) is used as a diagnostic tool to determine whether learners are achieving learning outcomes. Currently ANA is not used for the purpose of learner progression. In 2011 ANA was administered in Grades 1-6 and will be written for the first time in 2012.

ANA results have clearly indicated the areas that are problematic to the learners in literacy and numeracy. These results are not an end in themselves but are used as tools by which improvement strategies are developed. The KZN Department of Education has developed intervention strategies for Literacy/ Language and Numeracy/Mathematics based on ANA findings. The interventions are planned to address the areas and the concepts that are problematic to the learners e.g. reading, writing and counting.

This collaboratively developed intervention strategy focuses mainly on four areas, which are: curriculum coverage, reading intervention, assessment intervention and the development of educators. The strategy prioritizes the optimal utilization of workbooks, worksheets and the CAPS documents in ensuring that educators cover the stipulated amount of work.

Reading programmes have been initiated and implemented to address reading deficiencies identified in ANA. These include setting aside a minimum of thirty minutes a day dedicated to reading in all primary schools and the formation of reading clubs.

To close the gap between school - based assessment and standardized assessment, ANA exemplar question papers have been developed and distributed to schools. These together with the frameworks for setting ANA test papers and old question papers have been provided to schools to help improve 2012 ANA performance. Documents on worst performed concepts and the Mathematics booklets have



been developed to assist educators. Over and above these, Quarterly tests for Grades 3, 6 and 9 have been set to be used voluntarily by schools to improve their assessment levels.

The year 2012 indicates the second year in which Annual National Assessment (ANA) will be written. During this year ANA will be written for the first time by Grade 9. Independent schools that are state subsidized will also write ANA in Grades 3 and 6. Special schools with certain aspects of disabilities will also write ANA in September 2012.

Systemic Evaluation

Systemic Evaluation studies have been conducted periodically in sampled schools since 2001. Samples of learners from grade 3 and 6 have participated in these studies. Systemic Evaluation has been conducted in Literacy and Numeracy in Grade 3 and Language, Mathematics and Natural Science in Grade 6. The results from systemic evaluation have provided the department with the learning outcomes (LOs) that are still problematic to the learners. Exemplar question papers have been provided for the schools to use in preparation for the forthcoming study.

After every Systemic Evaluation study is conducted, colloquia are organized galvanizing the support of all the stakeholders in developing improvement strategies to address areas of underperformance.

2.1.6.5 Learner Transport

The Learner Transport function was officially taken over by KZN Department of Transport on the 1st of September 2011. Over the period under review, the KZN Department of Education experienced an increase in learners using the scholar transport programme. From April 2011 to 31 August 2011, KZN Department of Education provided subsidized, dedicated Learner Transport Services in seven(7) districts with a total of two thousand eight hundred (2871) learners as beneficiaries from twenty nine (29) schools. Emergency Learner Transport Services were provided to six (6) schools with a total of nine hundred and ninety (990) learners as beneficiaries.

The KZN Department of Transport advertised fifty six contracts in September 2011 which catered for one hundred and sixty four (164) schools which were to benefit with effect from the 11th of January 2012. Successful bidders won forty eight contracts. Eight contracts were non-responsive. Out of forty eight successful bids, nine bids attracted contestations. The target for 2011/2012 was nine thousand two hundred and sixty (9260) and the actual number of beneficiaries was seven thousand two hundred and forty seven (7247). A total of two thousand and thirteen (2013) learners did not benefit because of contestations and non-responsive bids.

In January 2012 the roll out of Learner Transport Services was realized in eleven (11) out of twelve (12) districts. The Ilembe District was the only district that did not benefit during the year under review because its routes had to be redesigned to eliminate schools of choice which were erroneously identified by the district as beneficiaries of subsidized dedicated learner transport services.

The KZN Department of Transport finalized in February 2012 the appointment of firms that will be responsible for the monitoring of the subsidized, dedicated learner transport services. The random monitoring of scholar transport which is geared at improving safety of the learners and enforce compliance by the service providers will be conducted in all districts in the 2012/ 2013 financial year. The programme has provided employment opportunities for a total of thirty six (36) service providers.

The KZN Department of Education aims to reduce the numbers of learners dependent on the learner transport system by building schools in affected areas.



2.1.6.6 School Infrastructure

The department continued to make strides in addressing backlogs in the provision of classrooms, toilets, computer rooms, laboratories and media centres within the context of capacity challenges that exist within the department and the infrastructure industry as a whole. However, in view of the time that it has taken to deliver such infrastructure and the pressing needs that exist, the department has lodged an intention to enter into a Public Private Partnership (PPP) arrangement in order to hasten the infrastructure delivery programme.

The department continued to implement existing infrastructure programmes, and initiated new programmes based on new needs and policy directives, notwithstanding the continuously rising construction costs. While the department explored alternative building materials for infrastructure provisioning, this proved to be too costly in the long run and was thus shelved. All new primary schools that are now constructed have ECD classrooms built as part of the scope, and this provides a challenge with expenditure allocation, as schools' expenditure falls under Programme 2: Public Ordinary School Education, while ECD falls under Programme 7: Early Childhood Development.

The electrification programme continues to be rolled out by the Department of Minerals and Energy, while the provision and maintenance of solar electrical systems by the department needs to be reconsidered, in light of rampant vandalism of these installations.

The gazetting of the Minimum Uniform Norms and Standards for Infrastructure in early 2010, which now constitutes a planning guide, enabled the department to undertake an assessment of how its infrastructure compares to various norms and standards as stipulated. This will, in the forthcoming years, enable the improved implementation of the infrastructure programme based on such plans.

2.1.6.7 Early Childhood Development (ECD): 0-4 Years Old

The major responsibility for the 0-4 year age group falls under the Department of Social Development (DSD). In order to provide seamless service delivery, though, the Social Sector Cluster (Departments of Education, Health and Social Development) coordinates their programmes as part of the National Integrated Plan (NIP). Education is responsible for training of ECD Facilitators and support staff for crèches. The following programmes began in 2011-12 and have been extended to 2012-13:

- a. Nine hundred and ninety four (994) ECD practitioners were recruited and are receiving stipends as part of our ECD level 4 Programme. Unfortunately, there has been a delay in the appointment of training service providers and this is being addressed with the relevant SETA.
- b. Four hundred and eighty nine (489) unemployed youth were selected to undergo training as facilitators at crèches (partial care facilities). An experienced facilitator is individually mentoring each of these new recruits. At the end of the mentoring period, the unemployed youth will graduate into the ECD level 4 training programme and receive a formal qualification. This will make it easier for them to either find employment or set up their own partial care centres. Both the new recruits and the mentors are receiving stipends.
- c. Five hundred and forty four (544) women were recruited to run play centres from their homes in communities where there is a shortage of crèches. These women are already receiving stipends and will also be receiving play packs for their learners.



- d. Four hundred and thirty seven (437) unemployed youth were recruited to establish gardens at partial care centres in keeping with the one crèche- one garden policy of the provincial government. While DOE pays the stipends to the recruits, the Department of Agriculture is providing the training. Six districts were trained in 2011-12 and a further six will be trained in 2012-13.
- e. One hundred and eighteen (118) unemployed youth have been recruited as Administration Interns and are serving their learnerships in the EPWP Section of both Head Office and District Offices. While the 2011-12 year was geared towards experiential training, the 2012-13 year will see the recruits gain a SAQA level 4 qualification in administration through Coastal College.

2.1.6.8 Grade R

In the 2011-12 year, KZNDOE had accommodated 199 249 five year old learners in Grade R Classes in public schools. Of a population of 210 624 five year old children in the province, this constitutes coverage of 94, 59 % - higher than the 85% goal set for provinces in White paper 5 of 2000. However, the Department did not focus on access only but also emphasized the issue of quality. Consequently, 777 Grade R practitioners received bursaries for professional development at Embury Institute (184), University of KwaZulu-Natal (287) and University of Zululand (306).

Secondly, schools with Grade R Classes received Norms and Standards Funding for the very first time in 2011-12. An amount of R80 794 151 was distributed to Grade R Classes. This is a mighty leap from the R35 000 000 allocated towards resources for Grade R in 2010-11. Thirdly, 457 Grade R Classrooms were commissioned across the province. Finally, the salary subsidy for Grade R Practitioners was increased from an amount of R3 000 per month to R4 000 per month.

2.1.6.9 Inclusive Education

Expansion of Inclusive Education entails upgrading of special schools and special schools as resource centres in terms of infrastructure, increased allocations in terms of non-personnel and non-capital expenditure, training of staff, advocacy and monitoring and evaluation.

The total number of special schools in the province is seventy one (71) with an annual increase of two special schools per year to date. The establishment of new special schools focused on rural districts where special schools did not exist. Sixteen (16) of the seventy one (71) special schools are designated special schools as resource centres. During this financial year R60m was spent on building new special schools, upgrading and renovations of existing special schools. All seventy one (71) special schools received a total allocation of R78, 302 for redress, running costs, pre-vocational schools and LTSM. All schools received a 9% allocation increase with the exception of schools where learner enrolment decreased.

A total of three thousand and sixty seven (3,067) assistive devices were provided to seven (7) schools with two hundred and ninety seven (297) of them being donated by a German donor in collaboration with Media in Education Trust. To date a total number eighty three (83) adapted and non-adapted school busses have been provided to special schools, twenty (20) of which were provided in this financial year. A total number of one thousand six hundred and sixty seven (1667) department employees and SGB members that were inclusive of teacher aids, district and head office officials, school management teams and educators were trained on their roles in the inclusive education context.



A draft norms and standards policy document for special schools and special schools as resource centres has been developed for field testing. Inclusive education advocacy was done with seven hundred and fifty (750) participants inclusive of other government departments and ministries, higher institutions of education, NGOs, FET colleges, department directorates, civil society, organized labour and parents. Monitoring of enrolment of learners with special needs in mainstream and special schools during this financial year has demonstrated an increase of two thousand seven hundred and twenty eight (2728) and nine hundred and twelve (912) respectively.

A further sixty (60) disabled youth from special schools were trained at FET colleges, thirty (30) of whom were enrolled for a one year GETC course in Clothing and Manufacturing Design Course.

2.1.6.10 Learner Teacher Support Material

Due to good planning, implementing and monitoring measures the Department was able to deliver 99.9% of all learning and teaching support material timeously to all non-section 21 schools. The LSM delivered are textbooks identified by each teacher, supported by the School Management Team as adequate and relevant and approved by the SGB to be requisitioned and purchased for the learners. The 99, 9% also represents the percentage of learners having timeous access to relevant textbooks that they require for the academic year in the non-section 21 schools. Department has developed a system to collate data and report on all the schools in the province.

Considering the time and extent at which department has continued to incrementally provide textbooks for learners, schools with effective retrieval policies should have sufficient textbooks for each learner in each learning area. The Department will continue with the provisioning of LTSM until such time that each learner has a copy of a textbook in line with a normal schoolbag requirement for each subject offered and that teachers have suitable reference material to use to teach.

With the Department ratcheting efforts to improve performance in mathematics and science, the significance of LTSM in contributing to these efforts could not be understated. To this end 28 238 mathematics and physical science textbooks, 25000 learner study guides and 5800 teacher guides in mathematics, physical science and life sciences were supplied to schools. Further to this, 35 mobile science laboratories were provided to schools and 32 full science laboratories were equipped. Calculators were also supplied to 100 schools

2.1.6.11 Adult Education and Training

The Adult Education and Training (AET) Directorate has made bold attempts in fighting illiteracy in the Province. In the 2011/12 financial year there were fifty two thousand five hundred and sixty nine (52 569) adult learners enrolled at AET centres. AET advocacy campaigns were organized during the Adult Learner Week extending from 05 – 09 September 2011 under the auspices of Flagship Programme, Operation Sukuma Sakhe. The theme for 2011 was “Celebrating Creativity”. The literacy celebrations were hosted in all eleven (11) district municipalities and Ethekwini Metro where the MECs presided as per Operation Sukuma Sakhe model.

The Adult Learner Week culminated with the celebration of International Literacy Day on 08 September 2011 to commemorate those who are still struggling to obtain basic educational tools that are the first steps towards the pathway of lifelong learning. The Masifundisane Literacy Campaign was integrated into the AET Directorate with effect from 01 April 2011. This resulted in former Masifundisane staff at



Head Office and District level being incorporated into the AET Directorate. The immediate benefits of such integration were the receipt of all Masifundisane assets (human and material resources) by the AET Directorate and also the capacity of AET Directorate to continuously monitor Public Adult Learning Centres improved.

2.1.6.12 National School Nutrition Programme

The goal of the NSNP is to enhance learning capacity and to promote access to education through the provision of nutritious meals to poor learners. In the 2011/12 financial year the NSNP was expanded to cover all primary schools in Quintiles 1, 2 and 3 and secondary schools in Quintiles 1, 2 and 3. A deviation was granted by the Department of Basic Education to the effect that the department may continue to feed primary schools in Quintiles 4 and 5, provided that the minimum requirements of the NSNP conditional grant are being met.

The NSNP initiative is an intervention to mitigate the challenges experienced on the incidences of hunger among learners in schools who come from the poorest of the poor communities. This initiative continues to play a pivotal role in the reduction of learner drop out at primary schools and there is an expectation that the dropout rate will be reduced in secondary schools after the programme was extended to include this subdivision within the schooling system.

The MECs for Education, Agriculture and Health held a Job Creation Project event in two wards, UMsunduzi Ward 5 and UMkhambathini Ward 2. Community Based gardening projects were identified in all districts in the province. Members of 75 projects were trained in January and February 2012 to become NSNP service providers in the 2012/13 financial year. One of the main aims of the NSNP is to increase the number local suppliers from poverty stricken communities. New initiatives in improving the income earnings of poor households through the NSNP programme are as follows:

- i. Reduce enrolment allocation per service provider to a maximum of 5000 learners and incrementally replace SMMEs with Local Cooperatives.
- ii. Allocate schools with big enrolments (i.e. 800 and above) to existing and newly established local cooperatives.
- iii. Limit service providers to two consecutive financial years with the same school/schools.
- iv. Advertise services locally through public notices on the local newspapers, radio, circulars and newsletters.
- v. Allow SGBs to recommend not less than 5 potential local suppliers.
- vi. Appointment of suppliers to be done by the Department (through district office NSNP evaluation committees) as opposed to being done by schools. The evaluation committees will include district forums.



2.1.6.13 School Sports, Arts and Culture

The Department, through the Directorate Co-curricular Support Services, implements programmes for school sports, arts and culture as well as youth development. It is the aim of Department to promote national identity and social cohesion through these initiatives. The programme aims at addressing goal 6 in the KZN DOE Master Strategic plan 2010 – 2014. Also guiding the programme is goal 25 of the Action Plan to 2014: Towards the Realisation of Schooling 2025 which aims at ensuring that the environment of every school inspires learners to want to come to school to learn, and teachers to come to school to teach.

Co-curricular Support Services is currently focusing on competitions which run from lowest levels, like the school inter-house competitions for selection purposes. The other levels start from the wards, circuits and districts; and then lead to provincial selections and ultimately competitions

at national level. To address mass participation by all learners in the Province, the Department of Basic Education (DBE) has come up with the schools leagues where all schools will be participating. To the four codes initially identified, there will be an additional five codes to enhance the schools sports leagues.

The KZN Department of Sport and Recreation is currently funding the provincial team selected to participate at National competitions. The Department of Basic Education is in the process of finalizing a draft school sport policy which will guide all provinces with regard to the implementation of the School Enrichment Programme. The re-introduction of Physical Education to schools is also in the pipeline. It is envisaged that 2 hours per week will be allocated to Physical Education to help the learners lead healthy lifestyles.

In the 2011/12 financial year budgetary constraints had a negative impact on programme delivery at all levels. It also inhibited the training of educators in coaching, technical officiating and administration.

2.1.6.14 School Governance and Management – Public Ordinary Schools

Teaching and learning:

In implementing the mandated function of SGBs to provide support to staff in their performance of their professional duties, 3 901 parent members of SGBs were updated on their role in the improvement of learner performance based on the outcome of the Annual National Assessment results in primary schools. In order to continuously improve learner attainment, 266 members of SGBs were trained on their responsibilities as enshrined in the National Policy on Learner Attendance.

There seemed to be an increase in cases where SGBs were not properly implementing the Learners' Code of Conduct with reference to suspension and expulsion. One thousand and seventy five (1 075) members of SGBs were trained on the Learners Code of conduct. This training also addressed the review of Codes of Conduct in line with the Education Laws Amendment Act 31 of 2007. This amendment to Section 8 of SASA provides for search and seizure processes to be implemented in public schools. The Department of Basic Education declared in September 2011 that SGB elections would be conducted from 01 to 31 March 2012. Provincial Notices on SGB election procedures for public ordinary schools and schools for learners with special education needs were drafted and promulgated.



Officials, SGBs and principals (as school electoral officers) from 5 954 schools were trained on the Provincial Notices for SGB Elections. SGB elections were completed in 93% of public ordinary schools by the end of March 2012.

More than 90% of public schools were allocated additional functions in terms of Section 21 of SASA during the 2010/2011 financial year. The remaining 575 Non Section 21 schools were trained to prepare them to be allocated Section 21 functions. Eighty hundred and fifty (850) Section 21 schools were trained on proper financial management systems. All 70 Special Schools were trained on Financial Management in August 2011.

To ensure compliance in the implementation of policies by SGBs, 119 fee paying Secondary schools were sampled and monitoring visits were conducted during the month of June 2011. KZN Circular No 101 of 2011 was distributed reminding all 1187 fee paying schools to make their bi-annual submissions as provided for in the National Regulations.

SGBs and RCLs from 720 schools were trained on the management of HIV & AIDS and the development of school specific Action Plans to curb the scourge in their schools.

Representative Councils of Learners

A Leadership Programme was developed for RCLs in response to the Education Summit resolutions of February 2011. Nine hundred and ninety one (991) RCL members were trained on the RCL Leadership programme. This programme has been mainstreamed into the annual RCL induction programme.

Two Youth camps were conducted as part of the My Life My Future Campaign, to empower RCLs as learner leaders to deal with substance abuse, HIV and AIDS and learner pregnancy. Government Departments and NGOs participated during youth camps and learners were very much inspired.

RCLs from 120 schools participated in the Youth Citizen in Action whereby learners identified one social issue that was impeding teaching and learning and programme action to be taken to address that issue. The project is implemented in collaboration with an NGO called MaAfrika Tikkun whereby a provincial winning school receives funds to continue with their project and also participate in National Championships.

School safety

Members of the School Safety Committees from 5463 schools were trained on Disaster Management and 1806 School Safety Committees were trained on drug testing and search and seizure processes. The search and seizure campaign was implemented in 176 schools as a joint venture with SAPS. These are schools where there were reasonable suspicions of the existence of drugs and dangerous weapons.

The Provincial School Safety Plan was approved and KZN Circular 08 of 2012 has been circulated to inform the system. The challenge is that the implementation protocol between SAPS and the department has not been finalized.

Quality Learning and Teaching Campaign

In line with the President of South Africa's call that education is a societal issue and the promotion of the provision of quality education, 2 792 schools have successfully established QLTC Steering Committees as committees of SGBs in terms of Section 30 of SASA. This is work in progress and will be completed as soon as all schools have newly elected SGBs. All 12 districts have established QLTC Steering Committees.



2.1.6.15 Partnership with Stakeholders

A search and seizure campaign was implemented in 176 schools as a joint venture with the SAPS. These are schools where there were reasonable suspicions of the existence of drugs and dangerous weapons.

The Provincial School Safety Plan was approved and KZN Circular 08 of 2012 has been circulated to inform the system. The challenge is that the implementation protocol between SAPS and the department has not been finalized.

The establishment of QLTC Steering Committees at school level provides a platform for parents, Teacher Unions, SGB Associations, Traditional and Local Government leadership, CBOs, NGOs, FBOs Business and any other relevant stakeholders to actively participate in the improvement of the quality of teaching and learning in those public schools.

2.1.6.16 Teacher Supply

There are a number of interventions to improve the rate at which new, young and appropriately trained teachers enter the teaching profession. These include the placement of Funza Lushaka bursary holders into schools, the awarding of bursaries to non-employees for them to pursue a teaching profession, and the upgrading of unqualified and under-qualified educators who are already in the system. A large scale training process that was postponed in 2011/12 is underway with a view to ensure that, when changes are implemented in the curriculum, educators are well poised to pass on the knowledge to learners.

The training is earmarked for the grades that will be implementing the Curriculum and Assessment Policy Statements (CAPS) in the 2013 school year. A series of in-service training workshops will be held to uplift the level of understanding and teaching for those educators who were challenged in learning areas, mainly mathematics and physical science. It is anticipated that these workshops will improve the levels of educators' understanding of these learning areas, and therefore will result in positive results achieved by learners.

2.1.6.17 School Funding

In the 2011/12 financial year the Department monitored which schools were formally given the various SASA Section 21 functions. The Annual Survey was used to gather the required information. Schools were informed on what to expect from the provincial department and what rights they actually enjoy, in particular as far as the transfer of the school allocation is concerned and the right to take decisions on how this money is spent without unnecessary restrictions.

In the 2012/13 financial year "No fee" schools will be funded at "No Fee" threshold of R880 per learner. The only quintile that is sold short is quintile 1 that would have been funded at R960 as funds permitted. The light at the end of the tunnel is that apart from quintile 1, schools are being funded at the target amount that enables them to function effectively. This spells an increase of R292 million.

To ensure that the preferential school funding in poorer communities translates into effective interventions and optimal combinations of inputs that assist in combating the historical disadvantage, the Department will, after due consultations with the relevant stakeholders, supply basic equipment



to schools using the school allocation. The basic equipment includes inter alia, the white board, geography maps and biology charts, overhead projector, classroomlaptop, etc. Thirty percent (30%) of the funds allocated to Learning and Teaching Support Material will be applied towards that end.

2.1.6.18 Support by Districts

In the 2011/12 financial year the Department placed emphasis on District officials as they were required to provide expert advice and guidance in terms of coordination, control, monitoring and support to the School Governing Bodies, principals, school management teams, teachers and the Representative Council of Learners (in secondary schools). This meant that each school had to be visited monthly by different district officials to ensure their functionality through guidance in terms of coordination, control, monitoring and support. In providing coordination, control, monitoring and support, district officials were expected to offer quality service and hold accountable School Governing Bodies, principals, school management teams and teachers where teacher performance was unacceptably poor and learner attainment was not improving.

District officials provided services listed hereunder and more in their guidance and advice to schools in terms of coordination, control, monitoring and support:

- i. Subject specific and professional assistance to educators – circuit management
- ii. Support and guidance to school management to school management teams and governing bodies
- iii. Psychological and trauma support and counseling to educators and learners; support for learners with barriers
- iv. Support related to examination and assessment practices
- v. Financial management training to SMTs and SGBs
- vi. Enhanced community leadership and support
- vii. Links between schools and head office
- viii. Co-ordinate support from other state departments to schools
- ix. Mentorship and oversight support to educators and schools
- x. Link to schools and other community structures
- xi. Labour peace initiatives
- xii. Resolution of labour matters and disputes
- xiii. Recruitment of new and substitute educators
- xiv. Provision of infrastructure, renovations and emergency repairs



- xv. Structured visits, in addition to district generated visits are conducted through school functionality monitoring (first and last 3 days of each school term) and ward manager visits (PPM 216) once a quarter
- xvi. Administrative and financial assistance and systems and procedures
- xvii. Co-curricular activities
- xviii. District curricular performance targets are disaggregated to schools
- xix. District personnel work in support of schools towards the attainment thereof

2.1.6.19 FET Colleges and Skills Development

FET Colleges offer a variety of programmes which are essential for business as well as households. Artisan development is mainly done by FET Colleges through the Report 191 Programmes. This adds value to the increase of artisans to meet the national target of 10,000 artisans per year by 2014. Colleges require effective partnerships with private and public sector in order to achieve the aim of skills development which is placement.

Important and relevant Programmes are offered by FET Colleges, e.g. Maritime Studies, Pulp and Paper, Transport and Logistics, Electronics, Civil Engineering, Electrical Engineering, Mechanical Engineering, Primary Agriculture, Hospitality, Cosmetology, Beauty Therapy, etc. Youth and adults must make use of these institutions as their first choice as they are affordable and accessible.

The seven key developmental and transformation imperatives that guide and will be used as a measure for the effectiveness of the National Skills Development Strategy 3 have more room of being implemented in the FET Colleges that are spread throughout all the Municipalities. These imperatives are race, class, gender, geography, age, disability and the HIV and AIDS pandemic.

In 2011 the nine FET Colleges in KwaZulu-Natal have enrolled 24,306 students for the National Certificate (Vocational) Programme and 22,536 students for the Report 191 Programmmes. The dropout rate on actual verification of enrolments done in May/June 2011 was approximately 2% for the NC (V) programmes and 16% for the Report 191 programmes.

In the NC (V) approximately 40% of the students take engineering programmes e.g. Electrical, Mechanical, Civil and IT while 6.3% take Primary Agriculture.

In the Report 191 programmes 48.4% of the students take Engineering subjects. FET Colleges were able to retain a total of 23,677 students throughout the whole year. Of these students a total of 14,418 students wrote the examinations in 2011. The success rate (students who passed all seven subjects) achieved was 37%, which is an improvement on 2010 results (16.5%). The success rate target for 2011 was a total of 8,095 students. The achievement for 2011 is 66% (i.e. a total of 5,331 students completed full course successfully). A total of 9,087 NC (V) students passed less than seven subjects in the FET Colleges.



2.1.6.20 Administration of Public Examinations and Assessment

In order to bolster the pass rate at Grade 12 level, the department engaged in interventions that seek to turn the system around through the introduction of the Provincial Intervention Team, whose responsibility was to ensure quality curriculum coverage at the classroom level and, where such was lacking, to provide the necessary workshops. The 2011 school year saw the department conduct various types of examinations, which included the National Senior

Certificate (NSC) examinations, the National Senior Certificate Common Tests for Grade 11 and 12 (on a quarterly basis), as well as the Common Task for Assessments (CTAs) set by the department and administered to all Grade 9 learners in the province.

Of the 127 056 learners that entered for the NSC examination in 2011, 122 126 wrote and 83 201 passed. All systems were in place, and the necessary risk analysis and security checks were conducted to deliver a credible examination, without compromising integrity. Despite this, the number of learners that passed dropped compared to 2010, where 86 556 of the 122 444 learners passed.

The pass rate dropped from 70.7 per cent in 2010 to 68.1 per cent in 2011. The Annual National Assessments (ANA) were written for the first time in 2011/12. The results thereof were unsatisfactory, thus requiring a focus on the reading, literacy, writing and mathematical skills of KZN learners.

2.1.6.21 School Library Services

To promote the establishment of school libraries in the province, 120 media centre representatives were trained on effective management and utilization of library resources. Classroom libraries in 140 schools have been set up, 521 schools are assisted to formulate policies during school visits and 1 353 schools have been visited for school-based training, professional support and mentoring on proper library usage. To aid teacher professional development on library matters, 240 teachers have registered at UKZN for the ACE in school librarianship and 240 teachers have registered at UZ for the Diploma in school librarianship. In addition to formal training, informal training sessions have been conducted for 2 380 Teacher-Librarians and School Library Committee members.

Thirty four (34) free standing Education Resource Centres have been visited for monitoring and support. One hundred and twenty (120) iBoxes have been procured to support effective teaching and learning. Additional library materials have been selected and procured for curriculum enrichment. Donated MindSet materials were distributed to 56 targeted schools and 31 ERCs support the Saturday school project.

A total literacy collective reading initiative whereby ALL SMS members, CESSs, DCESSs and FESSs became advocates for reading and targeted a primary school situated in a disadvantaged community on the 8th of September 2011 under the slogan "GET CAUGHT READING" was a major success. Six hundred and forty nine (649) schools were visited by officials and supplied with literacy packs worth R5000. Three hundred and forty (340) schools were trained on reading promotion strategies and the Readers' Cup competition was held at Maritzburg Boys College.

The KZN province has 13 mobile libraries out of 29 mobile libraries in the country, which is the highest number of library buses in the province. The buses have visited 117 schools in the province positioned



in all 12 districts. Obonjeni district, as the most poorly resourced district has two mobile libraries. The mobile library service has promoted fluency in reading, which is the basis of all further learning, to assist educators in promoting literacy skills to learners and to support the school curriculum with a wide range of learning and teaching resources. It has provided fun and excitement of reading to targeted schools. For effective implementation of the project, all librarians, drivers and library assistants have been trained, mobile library guidelines have been developed and communicated to all users and frequent visits to targeted schools have been undertaken.

2.1.6.22 Infrastructure Development

The Department is an active participant in the infrastructure development improvement programme. It aims to institutionalise forward planning and adoption of best practices espoused by the Construction Industry Development Board (CIDB). The department has started the process of realizing Public-Private Partnerships (PPP) to expedite the delivery of infrastructure. In the context of the disjuncture between infrastructure backlogs and the available budget, the realization of the PPP will accelerate the speed with which the Department achieves the outcomes of schooling 2025.

In the 2011/12 financial year the department continued to make recognizable strides in addressing backlogs in the provision of classrooms, toilets, computer rooms, laboratories and media centres at existing schools and the construction of new schools with all the buildings as envisaged in the DBE optimum space norms for public ordinary schools through existing programmes, and newly initiated programmes based on new needs and new policy directives. These facilities have been provided in the context of capacity challenges within the department and the infrastructure industry as a whole which include continuously rising construction costs.

The department explored alternative building materials for infrastructure provisioning by building ECD classrooms at existing schools as a dedicated, focused intervention through Programme 7: Early Childhood Development. All new and existing primary schools that are now constructed and/or upgraded have ECD classrooms built as part of their scope through Programme 2: Public Ordinary Schools. This provides a challenge with expenditure allocation and reporting of projects as many of the identified projects are addressed in Programme 2, resulting in a perceived under delivery/under expenditure in Programme 7.

Infrastructure maintenance and storm damage budget for schools will soon be devolved from Head Office to districts. This is in line with the department's aim to improve district functionality and also to ensure that schools receive timeous support from districts.

NEW SCHOOLS

The Department has also continued with the construction of new schools as guided by the UKZN Research. Nine (9) new schools were constructed in 2010/11. The construction of new schools has taken a new dimension with the piloting of model schools, with Indumo Comprehensive High School in the UMkhanyakude District being the first one of this pilot. The department has received a mandate to refocus the provision of schools by making a bold and lasting legacy in the areas where schools are built and institutionilising the collaborative principles of Sukuma Sakhe.

ELECTRIFICATION

The electrification programme continues to be rolled-out by the Department of Energy, through the IDT, while the provision and maintenance of solar electrical systems by the department needs to be



reconsidered in light of rampant vandalism of these installations. The projection is that by 2014 all schools in the province will have electricity. Provision and maintenance of solar electrical systems by the department is receiving attention in the light of rampant vandalism of the infrastructure in some communities.

2.1.7 Departmental Revenue, expenditure and other specific topics

R'000	Actual 2008/09	Actual 2009/10	Actual 2010/11	Target 2011/12	Actual 2011/12	% Deviation
Sale of goods and services other than capital assets	28,532	30,979	33,384	34,455	36,780	7%
Interest, dividends and rent on land	24,094	22,735	1,539	231	11,677	4955%
Sale of Capital Assets	-	1,749	-	-	6,745	-
Financial transactions in assets and liabilities	43,920	32,665	28,941	20,149	33,900	68%
Transfers received	50	-	-	-	-	-
Total	96,596	88,128	63,864	54,835	89,102	62%

The department derives its revenue around the following items:

Sale of goods and services other than capital assets which is largely commission earned on insurance and garnishee deductions. Notwithstanding the increase in the annual collection since 2008/09, the increase is of a concern as in some ways it is indicative of the indebtedness of the employees.

Interest, dividends and rent on land due to interest charged on outstanding staff debts. The increases between 2008/09 and 2009/10 relate to the late payment of discounts which related to prior years. The increase for 2011/12 is due to the concerted effort in the collection of outstanding debt and the correct allocation of such receipts.

Transactions in financial assets and liabilities relate to higher recovery of outstanding staff debts. Overall the department managed to collect 62% more than what was budgeted for.



2.1.7.1 REVENUE TARIFFS

	FEES	TARIFF/S
SALES GOODS & SERV NON CAP ASS		
MARK ESTAB: DWELLINGS *		
House rent	500.00	per month DPSA
MARK ESTAB: NON-RES BUILDING *		
Parking covered	30.00	per month
Parking motor cycles	30.00	per month
Parking lock up garages	40.00	per month
Parking reserved open: motor vehicles	6.00	per month
Parking reserved open: motor cycles	6.00	per month
SERV REND: BOARDING SERV-STAFF		
Married housing	Maximum of 200.00	4% of basic salary
Single housing	Maximum of 200.00	1% of basic salary
Non standard housing i.e.(prefabricated)		50% of the rent equivalent standard housing
Voetstoots housing (deteriorated-cannot be fully repaired)		75% of the rent
SERV REND: COMMISSION INSURANCE		
Gov: Pay roll deduction		
Garnishee orders		5% of the total monthly payover excl. child maintenance orders
Insurance deduction		2,5% on deductions of insurance premiums
SERV REND: EXAM CERTIFICATES		
Issuing of certificate		
Senior certificates (schools) (1 June 2008)		
2008	30.00	per certificate Tariffs revised by National DoE 06/2008
2009	35.00	per certificate
2010	40.00	per certificate
2011	46.00	per certificate
Senior certificate (Technical) (1 June 2008)		
2008	60.00	per certificate
2009	70.00	per certificate
2010	80.00	per certificate
2011	90.00	per certificate
Re-issuing		
2005	15.00	per certificate
2006	18.00	per certificate
Re-issue of duplicate certificate		
2005	20.00	per certificate
2006	30.00	per certificate
Statement of results (less than 6 subjects)	6.00	per statement
SERV REND: MARKING OF EXAM PAPER		
Re marking	70.00	
Re checking	12.00	
REPLACEMENT OF SECURITY CARDS		
Re-issue of disc	30.00	Own Department's policy
SALES: SCRAP, WASTE, OTH GOODS		
Sales: waste paper	500.00	per ton
INTEREST, DIVIDEND, RENT ON LAND		
REVENUE: FINANCIAL ASSETS		
REV:FA:REC:PRV SEC: CON DEPT DEBT		
1 June - 30 June		14%
1 July 2008 up to date		15%
REV:FA:REC:PRIV SEC:DOMESTIC SER		
REV:FA:REC:PRIV S:TRANS-RES-WORK		
For a round trip journey of:		
0 - 10km	17.50	Revised monthly tariffs from 1 October 2002
10 - 20km	21.50	
20 - 30km	32.50	
30 - 40km	43.00	
Over 40km	52.00	
REV:FA :REC OF PAYMENTS MADE	-	
REV:FA:RECOF PREV YEARS' EXP	-	
REV:FA:STALE CHEQUES	-	
REV:FA:UNALLOCATED CREDITS	-	



2.1.8 Department Expenditure

	Adjusted Appropriation R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %
Current payments	28,435,879	-	28,435,879	29,784,902	(1,349,023)	
Compensation of employees	25,061,155	128,868	25,190,023	26,639,394	(1,449,371)	105.8%
Goods and services	3,374,724	(129,338)	3,245,386	3,145,038	100,348	96.9%
Interest and rent on land	-	470	470	470	-	100.0%
Transfers & subsidies	2,311,572	-	2,311,572	1,892,934	418,638	
Provinces & municipalities	1,000	48	1,048	1,048	-	100.0%
Departmental agencies & accounts	18,944	-	18,944	18,944	-	100.0%
Non-profit institutions	2,228,429	(78,482)	2,149,947	1,745,282	404,665	81.2%
Households	63,199	78,434	141,633	127,660	13,973	90.1%
Payment for capital assets	2,479,550	-	2,479,550	2,121,381	358,169	
Buildings & other fixed structures	2,110,097	51	2,110,148	2,097,788	12,360	99.4%
Machinery & equipment	369,453	(63)	369,390	23,581	345,809	6.4%
Software & other intangible assets	-	12	12	12	-	100.0%
Total	33,227,001	-	33,227,001	33,799,217	(572,216)	101.7%

The departments' over-expenditure for the year is R572.2 million, this represents 1, 7% of the total budget.

Compensation of Employees was overspent by R1.449 billion. Of this amount, R579 million is with respect to the "No work, No Pay" which was not collected from the employees that were on strike during 2010. This amount was written back to expenditure in the current year in anticipation of such "no work, no pay" being deducted from the employees, which did not materialise. A large portion of the remainder of the expenditure relates to the carry through pressures brought about by the under-funding of Occupation Specific Dispensation and Wage Agreements of prior years, which has had the effect of eroding the budget.

The Goods and Services reflect an under-expenditure of R100.3 million largely attributed to the cost cutting measures that the department implemented with a view to curbing the then projected over-expenditure, which was brought about by the pressures related to Compensation of Employees. Included in this is an amount of R27 million representing the unspent portion of the National School Nutrition Programme for which a roll-over has been requested.

Transfers and Subsidies show an under-expenditure of R418.6 million largely due to the National Catalogue not being finalised timeously during the course of the calendar year for the procurement of LTSM, especially in Gr1, 2, 3 and 10, the Department held back the transfers and purchased on behalf of all schools. This expenditure is now reflected under Goods and Services and not transfers. The Department purchased for schools that did not comply with transfer requirements.

The final accounts with respect to Buildings and Other Fixed Fixtures reflect a final appropriated budget amount of R2.110 billion of which the final expenditure amounts to R2.097 billion and accounts for 99.4% expenditure. The unspent portion of R12.3 million is committed and will be spent in the new financial year.



The Machinery and Equipment budget of R369.3 million was not fully spent due to a deliberate attempt to reduce a projected over-expenditure during the financial year.

Transactions in financial assets and liabilities relate to higher recovery of outstanding staff debts. Over all the department achieved to collect 62% more than what was budgeted for.

2.1.9 Transfer Payments

The department makes transfer payments to Non-Profit Institutions as indicated in Annexure 1 C of the Annual Financial Statements as presented in Section 3 of this report.

2.1.10 Public Entities

The department does not have any public entities

2.1.11 Conditional grants and earmarked funds

In general, the department complied with DORA, Act of 2011. Further details are provided in the Section 3 of this report.

Name of Grant	Allocation (R'000)	Funds Received (R'000)	Expenditure (R'000)	Variance Budget vs Expenditure (R'000)
HIV and AIDS	45,114	45,114	45,114	-
National School Nutrition Programme	1,172,082	1,172,082	1,144,368	27,714
Technical Secondary School Recap Grant	38,563	38,563	36,762	1,801
FET College Sector Grant	765,537	765,537	765,537	-
Expanded Public Works Programme	536	-	-	536
Dinaledi Schools Grant	12,320	12,320	12,320	-
Provincial Infrastructure Grant	1,175,956	1,175,956	1,175,956	-
	3,210,108	3,209,572	3,180,057	30,051

■ HIV and AIDS

The grant targeted the training of educators in the integration of life-skills into the curriculum, provision of counseling, care and support to learners affected by the virus. The department met all its targets as contained in the business plan. No funds were withheld due to the non-spending of the grant.

■ National School Nutrition Programme

During the year under review, R1.144 billion was spent on the feeding of learners in all Quintile 1 to 3 Schools. The balance of the unspent funds relates to the non-payment of February & March invoices which had not been received by the end of the financial year. A roll-over request has been submitted to Treasury in this regard. No funds were withheld due to the non-spending of the Grant.

■ Education Infrastructure Grant

This grant which is set aside to deal with all infrastructure related needs and was fully spent. Further details on infrastructure are available under Capital Investment, Maintenance and Asset Management Plan in Section 2.7. No funds were withheld due to the non-spending of the Grant.



■ **Recapitalisation of Technical High Schools**

An amount of R38.5 million was allocated and R36.7 million was spent for this grant. The funds were in the main utilized to:

- i. upgrade workshops to offer the Engineering Technology subjects and meet the demands of the NCS according to national safety standards.
- ii. install and upgrade computer laboratories to teach computer aided design in Engineering Graphics and
- iii. procure relevant and modern machines, computers, tools and equipment for curriculum to schools.
- iv. train educators to train learner in the relevant technical skills.

All the targets were met and the unspent portion related to machinery and equipment which could not be delivered and thus paid for within the financial year. A roll-over request was submitted in this regard. There were no funds that were withheld due to the non-spending of the Grant.

■ **Further Education and College Grant**

This is merely a ring-fencing of the funding for FET colleges that are now residing under the Department of Higher Education and Training.

■ **Expanded Public Works Programme**

EPWP Incentive Grant was allocated an amount of R536 thousand. This amount was allocated against Buildings and other fixed structures under Programme 2 and fully spent accordingly. However, the department delayed in the capturing as such the funds were not received by the department.

■ **Dinaledi Schools Grant**

This grant is used to promote teaching and learning of Mathematics and Science for some schools in the province. The whole amount allocated to the grant was spent.

2.1.12 Capital Investment, Maintenance and Asset Management Plan

Capital Investment

Immovable Property

The department does not have any of the immovable assets registered in its name as this is the responsibility of the Department of Public Works which is the custodian of all assets in the province and such all disposals and/or acquisitions are done by the Department of Public Works. For the year under review, the department has not disposed off any immovable property.

An amount of R2.098 billion was spent on infrastructure of which R1.521 billion represents work-in-progress, as reflected in Note 45, which will be completed over the next financial years. The list of these projects is contained in the Infrastructure Reporting Model (IRM) which can be made available on request.



Investigations into non-viable schools are on-going, with such schools being closed if they are found to be non-viable. An assessment of the maintenance backlog is currently underway.

In order to enable the updating of the asset register, the department provides a quarterly update to the Department of Public Works on all completed projects. GIAMA will only be fully implemented in the province in the New Year and such super users have been identified and training is currently taking place. Due to GIAMA having been introduced, the real cost of maintenance is going to be established through the property conditions assessments exercise.

Movable Property

As reflected in Note 43, the value of movable asset holding amounted to R230.1 million at the end of the year. Assets bought by the department on behalf of the schools do not form part of the asset register and are transferred out.

Maintenance

The department currently operates on a reactive maintenance strategy which is wholly inadequate if the lifespan of our buildings is to be realized. However, for the department to achieve a pro-active approach to maintenance, huge financial input will have to be injected.

The table below indicates the budgetary allocations towards maintenance budget over a period of 6 years. For the financial years up to and including 2011/12, the budgetary allocations have been around R100 million per annum. In 2009/10, the maintenance expenditure was an estimated R120 million, however, there was a drop in expenditure during 2010/11 due to late payment of invoices which were accrued for the following financial year. The 2011/12 expenditure is R100 million.

As can be seen, with effect from the 2012/13 financial year, the department has doubled the allocation for maintenance budget in order to alleviate pressures in this regards.

Expenditure / Budget Type	Audited Outcomes 2009/10	Audited Outcomes 2010/11	Audited Outcomes 2011/12	Estimates 2012/13	Estimates 2013/14	Estimates 2014/15
Capital	1,288,343	1,836,333	2,097,788	2,192,854	2,288,816	2,427,310
Current	119,324	74,300	100,522	211,300	217,422	222,169
Total	1,407,667	1,910,633	2,198,310	2,404,154	2,506,238	2,649,479
Capital %	92%	96%	95%	91%	91%	92%
Current %	8%	4%	5%	9%	9%	8%

This grant is used to promote teaching and learning of Mathematics and Science for some schools in the province. The whole amount allocated to the grant was spent.



2.2 Programme Performance

SERVICE DELIVERY ACHIEVEMENT - PROGRAMME OUTPUTS

PERFORMANCE INFORMATION

The systems and procedures developed by Strategic Management, Monitoring and Evaluation (SMME) for collecting, collating, processing and recording performance information have improved management of performance information within the Department. The verification process instituted and conducted internally as well as by Ernst & Young externally has resulted in an accurate, valid, reliable and complete Performance Information.

In terms of audit readiness pertaining to performance against predetermined objectives, we received a clean audit report from the Office of the Auditor-General for the past two years. This year we received a clean audit report from the Auditor-General regarding performance Information as there were no material findings on the annual performance report concerning the usefulness and reliability of the information.

The activities of the KwaZulu-Natal Department of Education are organized in the following programmes:

- Programme 1: Administration
- Programme 2: Public Ordinary School Education
- Programme 3: Independent Schools
- Programme 4: Public Special School Education
- Programme 5: Further Education and Training
- Programme 6: Adult Basic Education and Training
- Programme 7: Early Childhood Development
- Programme 8: Auxiliary and Associated Services

PROGRAMME 1: ADMINISTRATION

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.

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Efficiency	PPM 101: Number of public schools that use SA SAMS to provide data to the national learner tracking system	2 836	2 500	2 986	496	19.84%
	PPM 102: Number of public schools that can be contacted electronically (email)	0	**3 890	1 194	-2 696	-69.30%
	PPM 103: Percentage of education current expenditure going towards non-personnel items	9%	12.8%	10.1%	N/A	-2.7%

** The target for PPM was 3890. The 5890 previously indicated was an entry error transferred from page 104 of the APP 2011/12. Refer to ST 101 Table on Page 49 of the APP 2011/12.



SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Highlight: PPM 101	The over-achievement of the target may be attributed to the drive by schools to have learners registered for the Annual National Assessments via SA-SAMS. Each of these learners had to have a tracking number.
Challenge: PPM 102	Lack of telecommunications infrastructure, particularly in rural areas, and the prohibitive cost of last mile connectivity are serious impediments towards the achievement of universal access to connectivity. The Universal Services and Access Agency of South Africa (USAASA) is beleaguered with problems and has failed to deliver on this mandate.
Response to Challenge: PPM 102	The Department of Education is working with Department of Communications, National Treasury and the Independent Communications Authority of South Africa (ICASA) to rectify the situation.
Challenge: PPM 103	Cost-cutting measures led to the target not being met.

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION

Programme Objective: To provide public ordinary education for Grades 1 to 12 in accordance with the South African School's Act.

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Efficiency	PPM 201 : Number of learners enrolled in public ordinary schools	2 570 571	2 569 793	2 780 713	210 920	8.20%
	PPM 202: Number of educators employed in public ordinary schools	86 381	88 373	87 784	-589	-0.66%
Adequacy	PPM 203: Number of non-educator staff employed in public ordinary schools	10 820	11 658	12 901	1 243	10.66%
	PPM 204: Number of learners in public ordinary schools benefiting from the "No Fee School" policy	1 750 006	1 750 721	1 797 952	47 231	2.69%
	PPM 205: Number of public ordinary schools to be provided with water supply.	2 660	50	137	87	174%
	PPM 206: Number of public ordinary schools to be provided with electricity supply.	1 168	**50	34	-16	-32%
	PPM 207: Number of public ordinary schools to be supplied with sanitation facilities.	161	40	146	106	265%
	PPM 208: Number of classrooms to be built in public ordinary schools.	45 537	1 500	1 227	-273	-18.20%
	PPM 209: Number of specialist rooms to be built in public ordinary schools (all rooms except classrooms-INCLUDE; laboratories, stock rooms, sick bay, kitchen, etc.	262	260	1 019	759	291.92%
	PPM 210: Number of learners with special education needs that are enrolled in public ordinary schools.	20 729	14 000	23 437	9 437	67.41%
	PPM 211: Number of full service schools	50	**34	31	-3	-8.82%
	PPM 212: Number of schools visited at least once a quarter by a circuit manager.	6 073	6 176	5 098	-1 078	-17.45%

** PPM 206 Target for 2011/12 is 50. The 600 target from the APP is inclusive of the 550 cumulative target to be provided with electricity over the MTEF period and beyond

** PPM 211 Target for 2011/12 is 34. The 84 target from the APP is inclusive of 50 the actual output achieved in the 2010/11 financial year (baseline)



SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Highlight: PPM 201	The surpassing of the target by 210 920 is due largely to schools taking on additional learners after the 10th day of the Academic year when Snap Surveys had already been completed. Additional Gr. R classes also contributed to the increase in enrolment.
Challenge: PPM 202	The Department is experiencing a critical shortage of teachers, especially, in gateway subjects such as Mathematics, Sciences, and Accounting and in Home Language in the Foundation Phase. In KZN we lose teachers annually through attrition due to deaths, retirement and resignation.
Response to Challenge: PPM 202	The Department has implemented a four year provincial teacher development strategy which encompasses initial teacher training, continuous professional development and recruitment of teachers. There is also a drive to recruit foreign teachers and to encourage those with tertiary qualifications to take up teaching as a career.
Highlight: PPM 204	The over-achievement of the target by 47 231 is largely due to motivations submitted by schools requesting their quintile rankings to be reviewed so that they may be considered for "No Fee School" status. Validity tests based on visits to these schools yielded more learners who qualify for fee exemption.
Highlight: PPM 205	Over and above the target of 50 schools, an additional 87 schools were provided with water due to a lack of rainfall in that area thus necessitating the drilling of boreholes at these schools. The ASIDI Grant sourced from National was used to provide water at these additional schools.
Challenge: PPM 206	The target of 600 includes backlogs carried over from the previous financial year. The department is dependent on the delivery of electricity by Eskom and Roshcon through the Department of Mineral and Energy. All new classrooms built are wired for electricity but the department has to wait for the grid from Eskom. Where the department has installed solar panels, the communities have stolen these thus resulting in increased backlogs.
Response to Challenge: PPM 206	The department has engaged with Eskom and Roshcon as well as with municipalities to expedite connections where schools are connected to the grid. Security is to be enhanced at schools to prevent vandalism to electricity supply.
Highlight: PPM 207	The over-achievement is as a result of the replacement of sanitation facilities at schools where toilets have become old and have reached saturation.
Challenge: PPM 208	The under-achievement is due to contractors being delayed by bad weather and other unforeseen circumstances. The outstanding 273 classrooms are at 80% completion.
Response to Challenge: PPM 208	The 273 outstanding classrooms will be completed in June 2012. A stricter monitoring of contractors is underway and Implementing Agents will apply penalties consistently.
Highlight: PPM 209	The over-achievement is due to the increased focus on the provision of specialist classrooms to enrich curriculum delivery.
Highlight: PPM 210	The number of learners has increased because of advocacy.
Challenge: PPM 211	The infrastructure delays in allocation of tenders led to the under-achievement of the target.
Response to Challenge: PPM 211	Communicated with Infrastructure management to fast track delivery.
Highlight: PPM 212	In some instances individual Circuit Managers were able to visit all their schools more than once. Circuit Managers in the Umzinyathi District achieved a 100% coverage in the 4th Quarter.
Challenges: PPM 212	Limited response by Districts in the Province. Vacant Circuit Managers posts, with consequent "doubling up" by some Circuit Managers. Provincial and District meetings disturb planned activities of Circuit Managers. Distances between schools / vastness of circuits / limitation of monthly kilometers travelled.
Response to Challenges: PPM 212	Vacancies declared to HR for advertisement and filling. The Department has prioritised planned District activities. Districts are attempting to co-ordinate travelling and functions.

PROGRAMME 3: INDEPENDENT SCHOOLS

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

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Quality	PPM 301: Number of subsidized learners in Independent Schools.	27 517	25 600	28 623	3 023	11.81%



SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Highlight PPM 301:	The target has been over-achieved by 3 023.
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PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION

Programme objective: To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education

Sub-programme 4.1: Schools

Sub-programme objective: To provide specific public special schools with resources.

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Efficiency	PM 401: Number of learners enrolled in Public Special Schools.	14 889	15 189	16 101	912	6.00%
	PPM402: Number of educators employed in public special schools.	1 217	1 522	1 396	-126	-8.28%
	PPM403: Number of Professional non- teaching Staff employed in public special schools.	142	1 480	196	-1 284	-86.76%

SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Highlight: PPM 401	The number of learners increased because of the provision of learner transport.
Challenge: PPM 402	Teachers could not be employed because of cost cutting measures.
Response to Challenge: PPM 402	Submission on educator staff establishment was forwarded to HR for approval.
Challenge: PPM 403	Support staff could not be employed because of cost cutting measures.
Response to Challenge PPM 403:	Support staff could not be employed because of cost cutting measures.

PROGRAMME 5: FURTHER EDUCATION AND TRAINING

Programme objective: To provide Further Education and Training (FET) at public FET colleges in accordance with the Further Education and Training Act.

Sub-programme 5.1: Public Institutions

Programme objective: To provide specific public FET colleges with resources.

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Access	PPM501: Number of students enrolled in NC (V) courses in FET Colleges.	22 307	49 518	14 418	-35 100	-70.88%
Equity	PPM502: Number of FET College NC (V) students who completed full courses successfully.	3 690	57 588	5 331	-52 257	-90.74%



SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Challenge: PPM 501	The deviation from the target is attributed to factors like changing programmes (from NC (V) to NATED), withdrawal by students, and late capturing of data by colleges.
Response to Challenge: PPM 501	Regular Chief Directorate meetings are held to discuss enrolment planned as informed by the funding available.
Challenges: PPM 502	The programme content of the NC (V) Programmes has been proven to be at a high level for the students that have exited grade 9, hence the high failure rate. Examination results are always delayed. These results are administered by the Department of Higher Education and Training. The programme content of the NC (V) programmes is very high for the students that have exited at grade 9.
Response to Challenges: PPM 502	The NC (V) programmes are currently being reviewed. Colleges are now using the placement test for the students at level 2. This will lead to colleges offering foundational courses prior to level 2 where required. Examination Section at the Chief Directorate monitors the administration of the assessment process including the writing of examination. Regular meetings with examinations officers at FET Colleges are held to discuss assessment related issues and the administration thereof.

PROGRAMME 6: ADULT BASIC EDUCATION AND TRAINING

Programme objective: To provide Adult Basic Education and Training (ABET) in accordance with the Adult Basic Education Act.

Sub-programme 6.1: Public Centre

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Access	PPM601: Number of learners enrolled in public ABET Centres in the province	48 420	58 000	52 569	-5 431	-9.36%
	PPM602: Number of educators employed in public ABET Centres	5 895	6 500	5 855	-645	-9.92%

SPECIFIC CHALLENGES AND RESPONSES

Challenge: PPM 601	The anticipated absorption of learners from other Mass Literacy Programmes (Kha Ri Gude) did not materialise.
Response to Challenge: PPM 601	There is now coordination between the AET Directorate and Kha Ri Gude which will help in joint planning strategies for eradication of illiteracy.
Challenge: PPM 602	Recruitment and training of AET dedicated educators is still a challenge.
Response to Challenge: PPM 602	AET Directorate has enrolled 115 AET educators through UNISA to upgrade their qualifications using the Skills Levy Fund.

PROGRAMME 7: EARLY CHILDHOOD DEVELOPMENT

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

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Access	PPM 701: Number of learners enrolled in Grade R in Public schools.	207 436	182 492	199 249	16 757	9.18%
	PPM 702: Number of public schools that offer Grade R	3 881	4 290	4 111	-179	-4.17%



SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Highlight: PPM 701	The target was exceeded as many parents removed their children from community based sites and placed them in schools where they received the benefits of the school nutrition programme, more resources and better infrastructure.
Challenge: PPM 702	Many schools are not able to open Grade R Classes as there are insufficient learners.

PROGRAMME 8: AUXILIARY AND ASSOCIATED SERVICES

Programme objective: To provide specialist support services with support functions to Public Ordinary Schools.

Indicators	Performance Measure	Actual Outputs 2010/11	Target Outputs 2011/12	Actual Outputs 2011/12	Deviation from Target	
					Units	%
Access	PPM 801: Number of candidates for the Grade 12 senior certificate examination	150 929	155 000	127 044	-27 956	-18.04%
	PPM 802: Number of candidates for the ABET NQF Level 4 examinations	22 162	24 000	22 590	-1 410	-5.87%

SPECIFIC CHALLENGES/HIGHLIGHTS AND RESPONSES

Challenge: PPM 801	The deviation from the target is attributed to factors like changing programmes (from NC (V) to NATED), withdrawal by students, and late capturing of data by colleges. The projected target included all Grade 11 learners of the previous year, but the number that subsequently progressed into Grade twelve was lower thus resulting in the deviation of -27 956.
Response to Challenge: PPM 801	Intervention strategies to strengthen teaching and learning programmes across all grades will result in an improvement in the pass rate in all grades.
Challenge: PPM 802	Some candidates who registered did not write the examination, due to various reasons such as death, absenteeism and sickness.





SECTION 3:

FINANCIAL INFORMATION



3.1 REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE NO. 5: DEPARTMENT OF EDUCATION

The KwaZulu-Natal Provincial Audit & Risk Committee is pleased to present its report for the financial year ended 31 March 2012.

Provincial Audit & Risk Committee Members and Attendance

The Provincial Audit and Risk Committee (the PARC) consists of the members listed hereunder. The PARC is split into three (3) Cluster Audit & Risk Committees (the CARC) which consists of members of the PARC; is responsible for the Governance & Administration, Social and Economic Clusters respectively and reporting into the PARC. The Chairman of the PARC is also the Chairman of the different CARCs and attends all CARC meetings. The CARC and the PARC are required to meet at least four times and two times respectively in a financial year. During the financial year ending 31 March 2012, a total of thirteen meetings (13) were held, namely, two (2) PARC meetings, three (3) CARC meetings per cluster, and two (2) special meetings. Members attended the meetings as reflected below:

Surname & Initial	PARC		CARC		Special		Total no. of Meetings	Total no. of Meetings Attended
	No. of Meetings Held	Attended	No. of Meetings Held	Attended	No. of Meetings Held	Attended		
Ms T Tsautse (Chairman)	2	2	9	9#	2	2	13	13
Ms M Mothipe	2	1	3	3*	2	2	7	6
Ms N Jaxa	2	2	3	3*	2	2	7	7
Mr L Mangquku	2	2	3	3*	2	2	7	7
Mr T Boltman	2	2	3	3*	2	2	7	7
Mr F Docrat	2	2	3	3*	2	2	7	7
Mr V Naicker	2	2	3	3*	2	1	7	6

* - 3 Meetings per cluster were held

- Chairman attends all CARC meetings

Provincial Audit & Risk Committee Responsibility

The Provincial Audit and Risk Committee reports that it complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations, including any other statutory and other regulations. The Provincial Audit and Risk Committee also reports that it adopted appropriate formal terms of reference as its Provincial Audit and Risk Committee Charter, regulated its affairs in compliance with this charter and discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The systems of internal control are the responsibility of the department's management and are designed to provide effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the requirements of the PFMA and the principles of the King III Report on Corporate Governance, the Internal Audit Function provides the Provincial Audit and Risk Committee



and the departmental management with assurance that the systems of internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors; and the Report and Management Letter of the Auditor-General on the Annual Financial Statements, it was noted that the systems of internal control were not effective for the entire year under review as control deficiencies were detected in the following significant areas:

- Human Resource Management
- Supply Chain Management
- Asset Management
- Fleet Management
- Learner transport
- HIV/AIDS programmes
- Information Technology General Controls

The quality of “In Year Monitoring” and monthly / quarterly reports submitted in terms of the Treasury Regulations and the Division of Revenue Act

The Provincial Audit and Risk Committee, through the Internal Audit Function, was satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the department during the year under review except for the material underspending of funds by the department; as well as the delay in transferring funds to certain institutions and the lack of supporting documentation at institutions supporting the expenditure of transferred funds.

Audit of Performance Information

The monitoring of the department’s performance is a key function of the executive management of the department. The Provincial Audit & Risk Committee has no direct line of responsibility over the department’s performance. However, the Provincial Audit and Risk Committee is responsible for ensuring, principally through the Internal Audit Function that the systems of performance management, measurement and reporting; as well as the systems of internal control that underpin the performance management framework of the department, remain robust and are reviewed routinely in the internal audit plans.

The Committee has accepted the responsibility of ensuring that adequate reporting on performance information is in line with its mandate and charter.

The Committee reviewed the Internal Audit and Auditor-General reports relating to Performance Information and noted the following material deficiencies:

- Inadequate validation processes
- Inconsistencies in maintaining records
- Lack of adequate or no supporting documentation for reported figures



- Inconsistencies between the Annual Performance Plan and the Annual Report
- Inconsistent application of performance measures

Internal Audit Function

The Provincial Audit & Risk Committee provides oversight and monitors the activities of the Internal Audit Function. Consequently, the Committee is able to report on the effectiveness and efficiency of the function.

The function was effective during the period under review and there were no unjustified restrictions or limitations. The Committee will in the forthcoming year, monitor progress to ensure that the Internal Audit Function continues to add value to the department and achieves its optimal performance.

Risk Management Function

Risk Management is a proactive discipline that involves scenario planning and that is intended to provide reasonable assurance that the department will achieve its objectives. King III principle 2.2 states that the board, (executive authority in the case of a government department) “should appreciate that strategy, risk, performance and sustainability are inseparable.”

The committee noted that, during the 2011/12 financial year, the Internal Audit Unit assisted the department with a risk streamlining exercise. This exercise was an attempt to create one reference point for organizational risks – i.e. one risk register instead of pockets of risk registers that the department used to have prior to this exercise.

The consolidated risk register was presented to the Committee in the fourth quarter of the 2011/12 financial year. The committee advised that:

- The department review the accuracy of the risk register and the appropriateness of the risk ratings,
- The Internal Audit Unit formally handed-over the risk register to the department,
- The department strengthens its risk management function and oversight structures in order to ensure the sustainability of this process.

Other Governance Issues

As part of its governance responsibilities, the Committee also monitors the fraud prevention strategies that have been developed and implemented by provincial departments, and these responsibilities include monitoring the implementation of recommendations arising from forensic investigations.

During the period under review, the Committee noted that the department had 13 completed investigations and 5 ongoing investigations that were conducted by the Provincial Treasury’s Internal Audit Function.

The department was urged to implement recommendations arising from the completed investigation, and to provide the Internal Audit Function with a detailed list of all other investigations being conducted internally or by other relevant authorities.



Evaluation of Financial Statements

The Provincial Audit and Risk Committee reviewed the Annual Financial Statements of the Department, as well as the Auditor General's management report together with management's response thereto. The Provincial Audit and Risk Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



Chairperson: Provincial Audit & Risk Committee

Date: 31 July 2012



3.2 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 69 to 112, which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and 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 of these financial statements in accordance with the *Departmental financial reporting framework* 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 Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (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 the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and 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 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 qualified audit opinion.



Basis for qualified opinion

Employee benefits

6. Capped leave credits used as a basis for the leave entitlement did not reconcile with the accounting records, as leave adjustments arising from audits that were conducted were not timeously processed on the payroll system, as well as the management's leave reconciliation was incomplete. As a result, there were no satisfactory alternative audit procedures that I could perform to obtain reasonable assurance that leave entitlement amounts disclosed in the financial statements. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the existence and valuation of employee benefits amounting to R2,566 billion included in note 25 to the financial statements.

Opinion

7. In my opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2012 and its financial performance and cash flows for the year then ended, in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Irregular expenditure

9. As disclosed in note 28 to the financial statements, irregular expenditure of R187,339 million was incurred as a result of non-compliance with supply chain management processes.

Unauthorised expenditure

10. As disclosed in note 10 to the financial statements, unauthorised expenditure to the amount of R953,791 million was incurred during the financial year as a result of overspending on programme 2: Public ordinary school education (R897,397 million) and programme 5: Further education and training (R56,394 million).

Fruitless and wasteful expenditure

11. As disclosed in note 29 to the financial statements, fruitless and wasteful expenditure to the amount of R4,197 million was incurred during the financial year and mainly related to compensation of employees.

Significant uncertainty

12. As disclosed in note 22.2 to the financial statements, the department has raised a contingent asset of R606 million in respect of the amount for "no work no pay" which has not been recovered from the employees who were on strike during 2010 and is subject to legal processes.

Material underspending of the budget/conditional grant

13. As disclosed in note 5 to the financial statements, goods and services reflected an underspending of R100,3 million largely attributable to the cost-cutting measures that the department implemented with a view to curbing the then projected overexpenditure. Included in this is an amount of R27 million representing the unspent portion of the National School Nutrition Programme for which a rollover has been requested by the department.



Additional matters

14. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

15. The supplementary information set out on pages 131 to 133 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.

Financial reporting framework

16. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they “present fairly”. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

18. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 13 to 45 of the annual report.

19. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*. The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

20. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Compliance with laws and regulations

21. I performed procedures to obtain evidence that the department has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA are as follows:

Procurement and contract management

22. Employees performed remunerative work outside their employment in the department without written permission from the relevant authority as per the requirements of section 30 of the Public Service Act, 1994 (Proclamation No. 103 of 1994) (PSA) and section 33(1) of the Educators’ Employment Act, 1994 (Act No. 138 of 1994) (EEA).



23. Goods and services with a transaction value of between R10 000 and R500 000 were procured without obtaining written price quotations from at least three different prospective providers as per the requirements of Practice Note (PN) number 8 of 2007-08.

24. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids as per the requirements of Treasury Regulation (TR) 16A.6.4 and PN number 8 of 2007-08.

Public Finance Management Act

Annual financial statements

25. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 40(1) of the PFMA. Material misstatements identified by the auditors were not adequately corrected, which resulted in the financial statements receiving a qualified opinion.

Expenditure management

26. Money owing by the department was not always paid within 30 days of receiving an invoice or statement, as required by section 38(1)(f) of the PFMA and TR 8.2.3.

27. The steps taken by the accounting officer were not adequate to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by sections 38(1)(c)(ii) and 39(1)(b) of the PFMA.

Revenue management

28. The accounting officer did not take effective and appropriate steps to timeously collect all money due to the department as per the requirements of TR 11.2.1.

Internal control

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

30. The accounting officer did not adequately exercise oversight responsibility regarding financial reporting, compliance and related controls with the PFMA, PSA, EEA and supply chain management processes.

Financial and performance management

31. Management has implemented controls over the preparation of the financial statements but some of these controls were not adequately monitored to ensure that the financial statements are prepared in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury.



OTHER REPORTS

Investigations

32. Fourteen forensic investigations were referred to the internal audit unit, seven of which were completed and seven were still in progress. These investigations related to the awarding of National School Nutrition Programme tenders to government officials, officials who are employed by the department and own businesses that are suppliers to the department and misappropriation of school funds.

Performance audits

33. During the year under review, the following performance audits were conducted:

- Readiness of government to report on its performance which focused on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place.
- Early Childhood Development (ECD) programme which focused on the economic, efficient and effective use of resources in the ECD programme.
- Adult Basic Education and Training (ABET) programme which focused on the economic, efficient and effective use of resources in the ABET programme.

The audits are currently in the reporting phase and the findings will be reported in separate reports.

Pietermaritzburg
31 July 2012

Auditor-General



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



3.3 REPORT OF THE ACCOUNTING OFFICER

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1.1 Financial Review

PROGRAMME	FINAL APPROPRIATION	ACTUAL EXPENDITURE	VARIANCE
Administration	1 389 302	1 332 174	57 128
Public Ordinary School Education	28 570 071	29 467 468	(897 397)
Independent School Subsidies	63 357	63 114	243
Public Special School Education	953 714	879 823	73 891
Further Education & Training	777 754	834 148	(56 394)
Adult Basic Education & Training	157 408	155 366	2 042
Early Childhood Development	630 699	488 423	142 276
Auxiliary & Associated Services	684 696	578 701	105 995
TOTAL	33 227 001	33 799 217	(572 216)

1.1.1 Spending Trends

The departments' over-expenditure for the year is R572.2 million, which represents 1,7% of the total budget. Hereunder, follows a detailed explanation:

■ Compensation of Employees

The compensation of employees was overspent by R1.449 billion. Of this amount, R579 million is with respect to the "No work, No Pay" which was not collected from the employees that were on strike during 2010. This amount was written back to expenditure in the current year in anticipation of such "no work, no pay" being deducted from the employees. This however did not materialise. A large portion of the remainder of the expenditure relates to the carry through pressures brought about by the under-funding of Occupation Specific Dispensation and Wage Agreements of prior years of R961 million.

For the current year, this amount of R579 million has been disclosed as a contingent asset in line with the National Treasury preparation guide.

■ Goods and Services

The final accounts reflect an under-expenditure of R100.3 million largely attributed to the cost cutting measures that the department implemented with a view to curbing the then projected over-expenditure. Included in this is an amount of R27 million representing the unspent portion of the National School Nutrition Programme for which a roll-over has been requested.



■ Transfers and Subsidies

Transfers and Subsidies show an under-expenditure of R418.6 million:

- Due to the National Catalogue not being finalised timeously during the course of the calendar year for the procurement of LTSM, especially in Grades 1, 2, 3 and 10, the department held back the transfers and purchased on behalf of all schools.
- This proved to be very successful as 3.2 million copies of textbooks were bought and delivered in a very short period of time benefiting 962 521 learners.
- This expenditure would now be reflected under Goods and Services and not transfers.
- The department has also made purchases for schools that were non-compliant.

■ Payment for Capital Assets

Buildings and Other Fixed Fixtures

The final accounts reflect a final appropriated budget amount of R2.110 billion of which the final expenditure amounts to R2.097 billion and accounts for 99.4% expenditure. The unspent portion of R12.3 million is committed and will be spent in the new financial year.

Machinery and Equipment

A total of R23.5 million was spent against a budget of R369.3 million reflecting a 93.6% savings due to a deliberate attempt to reduce a projected over-expenditure during the financial year.

■ Virements

The following virements which were performed in the Appropriation Statements were approved by Provincial Treasury.

FROM WHICH PROGRAMME	CLASSIFICATION	AMOUNT	TO WHICH PROGRAMME	REASONS	AMOUNT
Programme 1 - Administration	Buildings and Other Fixed Fixtures	70 989	Programme 2 - Public Ordinary School	Buildings and Other Fixed Fixtures	70 989
Programme 4 - Special School Education	Buildings and Other Fixed Fixtures	1 341	Programme 5 - Further Education and Training	Buildings and Other Fixed Fixtures	1 341
		81 590	Programme 2 - Public Ordinary Schools	Buildings and Other Fixed Fixtures	81 590
Programme 7 - Early Childhood Development	Transfers and Subsidies	31	Programme 5 - Further Education and Training	Transfers and Subsidies	31
	Transfers and Subsidies	384	Programme 6 - Adult Basic Education and Training	Transfers and Subsidies	384
	Transfers and Subsidies	668	Programme 8 - Auxiliary and Associated Services	Transfers and Subsidies	668
	Buildings and Other Fixed Fixtures	54 938	Programme 2 - Public Ordinary Schools	Buildings and Other Fixed Fixtures	54 938
Programme 8 - Auxiliary and Associated Services	Goods and Services	24 096	Programme 2 - Public Ordinary Schools	Goods and Services	24 096
	Goods and Services	98		Interest and Rent on Land	98
		234 135			234 135

■ Any other material matters

All matters relating to irregular, fruitless and wasteful expenditure have been reported appropriately in the financial statements.



2. SERVICES RENDERED BY THE DEPARTMENT

2.1 The core functions of the department are summarised below:

Public Ordinary Schools

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

Public Special School Education

The aim of this programme is to provide public education in special schools and full-service schools, in accordance with the South African Schools Act and White Paper 6 on Inclusive Education.

Independent Schools

The main aim of this programme is to subsidise needy independent schools equitably. The subsidy is determined by the amount of the fees that the school charges.

Early Childhood Development

This service evolved as a national initiative to strengthen Pre-Grade 1 education, and make it accessible to the majority of citizens. The intention is to provide universal Grade R by 2014, as stipulated in Education White Paper 5.

Adult Basic Education and Training

This programme aims to increase the level of basic education and skills and to reduce the illiteracy rate, to enable adults to participate meaningfully in economic and other structures in the province and the country at large. Some of the functions of this programme are performed by the Department of Higher Education and Training.

Further Education and Training

This area of service is aimed specifically at addressing the skills shortage in our country and to ensure that learners are trained in skills that match the requirement of the workplace in order to promote their employability. The FET colleges are the primary vehicle for skills training, especially addressing shortages in low and medium skills. This programme reports to the Department of Higher Education and Training.

2.2 Tariff policy

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.

2.3 Free Services

The department does not render any free services.



2.4 Inventories

As per the Note 5.5, the value of inventories disclosed is R765.3 million. A large portion of this amount is represented by non-consumable items that the department buys on behalf of schools, for an example, the Learner Teacher Support Material. The expenditure and budget for the National School Nutrition Programme was moved during the year to the Agency and Outsourced services line item as per the directive from National Treasury. The value of inventories (consumables) at hand as at 31 March 2012 was R9.2 million as per Annexure 5.

3. CAPACITY CONSTRAINTS

The carry through effects of the underfunding of the Occupation and Specific Dispensation (OSD) as well as the Wage Settlement Agreements continued to put pressure on the financial well-being of the department.

It must be born in mind that the Department has an approved post establishment of 89 437 educators and 19 623 office based staff, giving a total of 109 060. The current budget can only accommodate 84 432 educators and 17 291 office based educators, totalling 101 723.

As such this has had a significant impact on the department's ability to provide a decent work environment, tools of trade and staff accommodation and to fill vacant posts largely those that are of administrative units of the Districts and Head office. Notably, the department could not afford to pay the per capita to the schools as per the national Norms and Standards guidelines, which in the long run will impact on the long term ability of the schools to be financially viable.

The impact of this is demonstrated for an example, by the unacceptable increase of incidents of late or non-payment of water and lights accounts by schools. The Department of Education was unable to fully implement PMDS, as we were unable to pay officials in recognition of their meritorious performances. This takes away the significant prerogative to provide incentives to improve the quality of service delivery.

This underfunding is bringing sharp contradictions in terms of the accounting officers' ability to manage the service delivery imperatives against the funding problems. For an example, where a need for additional teachers arise as a result of resignations, in terms of the Treasury Regulations, should the accounting officer continue with this process knowing that there is no budget, it is deemed a financial misconduct. On the other hand, the learners could be without educators, and thus be affected in terms of their attainment. Notwithstanding the latter, deliberations with the provincial oversight committees are continuing with a view to finding lasting solutions to the underfunding problem.

The non-availability of decent residential accommodation for our educators, the dispersed nature and sometimes absence of office accommodation for administration purposes, largely brought about by the limited infrastructure budget, continues to be a challenge and contributes to the difficulty of recruiting and retaining skilled staff particularly in the rural districts.

The backlog and concurrent requirements of classrooms infrastructure impact on the quality of the education that the department wishes to deliver. As a means of mitigating this challenge, the department started the process of engaging in a Public Private Partnership (PPP).



The department together with Provincial Treasury are currently looking at measures to alleviate the impact of the above measures on the next financial year and the MTEF thereafter, whilst a task team has been formed to look at the issue of providing accommodation for government professionals.

Teacher supply continues to be a challenge within the department. The capacity of institutions to produce teachers is far less than the demand that currently exists and in particular in scarce subjects. In principle, an agreement has been reached with the Higher Education Institution to increase the students' intake whilst the financial mechanisms are being discussed.

4. UTILISATION OF DONOR FUNDS

Donor funds were received from the Royal Netherland Embassy and were utilised optimally.

■ The Royal Netherlands Embassy funds

The department carried a negative opening balance of R3.9 million as per the 2010/11 final accounts. During the year, an amount of R4.6 million was received thus this account is reflecting a favourable balance of R0.712 million which will go towards funding the running costs for education centres. These funds are administered through the Reconstruction and Development Fund at National Treasury.

5. TRADING ENTITIES AND PUBLIC ENTITIES

The Department does not have public entities.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Transfer payments were made to:

- Schools with Section 21 functions;
- Schools without Section 21 functions in respect of petty cash;
- Schools with Section 21 Functions except the LTSM function with respect to basic allocation;
- Independent Schools;
- Public Special Schools; and
- FET Colleges

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The department currently does not have any public private partnership agreements however; processes are under way to create one with respect to infrastructure delivery.



8. CORPORATE GOVERNANCE ARRANGEMENTS

8.1 Risk Management

The Department drives risk management under the guidance and support of the Provincial Internal Audit Unit and such Strategic Risk and Operational Assessments were conducted during 2011 and for which the progress with respect to implementing mitigating factors are monitored.

The department has formed a Risk Management Committee which assists the accounting officer with the execution of functions as they relate to risk and other related matters. The department has made five (5) appearances before the Cluster Audit and Risk Committee (CARC). This has had a profound impact in terms of giving guidance and direction to the matters of governance and internal control.

BRERPRCO (Budget, Revenue, Expenditure, Risk, Performance and Reporting Committee) ensures efficient and effective risk management practices as well as direct Top Management and leadership of the Accounting Officer.

8.2 Fraud Prevention

A fraud prevention policy has been developed and implemented. In addition, the Department has a number of internal policies and procedures that are in addition to the requirements of the Public Finance Management Act that have been implemented and appropriate staff trained.

8.3 Internal Audit

The Department has used the Provincial Internal Audit Unit of the Provincial Treasury to provide its Internal Audit services & Audit Committees. The Internal Audit Unit, supported by our own Internal Control & Risk Management directorate, is effective in identifying risks and proposing counter-measures. All lapses in internal control that are identified during the performance of such audits are presented to the Risk Committee in order that management can collectively take responsibility and make sure that in their own areas of responsibility such lapses are not repeated.

8.4 Internal Control & Risk Management Directorate

Internal Control & Risk Management directorate of the Department of Education provides expenditure control services and support to the provincial Internal Audit Unit of the Provincial Treasury. In terms of the new organisational structure, this component now includes the Special Investigation Unit and reports directly to the Head of Department.

8.5 Management processes to avoid conflict of interest

The policy on Remuneration of Work Outside Public Service policy (RWOPS) was developed. Accordingly all employees have been alerted to its provisions and prescripts to ensure strict compliance therewith.

In addition, the Department has the following processes that effectively prevent conflict of interest:

- Significant management decisions are made at meetings of the Top Management and Senior Management, with the Ministers Management Meeting giving an overall oversight and direction;
- All members of Senior Management Service are obliged to disclose their financial interests annually; however, not all members of the Senior Management Service have been complying with the submission dates. However, the necessary steps to address this have been adhered to;



- Bid Award Committees, include Bid Specifications, Bid Evaluations and Bid Adjudication Committees, and are structured to ensure full compliance with the letter and spirit of the PFMA. Additionally, all members of all Bid Committees are required to disclose any conflict of interests at each meeting and recuse themselves from relevant processes and proceedings;
- The department has introduced the review of Bid Committee members on an annual basis.

8.6 Implementation of code of conduct

All senior managers are designated as custodians of the implementation of the Public Service Code of Conduct. The Department of Education is committed to ethical conduct of all public servants in education. Further, all educators are required to register with the South African Council of Educators (SACE) to enforce a professional code of conduct. Our Human Resources Chief Directorate have elaborate systems to ensure effective implementation of our policy regime in this regard.

8.7 Safety, health and environment issues

8.7.1 Safety

Governance and Management has been mandated to deal with safety in schools, through the Schools Safety Committees. These committees encourage the participation of role-players that will add value to the school in terms of making the school a safe haven for the school community and encourage the school to be the centre of local community life.

The participation of the other role-players included amongst them are SAPS, Local Councilor, Fire Department, COGTA (for disaster management), Community Policing Fora and other safety structures - this is mandated by KZN Circular 71 of 2008.

To date, 5878 School Safety Committees have been established and the member details were received from districts and also relayed to National DBE as per the Implementation Protocol between SAPS and DBE to prevent crime and violence in all schools. This protocol directs schools to link themselves with the safety structures in their locality and also provides for the establishment of safety committees.

To support, schools joint intervention between KZN DoE and SAPS in respect of search and seizure in schools are continuing. 132 schools were searched in 2011 and 64 have already been searched as at 31 March 2012. This activity is part of the MECs “My Life My Future” campaign.

The Department has also circulated KZN Circular 32 of 2012 in support of schools. This circular contains measures to counter violence, drug abuse and other forms of crime in public schools.

Further, in partnership with SAB the “you decide” campaign against underage drinking enhances our partnership with Community Safety Forums and the SAPS to rid schools of any dangerous weapons (search and seizure).

8.7.2 Health

Our Life skills and Life Orientation programme in the Grades R-12 curriculums promotes personal well-being of learners and healthy lifestyles.

The KwaZulu-Natal province continues to be at the epicenter of the HIV and AIDS pandemic. In order to mitigate the scourge of HIV and AIDS, the department is implementing the life-skills programme in collaboration with a number of stakeholders for instance the Department of Health, Department of Social



Development, and a number of Non-Governmental Organisations. During the year the department launched the “My Life My Future” campaign whose aim is to make learners take ownership of their life. Health screenings were conducted by the Employee Assistance Unit for office based employees.

The Eye Care programme that the department is implementing in partnership with the International Center for Eyecare Education (ICEE), has reached 120 educators, nurses and therapists for training in eye screening.

Nutritious meals were provided to 2.2 million learners daily and no incidents of food poisoning were reported as a result of stringent measures taken to protect food from contamination.

8.7.3 Environment

The department participated in the COP 17 conference that was held during the year. During that period a number of activities were held which included the planting of indigenous trees, schools aligning their activities and curriculum such that they take advantage of the focus and discussions around environment matters. Some learners had the opportunity of touring the various exhibitions that were on display.

There are no specific environmental issues caused by the department. However, the department is adversely affected by the lack of portable water and transport infrastructure which impinges on our ability to provide quality education.

In collaboration with youth organisations, the department continues to support safe disposals of equipment, particularly computers and old unused chemical in an environmental friendly manner.

8.7.4 Effectiveness of the audit committee

The Province has an Audit Committee that oversees all departments. The department attends the Audit Committee meetings on an invitational basis. The department has attended 5 such meetings and the following matters were deliberated on:

- Financial Performance
- Audit Outcomes
- Investigations
- Internal Audit
- Performance Audits and Performance Information

9. DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED

The provincial government and the finance committee directed that the Learner Transport function should be transferred to the Department of Transport. As such, during the year, planning and route design functions that relate to the implementation of the Learner Transport were transferred to the Department of Transport together with the related budget.



10. NEW/PROPOSED ACTIVITIES

In order to enhance teaching and learning in the classroom, the Honourable Minister has embarked on a road show to gain the support of the School Governing Bodies, with respect to ensuring that the basic classroom equipment be at the learners and educators disposal.

11. ASSET MANAGEMENT

The department has invested resources to ensure that the movable asset register is maintained and updated on a continuous basis.

The decentralised nature of the department sometimes poses challenges with respect to tracking asset movements notwithstanding the approved policies and procedures. The department continues to experience challenges around the movement of assets without due regard to procedures, the bar codes falling off, etc.

■ **Assets bought on behalf of non- section 21 schools**

Non Section 21 schools are those schools which have not been granted authority by the Accounting Officer to perform functions as indicated in Section 21 of the South African Schools Act. In this regard, the department performs the procurement function on behalf of these schools.

The South African Schools Act of 1996 states that assets bought by schools after 1996 belong to the schools. In complying with this requirement, Note 33 of the Annual Financial Statements includes an amount of R19.5 million which represents assets bought by the department on behalf of non-section 21 schools.

■ **Immovable Assets**

The department is making efforts to ensure that the immovable assets side of asset management is attended to. To this extent, the various officials will be introduced to GIAMA to ensure readiness on our part. The infrastructure unit is keeping track of all additions to schools at a project level and the similar approach is being introduced to all our Implementing Agents. For the current year, the department has complied with the directive of alerting the Department of Public Works of all completed projects.

12. EVENTS AFTER THE REPORTING DATE

There are no events after the reporting date that has not been mentioned for the 2011/12 financial year.

13. INFORMATION ON PREDETERMINED OBJECTIVES

The department has submitted the draft annual report to the Auditor-General in time for it to be audited. Whilst there are challenges that relate to the breaking down of some of the performance managers to the level of the district, the culture of reporting and verifying these objectives has improved.



The department continues to follow the guide as provided by the Education Sector as a basis for recording, measuring, sourcing and reporting on information on predetermined objectives.

14. SCOPA RESOLUTIONS

The following SCOPA resolutions were raised during the 2011 financial year and all have been responded to:

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Resolution 29/2009	Court proceedings regarding Indiza	The matter is at court and the department is awaiting a court date in this regard.
Resolution 5/2012	Performance Audit on Infrastructure Projects	A full response on all the findings has been given and all matters of deficiencies were addressed.
Resolution 14/2011	Transversal: Irregular Expenditure	A report was given to the Provincial Treasury and a response given in terms of how the department must deal with various issues in the Annual Financial Statements.
Resolution 15/2011	Transversal: Government Employees performing private remunerative work	A full response was given to the committee.
Resolution 17/2011	Transversal: Adjustments made to the Annual Financial Statements by the Auditor General	A full response was given to the committee.
Resolution 18/2011	Transversal: Engagement of Consultants	A full response was given to the committee.
Resolution 19/2011	Transversal: Investigations completed and investigations in progress	A full response was given to the committee.
Resolution 20/2011	Transversal: Signing of Performance Agreements by members of the senior management	A full response was given to the committee.
Resolution 21/2011	Transversal Resolution: Other Legal and regulatory requirements: Predetermined Objectives	A full response was given to the committee.
Resolution 22/2011	Transversal Resolution: Write-Off of Staff Debts	A full response was given to the committee.
Resolution 52/2011	Basis for qualified opinion: Employee Benefits	A full response was given to the committee.
Resolution 6/2012	Unauthorised Expenditure R 2.6 million	A full response was given to the committee.



15. PRIOR MODIFICATIONS TO AUDIT REPORTS

The following represents areas that were reported by the Auditor-General in the previous financial year and the departments' response to those issues.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial Year in which it first arose	Audit Issue	Progress made in clearing or resolving the matter
Basis for qualification - Accruals	2010/11	Not all accruals were accounted for in the financial statements.	Payment downloads of up to end of May in each year will be used to update the relevant note.
Basis for qualification – Employee Benefits	2010/11	Valuation of leave entitlement and capped leave balances amounting to R2.897 billion as disclosed in note 25 could not be verified.	A full audit capped leave balances was conducted and a new process of capturing leave forms implemented.
Emphasis of Matter – Irregular Expenditure	2010/11	As disclosed in note 28 to the financial statements, the department incurred irregular expenditure amounting to R84.412 million as proper procurement processes had not been followed.	This amount is made up of various categories of irregular expenditure. The process of dealing with each category will be informed by the National Treasury Practice Note on the treatment of irregular expenditure.
Material Losses – Debts Written Off	2010/11	As disclosed in note 7 of the financial statements, material losses to the amount of R86.571 million were incurred as a result of a write-off of irrecoverable staff debtors.	The department is in a process of handing over the files to the State Attorney with a view of recovering such debts.
Procurement and Contract Management	2010/11	Employees performed remunerative work outside their employment in the department without written permission from the relevant authority as per the requirements of section 30 of the Public Service Act, 1994 (Proclamation No. 103 of 1994) (PSA) and section 33(1) of the Educators' Employment Act No. 138 of 1994 (EEA).	A policy on Remuneration Work Outside Public Services has been developed. All employees are required to apply for authority from the Head of Department before undertaking such. All employees who do not comply will be subjected to the internal disciplinary process.
		Awards were made to bidders who did not submit an appropriate form declaring whether the bidder or any person connected with the bidder is employed by the state or if the bidder is a legal person, whether the bidder has a relationship with persons/a person involved in the evaluation and/or adjudication of the bids as per the requirements of Practice Note 7 of 2009-10 issued by National Treasury.	At the time that the matter was reported no provincial circular had been issued. Subsequent to this, the implementation of the clause relating to this requirement has been postponed.
Expenditure Management	2010/11	Prepayments relating to goods and services were not recorded in the financial statements.	This matter is under discussion with the service provider.
Non-adherence to the PFMA and Treasury Regulations		The department did not report to the Provincial Treasury or the Auditor-General within 10 days all cases where goods and services were procured above the value of R1 million as required by National Treasury Practice Note 6 of 2007-08 read with Treasury Regulation 16A6.4	The department agrees with the finding. It was an oversight not to report these to Provincial Treasury, although they were prepared.



16. EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

The Department was exempted from reporting on immovable assets in the current financial year by National Treasury. This was due to the fact that the Government Immovable Asset Management Act (GIAMA) no.19 of 2007 had not yet been approved for implementation to date.

17. INTERIM FINANCIAL STATEMENTS

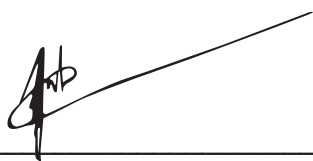
The department complied fully with the requirement of compiling and submission of the Interim Financial Statements. The matters that were raised at this point have been included in the Annual Financial Statements.

18. OTHER MATTERS

There are no other additional matters to be reported on.

19. APPROVAL

The Annual Financial Statements set out on pages 92 to 147 have been approved by the Accounting Officer.



Nkosinathi SP Sishi, PhD
Head of Department: Education

3.4 ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2012

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. 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, Act 2 of 2008.

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

1.2 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.

1.3 Rounding

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

1.4 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.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

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.

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.

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position. Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

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.

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 are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is re-issued 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 expended 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 of 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 expenses.

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.

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.

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

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 recognised as expenditure in the Statement of Financial Performance. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.



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).

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 of 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.

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.



4.8 Contingent Assets

These are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

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" and is capitalised in the asset register of the department on completion of the project.

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". On completion, 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.

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

These are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.6 Commitments

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 disclosure notes.

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 disclosure notes.

5.8 Employee benefits

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 the Statement of Financial Position.

5.9 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 disclosure 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.

5.10 Provisions

Provisions are disclosed 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.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

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 disclosure notes.

9. Key management personnel

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



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.5 APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

Appropriation Per Programme									
	2011/2012						2010/2011		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1 Administration									
Current payment	1 262 908	-	-	1 262 908	1 311 895	(48 987)	103.9%	1 210 584	1 210 585
Transfers and subsidies	26 488	-	-	26 488	12 272	14 216	46.3%	17 009	9 815
Payment for capital assets	170 895	-	(70 989)	99 906	8 007	91 899	8.0%	136 658	57 280
Payment for financial assets	-	-	-	-	-	-	-	-	86 571
	1 460 291	-	(70 989)	1 389 302	1 332 174	57 128		1 364 251	1 364 251
2 Public ordinary school Education									
Current payment	25 249 630	-	24 194	25 273 824	26 519 987	(1 246 163)	104.9%	22 916 454	22 251 244
Transfers and subsidies	1 502 997	-	-	1 502 997	1 135 730	367 267	75.6%	1 089 999	1 090 044
Payment for capital assets	1 585 733	-	207 517	1 793 250	1 811 751	(18 501)	101.0%	1 652 687	1 679 847
	28 338 360	-	231 711	28 570 071	29 467 468	(897 397)		25 659 140	25 021 135
3 Independent school subsidies									
Transfers and subsidies	63 357	-	-	63 357	63 114	243	99.6%	59 772	58 524
	63 357	-	-	63 357	63 114	243		59 772	58 524
4 Public special school education									
Current payment	489 532	-	-	489 532	621 980	(132 448)	127.1%	450 289	458 211
Transfers and subsidies	126 705	-	-	126 705	100 603	26 102	79.4%	119 097	71 497
Payment for capital assets	420 408	-	(82 931)	337 477	157 240	180 237	46.6%	178 931	113 745
	1 036 645	-	(82 931)	953 714	879 823	73 891		748 317	643 453
5 Further education and training									
Current payment	231 542	-	-	231 542	287 693	(56 151)	124.3%	225 408	225 765
Transfers and subsidies	544 840	-	31	544 871	545 114	(243)	100.0%	476 716	476 359
Payment for capital assets	-	-	1 341	1 341	1 341	-	100.0%	3 759	3 759
	776 382	-	1 372	777 754	834 148	(56 394)		705 883	705 883
Balance c/f	31 675 035	-	79 163	31 754 198	32 576 727	(822 529)	102.6%	28 537 363	27 793 246



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

Appropriation per Programme									
2011/2012									
	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
Balance b/f	31 675 035	-	79 163	31 754 198	32 576 727	(822 529)	102.6%	28 537 363	27 793 246
6 Adult basic education and training									
Current payment	155 422	-	-	155 422	154 957	465	99.7%	139 953	131 823
Transfers and subsidies	25	-	384	409	409	-	100.0%	1 001	1 001
Payment for capital assets	1 577	-	-	1 577	-	1 577	-	-	-
	157 024	-	384	157 408	155 366	2 042		140 954	132 824
7 Early childhood development									
Current payment	380 938	-	-	380 938	329 545	51 393	86.5%	286 495	286 495
Transfers and subsidies	28 216	-	(1 083)	27 133	16 080	11 053	59.3%	26 619	334
Payment for capital assets	277 566	-	(54 938)	222 628	142 798	79 830	64.1%	113 765	66 163
	686 720	-	(56 021)	630 699	488 423	142 276		426 879	352 992
8 Auxiliary and associated services									
Current payment	665 907	-	(24 194)	641 713	558 845	82 868	87.1%	422 385	450 323
Transfers and subsidies	18 944	-	668	19 612	19 612	-	100.0%	22 975	17 145
Payment for capital assets	23 371	-	-	23 371	244	23 127	1.0%	19 504	86
	708 222	-	(23 526)	684 696	578 701	105 995		464 864	467 554
Total c/f	33 227 001	-	-	33 227 001	33 799 217	(572 216)	101.7%	29 570 060	28 746 616



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

Appropriation per Programme									
2011/2012									
	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
	33 227 001	-	-	33 227 001	33 799 217	(572 216)	101.7%	29 570 060	28 746 616
Total b/f									
Reconciliation with Statement of Financial Performance									
Add: Departmental receipts				89 105				63 864	
Add: Aid Assistance				4 616				31 709	
Actual amounts per Statement of Financial Performance (Total Revenue)				33 320 722				29 665 633	
Add: Aid assistance					712				4 366
Actual amounts per Statement of Financial Performance Expenditure					33 799 929				28 750 982



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

Appropriation per economic classification									
	2011/2012					2010/2011			
	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
Current payments									
Compensation of employees	25 061 155	-	128 868	25 190 023	26 639 394	(1 449 371)	105.8%	22 860 525	22 742 939
Goods and services	3 374 724	-	(129 338)	3 245 386	3 145 038	100 348	96.9%	2 790 637	2 271 101
Interest and rent on land	-	-	470	470	470	-	100.0%	406	406
Transfers and subsidies									
Provinces and municipalities	1 000	-	48	1 048	1 048	-	100.0%	1 375	1 375
Departmental agencies and accounts	18 944	-	-	18 944	18 944	-	100.0%	22 382	16 552
Non-profit institutions	2 228 429	-	(78 482)	2 149 947	1 745 282	404 665	81.2%	1 707 197	1 631 707
Households	63 199	-	78 434	141 633	127 660	13 973	90.1%	82 234	75 085
Payment for capital assets									
Buildings and other fixed structures	2 110 097	-	51	2 110 148	2 097 788	12 360	99.4%	1 842 489	1 836 333
Machinery and equipment	369 453	-	(63)	369 390	23 581	345 809	6.4%	262 815	84 547
Software and other intangible assets	-	-	12	12	12	-	100.0%	-	-
Payment for financial assets									
	-	-	-	-	-	-	-	-	86 571
Total	33 227 001	-	-	33 227 001	33 799 217	(572 216)	101.7%	29 570 060	28 746 616



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 1: Administration

Programme per sub-programme	2011/2012						2010/2011		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1.1 Office of the MEC Current payment Transfers and subsidies Payment for capital assets	16 963 7 000 -	- - -	4 496 (3 041) 1	21 459 3 959 1	21 459 - 1	- 3 959 -	100.0% - 100.0%	18 218 - 2 179	18 218 - 20
1.2 Corporate services Current payment Transfers and subsidies Payment for capital assets	438 940 1 000 8 038	- - -	238 358 3 002 (1)	677 298 4 002 8 037	726 285 4 002 7 663	(48 987) - 374	107.2% 100.0% 95.3%	638 437 11 905 54 078	638 438 4 711 22 350
1.3 Education Management Current payment Transfers and subsidies Payment for capital assets Payment for financial assets	745 874 18 488 147 145 -	- - - -	(210 453) - (70 989) -	535 421 18 488 76 156 -	535 421 8 231 343 -	- 10 257 75 813 -	100.0% 44.5% 0.5% -	508 209 5 078 77 856 -	508 209 5 078 34 910 86 571
1.4 Human Resource Development Current payment Transfers and subsidies	32 091 -	- -	(24 985) -	7 106 -	7 106 -	- -	100.0% -	35 372 -	35 372 -
1.5 EMIS – Education Management Information Services Current payment Transfers and subsidies Payment for capital assets	29 040 - 15 712	- - -	(7 416) 39 -	21 624 39 15 712	21 624 39 -	- - 15 712	100.0% 100.0% -	10 348 26 2 545	10 348 26 -
Total	1 460 291	-	(70 989)	1 389 302	1 332 174	57 128	95.9%	1 364 251	1 364 251



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 1: Administration

	2011/2012							2010/2011	
Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	793 946	-	-	793 946	856 198	(62 252)	107.8%	778 197	778 197
Goods and services	468 962	-	(372)	468 590	455 325	13 265	97.2%	432 095	432 096
Interest and rent on land	-	-	372	372	372	-	100.0%	292	292
Transfers and subsidies									
Provinces and municipalities	1 000	-	48	1 048	1 048	-	100.0%	1 305	1 305
Non-profit institutions	-	-	12	12	12	-	100.0%	12	12
Households	25 488	-	(60)	25 428	11 212	14 216	44.1%	15 692	8 498
Payment for capital assets									
Buildings and other fixed structures	78 102	-	(70 989)	7 113	7 113	-	100.0%	64 908	36 979
Machinery and equipment	92 793	-	(12)	92 781	882	91 899	1.0%	71 750	20 301
Software & other intangible assets	-	-	12	12	12	-	100.0%	-	-
Payment for financial assets									
	-	-	-	-	-	-	-	-	86 571
Total	1 460 291	-	(70 989)	1 389 302	1 332 174	57 128	95.9%	1 364 251	1 364 251



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 2: Public Ordinary School Education

Programme per sub-programme	2011/2012						2010/2011	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
2.1 Public primary schools								
Current payment	13 329 528	-	346 209	13 675 737	14 655 111	(979 374)	12 349 689	12 335 549
Transfers and subsidies	952 727	-	-	952 727	688 424	264 303	656 001	656 001
Payment for capital assets	1 014 761	-	190 737	1 205 498	1 229 499	(24 001)	1 060 648	1 083 071
2.2 Public Secondary schools								
Current payment	10 266 135	-	(204 584)	10 061 551	10 061 551	-	9 053 316	8 672 919
Transfers and subsidies	525 270	-	(2 230)	523 040	428 364	94 676	412 862	409 315
Payment for capital assets	525 638	-	16 780	542 418	542 418	-	589 917	589 917
2.3 Professional services								
Current payment	256 942	-	-	256 942	515 946	(259 004)	439 232	439 232
Transfers and subsidies	-	-	2 230	2 230	2 230	-	1 136	1 136
Payment for capital assets	439	-	-	439	21 756	(21 317)	592	592
2.4 Human resource development								
Current payment	157 519	-	(115 923)	41 596	41 596	-	159 219	1 867
2.5 In school sport and culture								
Current payment	40 786	-	(1 508)	39 278	39 278	-	22 783	22 783
2.6 Conditional Grant - POSE								
Current payment	1 198 720	-	-	1 198 720	1 206 505	(7 785)	892 215	778 894
Transfers and subsidies	25 000	-	-	25 000	16 712	8 288	20 000	23 592
Payment for capital assets	44 895	-	-	44 895	18 078	26 817	1 530	6 267
Total	28 338 360	-	231 711	28 570 071	29 467 468	(897 397)	25 659 140	25 021 135
								103.1%



KWAZULU-NATAL DEPARTMENT OF EDUCATION

VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 2: Public Ordinary School Education

	2011/2012							2010/2011	
Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	22 895 854	-	-	22 895 854	24 142 017	(1 246 163)	105.4%	20 835 702	20 724 520
Goods and services	2 353 776	-	24 096	2 377 872	2 377 872	-	100.0%	2 080 697	1 526 669
Interest and rent on land	-	-	98	98	98	-	100.0%	55	55
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Non-profit Institutions	1 466 606	-	(76 570)	1 390 036	1 022 769	367 267	73.6%	1 027 543	1 027 543
Households	36 391	-	76 570	112 961	112 961	-	100.0%	62 456	62 501
Payment for capital assets									
Buildings and other fixed structures	1 385 163	-	207 517	1 592 680	1 792 269	(199 589)	112.5%	1 543 638	1 659 506
Machinery and equipment	200 570	-	-	200 570	19 482	181 088	9.7%	109 049	20 341
Software & other intangible assets	-	-	-	-	-	-	-	-	-
Total	28 338 360	-	231 711	28 570 071	29 467 468	(897 397)	103.1%	25 659 140	25 021 135



KWAZULU-NATAL DEPARTMENT OF EDUCATION

VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 3: Independent School Subsidies

	2011/2012							2010/2011	
Details per Sub-Programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
3.1 Primary Phase Transfers and subsidies	38 648	-	999	39 647	39 647	-	100.0%	36 461	36 088
3.2 Secondary Phase Transfers and subsidies	24 709	-	(999)	23 710	23 467	243	99.0%	23 311	22 436
Total	63 357	-	-	63 357	63 114	243	99.6%	59 772	58 524

	2011/2012							2010/2011	
Programme 3 Per Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transfers and subsidies Non-profit institutions	63 357	-	-	63 357	63 114	243	99.6%	59 772	58 524
Total	63 357	-	-	63 357	63 114	243	99.6%	59 772	58 524



KWAZULU-NATAL DEPARTMENT OF EDUCATION

VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 4: Public Special School Education

Details per Sub-Programme	2011/2012						2010/2011	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
4.1 Special schools								
Current payment	485 612	-	3 740	489 352	621 800	(132 448)	449 968	457 890
Transfers and subsidies	126 705	-	-	126 705	100 603	26 102	119 097	71 497
Payment for capital assets	420 408	-	(82 931)	337 477	157 240	180 237	178 931	113 745
4.2 Human resource development								
Current payment	3 920	-	(3 740)	180	180	-	321	321
Total	1 036 645	-	(82 931)	953 714	879 823	73 891	748 317	643 453

Programme 4 Per Economic Classification	2011/2012						2010/2011	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments								
Compensation of employees	485 612	-	-	485 612	612 671	(127 059)	447 177	447 177
Goods and services	3 920	-	-	3 920	9 309	(5 389)	3 112	11 034
Transfers and subsidies								
Provinces and municipalities	-	-	-	-	-	-	70	70
Departmental agencies & accounts	-	-	-	-	-	-	-	-
Non-profit institutions	125 410	-	(675)	124 735	98 633	26 102	117 203	69 603
Households	1 295	-	675	1 970	1 970	-	1 824	1 824
Payment for capital assets								
Buildings & other fixed structures	369 559	-	(82 931)	286 628	154 216	132 412	116 658	69 889
Machinery and equipment	50 849	-	-	50 849	3 024	47 825	62 273	43 856
Total	1 036 645	-	(82 931)	953 714	879 823	73 891	748 317	643 453



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 5: Further Education and Training

	2011/2012							2010/2011	
Details per sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
5.1 Public institutions									
Current payment	231 542	-	-	231 542	287 693	(56 151)	124.3%	52 947	53 304
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	1 341	1 341	1 341	-	100.0%	3 759	3 759
5.2 Conditional grant - FET									
Current payment	-	-	-	-	-	-	-	172 461	172 461
Transfers and subsidies	544 840	-	31	544 871	545 114	(243)	100.0%	476 716	476 359
Total	776 382	-	1 372	777 754	834 148	(56 394)	107.3%	705 883	705 883



KWAZULU-NATAL DEPARTMENT OF EDUCATION

VOTE 5

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 5: Further Education and Training

	2011/2012							2010/2011	
Programme 5 per Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	231 542	-	-	231 542	286 996	(55 454)	123.9%	223 171	223 528
Goods and services	-	-	-	-	697	(697)	-	2 180	2 180
Interest and rent on land	-	-	-	-	-	-	-	57	57
Transfers and subsidies									
Non-profit institutions	544 840	-	-	544 840	544 840	-	100.0%	476 382	476 025
Households	-	-	31	31	274	(243)	883.9%	334	334
Payment for capital assets									
Buildings and other fixed structures	-	-	1 341	1 341	1 341	-	100.0%	3 759	3 759
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	776 382	-	1 372	777 754	834 148	(56 394)	107.3%	705 883	705 883



APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

		2011/2012						2010/2011		
Details per sub-programme		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
6.1	Public centres									
	Current payment	154 281	-	676	154 957	154 957	-	100.0%	139 953	131 823
	Transfers and subsidies	25	-	384	409	409	-	100.0%	1 001	1 001
	Payment for capital assets	1 577	-	-	1 577	-	1 577	-	-	-
6.2	Human Resource Development									
	Current payment	1 141	-	(676)	465	-	465	-	-	-
	Total	157 024	-	384	157 408	155 366	2 042	98.7%	140 954	132 824

		2011/2012					
Programme 6 per Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
Current payments							
Compensation of employees	142 385	-	2 890	145 275	145 275	-	100.0%
Goods and services	13 037	-	(2 890)	10 147	9 682	465	95.4%
Transfers and subsidies							
Households	25	-	384	409	409	-	100.0%
Payment for capital assets							
Machinery and equipment	1 577	-	-	1 577	-	1 577	-
Total	157 024	-	384	157 408	155 366	2 042	98.7%

KWAZULU-NATAL DEPARTMENT OF EDUCATION

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APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 7: Early Childhood Development

		2011/2012						2010/2011		
Details Per Sub-Programme		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
7.1	Grade R in Community centres									
	Current payment	102 534	-	(37 707)	64 827	64 827	-	100.0%	45 023	50 178
	Transfers & subsidies	8 216	-	7 714	15 930	15 930	-	100.0%	266	266
	Payments for capital assets	-	-	-	-	-	-	-	30 842	3 080
7.2	Grade R in public schools									
	Current payment	173 220	-	81 334	254 554	254 554	-	100.0%	143 410	219 554
	Transfers & subsidies	20 000	-	(8 797)	11 203	150	11 053	1.3%	26 353	68
	Payments for capital assets	277 566	-	(54 938)	222 628	142 798	79 830	64.1%	82 923	63 083
7.3	Pre-Grade R									
	Current Payment	103 670	-	(46 779)	56 891	5 498	51 393	9.7%	96 530	16 551
7.4	Human resource development									
	Current payment	1 514	-	3 152	4 666	4 666	-	100.0%	1 532	212
Total		686 720	-	(56 021)	630 699	488 423	142 276	77.4%	426 879	352 992



APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

2010/2011		Actual Expenditure
Final Appropriation	R'000	R'000
218 318	218 318	
68 177	68 177	
26 285	-	
334	334	
113 489	66 163	
276	-	
426 879	352 992	

KWAZULU-NATAL DEPARTMENT OF EDUCATION

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APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 8: Auxiliary and Associated Services

Details per sub-programme	2011/2012							2010/2011	
	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
8.1 Examination services									
Current payment	665 907	-	(24 194)	641 713	558 845	82 868	87.1%	362 917	390 855
Transfers & subsidies	-	-	668	668	668	-	100.0%	366	366
Payment for capital assets	23 371	-	-	23 371	244	23 127	1.0%	18 504	86
8.2 Payments to SETA									
Current payment	-	-	-	-	-	-	-	-	-
Transfers & subsidies	18 944	-	-	18 944	18 944	-	100.0%	22 382	16 552
8.3 Special projects - Masifundisane									
Current payment	-	-	-	-	-	-	-	59 468	59 468
Transfers & subsidies	-	-	-	-	-	-	-	227	227
Payment for capital assets	-	-	-	-	-	-	-	1 000	-
Total	708 222	-	(23 526)	684 696	578 701	105 995	84.5%	464 864	467 554



KWAZULU-NATAL DEPARTMENT OF EDUCATION

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APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

DETAILS PER PROGRAMME 8: Auxiliary & Associated Services

Programme 8 per Economic Classification	2011/2012					2010/2011	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000
Current payments							
Compensation of employees	322 426	-	-	322 426	280 869	224 973	224 973
Goods and services	343 481	-	(24 194)	319 287	277 976	197 410	225 348
Interest and rent on land	-	-	-	-	-	2	2
Transfers & subsidies							
Provinces & municipalities	-	-	-	-	-	-	-
Departmental agencies & accounts	18 944	-	-	18 944	18 944	22 382	16 552
Non-profit institutions	-	-	-	-	-	-	-
Households	-	-	668	668	668	593	593
Payment for capital assets							
Buildings and other fixed structures	-	-	51	51	51	37	37
Machinery & equipment	23 371	-	(51)	23 320	193	19 467	49
Software and other intangible assets	-	-	-	-	-	-	-
Total	708 222	-	(23 526)	684 696	578 701	464 864	467 554
							84.5%



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.6 NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

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-D) 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 to 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 R'000	Actual Payment R'000	Variance R'000	Variance as a % of Final Appropriation %
1. Administration	1 389 302	1 332 174	57 128	4%
Cost saving measures realised from Machinery & Equipment.				

	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
2. Public ordinary schools	28 570 071	29 467 468	(897 397)	(3)%
This is due to the impact from the carry through effect of the underfunding of prior year's OSD and the wage agreements.				

	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
3. Independent school subsidies	63 357	63 114	243	0%
N/A				

	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
4. Public special school education	953 714	879 823	73 891	8%
Cost saving measures realised from Machinery & Equipment and Transfers & Subsidies. Pressure under Compensation of Employees is offset by the above savings.				



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

5. Further education and training	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
	777 754	834 148	(56 394)	(7)%
This is due to the impact from the carry through effect of the underfunding of prior year's OSD and the wage agreements.				

6. Adult basic education and training	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
	157 408	155 366	2 042	1%
Cost saving measures.				

7. Early childhood development	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
	630 699	488 423	142 276	23%
The under expenditure is as a result of the non-availability of the catalogue and thus the Goods & Services plus Transfers & Subsidies budget could not be expended fully. The under expenditure on Buildings and Other Fixed Structures is as a result of the late commissioning of ECD infrastructure projects.				

8. Auxiliary and associated services	Final Appropriation R'000	Actual payment R'000	Variance R'000	Variance as a % of Final Appropriation %
	684 696	578 701	105 995	15%
The under expenditure is due to the postponement of the writing of the Annual National Assessments (ANA) from February to September.				



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

4.2 Per economic classification

	Final appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payment	28 435 879	29 784 902	(1 349 023)	(5)%
Compensation of employees	25 190 023	26 639 394	(1 449 371)	(6)%
This is due to the impact from the carry through effect of the underfunding of prior year's OSD and the wage agreements.				
Goods and services	3 245 386	3 145 038	100 348	3%
Combination of cost saving measures, non-availability of catalogues and the deferral of ANA.				
Interest and rent on land	470	470	-	0.0%
Transfers and subsidies	2 311 572	1 892 934	418 638	18%
Provinces and municipalities	1 048	1 048	-	0.0%
Departmental agencies and accounts	18 944	18 944	-	0%
N/A				
Non-profit institutions	2 149 947	1 745 282	404 665	19%
Combination of cost saving measures, non-availability of catalogues as well as the misallocation of the budget.				
Households	141 633	127 660	13 973	10%
This assisted in reducing over expenditure.				
Payments for capital assets	2 479 550	2 121 381	358 169	14%
Buildings and other fixed structures	2 110 148	2 097 788	12 360	1.0%
Machinery and Equipment	369 390	23 581	345 809	94%
Cost saving measures.				
Software and other intangible assets	12	12	-	0.0%
Payments for financial assets	-	-	-	0%
N/A				
Total	33 227 001	33 799 217	(572 216)	(2)%



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.7 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
REVENUE			
Annual Appropriation	1.	33 227 001	29 570 060
Departmental revenue	2.	89 105	63 864
Aid assistance	3.	4 616	31 709
TOTAL REVENUE		33 320 722	29 665 633
EXPENDITURE			
Current expenditure			
Compensation of employees	4.	26 639 394	22 742 939
Goods and services	5.	3 145 038	2 271 101
Interest and rent on land	6.	470	406
Aid assistance	3.	712	4 366
Total current expenditure		29 785 614	25 018 812
Transfers and subsidies		1 892 934	1 724 719
Transfers and subsidies	8.	1 892 934	1 724 719
Expenditure for capital assets			
Tangible capital assets	9.	2 121 369	1 920 880
Software and other intangible assets	9.	12	-
Total expenditure for capital assets		2 121 381	1 920 880
Payments for financial assets	7	-	86 571
TOTAL EXPENDITURE		33 799 929	28 750 982
SURPLUS/(DEFICIT) FOR THE YEAR		(479 207)	914 651
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds	15.	(572 216)	823 444
Annual Appropriation		(601 731)	718 095
Conditional Grants		29 515	105 349
Departmental revenue	16.	89 105	63 864
Aid assistance	3.	3 904	27 343
SURPLUS/(DEFICIT) FOR THE YEAR		(479 207)	914 651



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.8 STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
ASSETS			
Current assets		1 412 642	1 132 880
Unauthorised expenditure	10.	1 067 947	255 976
Fruitless and wasteful expenditure	11.	19 924	19 924
Prepayments and advances	12.	17 730	14 140
Receivables	13.	307 041	838 936
Aid assistance receivable	3.	-	3 904
Non-current assets		1 312	1 259
Investments	14.	1 312	1 259
TOTAL ASSETS		1 413 954	1 134 139
LIABILITIES			
Current liabilities		1 344 682	1 064 764
Voted funds to be surrendered to the revenue fund	15.	381 040	825 634
Departmental revenue to be surrendered to the revenue fund	16.	4 821	10 915
Direct exchequer revenue to be surrendered to the revenue fund		-	-
Bank overdraft	17.	844 235	108 627
Payables	18.	114 586	119 588
Aid assistance repayable	3.	-	-
Non-current liabilities		1 316	1 262
Payables	19.	1 316	1 262
TOTAL LIABILITIES		1 345 998	1 066 026
NET ASSETS		67 956	68 113
Represented by:			
Recoverable revenue		67 956	68 113
TOTAL		67 956	68 113



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.9 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2012

	2011/12 R'000	2010/11 R'000
Recoverable revenue		
Opening balance	68 113	42 479
Transfers	(157)	25 634
Debts recovered (included in departmental receipts)	(157)	-
Debts raised	-	25 634
Closing balance	67 956	68 113
TOTAL	67 956	68 113



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.10 CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		33 313 441	29 665 133
Annual appropriated funds received	1.1	33 226 465	29 569 560
Departmental revenue received	2.	82 360	63 864
Aid assistance received	3.	4 616	31 709
Net (increase)/decrease in working capital		(288 668)	26 669
Surrendered to Revenue Fund		(920 832)	(140 991)
Current payments		(28 831 823)	(25 018 812)
Payments for financial assets	7.	-	(86 571)
Transfers and subsidies paid	8.	(1 892 934)	(1 724 719)
Net cash flows available from operating activities	20.	1 379 184	2 720 709
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9.	(2 121 381)	(1 920 880)
(Increase)/Decrease in investments		(53)	(56)
Proceeds from sale of capital assets		6 745	-
Net cash flows from investing activities		(2 114 689)	(1 920 936)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease)/Increase in net assets		(157)	25 634
Increase/(Decrease) in non-current payables		54	56
Net cash flows from financing activities		(103)	25 690
Net increase/(decrease) in cash and cash equivalents		(735 608)	825 463
Cash and cash equivalents at beginning of period		(108 627)	(934 090)
Cash and cash equivalents at end of period	21.	(844 235)	(108 627)



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Equitable Share)

Programmes	Final Appropriation R'000	Actual Funds Received R'000	Funds not Requested/ not Received R'000	Appropriation Received 2010/11 R'000
Administration	1 389 302	1 389 302	-	1 364 251
Public ordinary school education	28 570 071	28 569 535	536	25 658 640
Independent school subsidies	63 357	63 357	-	59 772
Public special school education	953 714	953 714	-	748 317
Further education and training	777 754	777 754	-	705 883
Adult basic education and training	157 408	157 408	-	140 954
Early childhood development	630 699	630 699	-	426 879
Auxiliary and associated services	684 696	684 696	-	464 864
Total	33 227 001	33 226 465	536	29 569 560

EPWP conditional grant funds not received for Programme 2.

1.2 Conditional Grants**

	Notes	2011/12 R'000	2010/11 R'000
Total grants received		3 209 572	2 597 923
Provincial Grants included in Total grants received		1 175 956	1 035 501

(** It should be noted that the conditional grants are included in the amounts per the Final Appropriation in Note 1.1)

2. Departmental revenue

Sales of goods & services other than capital assets	2.1	36 780	33 384
Interest, dividends and rent on land and buildings	2.2	11 677	1 539
Sales of capital assets	2.3	6 745	-
Transactions in financial assets & liabilities	2.4	33 903	28 941
Transfer received	2.5	-	-

Total		89 105	63 864
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2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	36 779	33 383
Sales by market establishment	2 413	2 223
Other Sales	34 366	31 160
Sales of scrap, waste and other used current goods	1	1
Total	36 780	33 384



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	2011/12 R'000	2010/11 R'000
2.2 Interest, dividends and rent on land		
Interest	11 677	1 539
Total	11 677	1 539
2.3 Sales of capital assets		
Tangible assets		
Machinery and equipment	6 745	-
Total	6 745	-
2.4 Transactions in financial assets and liabilities		
Receivables	21 439	7 985
Other receipts including recoverable revenue	12 464	20 956
Total	33 903	28 941
2.5 Transfers received		
Public corporations and private enterprises	-	-
3. Aid assistance		
3.1 Assistance received in cash from RDP		
Local		
Opening Balance	-	-
Expenditure		
Current	-	-
Closing Balance	-	-
3.2 Assistance received in Cash from other sources		
Local		
Opening Balance	-	-
Expenditure		
Current	-	-
Closing Balance	-	-
Foreign		
Opening Balance	(3 904)	(31 247)
Revenue	4 616	31 709
Expenditure	(712)	(4 366)
Current	(712)	(4 366)
Closing Balance	-	(3 904)

Royal Netherlands Embassy (RNE) aid assistance for Education Centres have been settled in full for the prior and current financial years. This is the final year of the aid assistance from the RNE.



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	2011/12 R'000	2010/11 R'000
3.3 Total		
Opening Balance	(3 904)	(31 247)
Revenue	4 616	31 709
Expenditure	(712)	(4 366)
Current	(712)	(4 366)
Capital	-	-
Closing Balance	-	(3 904)
Analysis of balance		
Aid assistance receivable	-	(3 904)
Other sources	-	(3 904)
Aid assistance repayable	-	-
RDP	-	-
Closing balance	-	(3 904)
4. Compensation of employees		
4.1 Salaries and Wages		
Basic salary	19 519 720	16 340 816
Performance award	50 060	69 384
Service based	36 466	26 507
Compensative/circumstantial	329 414	242 864
Periodic payments	166 670	141 183
Other non-pensionable allowances	2 782 470	2 524 264
Total	22 884 800	19 345 018
4.2 Social contributions		
4.2.1 Employer contributions		
Pension	2 392 597	2 194 567
Medical	1 354 770	1 196 354
UIF	117	113
Bargaining council	1 450	1 407
Official unions and associations	5 660	5 480
Total	3 754 594	3 397 921
Total compensation of employees	26 639 394	22 742 939



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
Average number of employees		107 621	104 034
5. Goods and Services			
Administrative fees		23 650	15 991
Advertising		4 219	2 613
Assets less than R5,000	5.1	93 999	53 193
Audit Cost – external	5.4	11 343	12 657
Bursaries (employees)		15 591	22 143
Catering		48 424	40 772
Communication		38 335	47 607
Computer Services	5.2	35 624	38 329
Consultants, contractors and agency/ outsourced services	5.3	1 281 125	897 345
Entertainment		49	6
Fleet Services		6 295	216
Inventory	5.5	765 335	525 813
Operating leases		97 808	113 955
Property payments	5.6	260 271	187 345
Rental and hiring		92	-
Other operating expenditure	5.8	40 470	23 628
Transport provided as part of the departmental activities		16 131	19 471
Travel and subsistence	5.7	334 522	209 810
Training and staff development		29 992	40 894
Venues and facilities		41 763	19 313
Total		3 145 038	2 271 101
5.1 Assets less than R5,000			
Tangible assets		93 998	53 193
Machinery and equipment		93 998	53 193
Intangible assets		1	-
Total		93 999	53 193
5.2 Computer services			
SITA computer services		23 473	37 893
External computer service providers		12 151	436
Total		35 624	38 329



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	2011/12 R'000	2010/11 R'000
5.3 Consultants, contractors agency/ outsourced services		
Business and advisory services	71 031	86 177
Legal costs	5 814	2 846
Contractors	48 740	40 917
Agency and support/ outsourced services	1 155 540	767 405
Total	1 281 125	897 345
5.4 Audit cost – external		
Regulatory audits	11 343	12 657
5.5 Inventory		
Learning and teaching support material	601 400	418 694
Food and food supplies	805	1 344
Fuel, oil and gas	2 224	272
Other consumables	22 014	12 326
Material and supplies	790	1 533
Stationery and printing	135 637	91 569
Medical supplies	2 465	75
Total	765 335	525 813
5.6 Property payments		
Municipal services	82 349	56 759
Property maintenance and repairs	100 522	74 300
Other	77 400	56 286
Total	260 271	187 345
5.7 Travel and subsistence		
Local	334 416	209 608
Foreign	106	202
Total	334 522	209 810
5.8 Other operating expenditure		
Learnerships	25 018	20 789
Professional bodies, membership and subscription fees	2	8
Resettlement costs	1 667	625
Other	13 783	2 206
Total	40 470	23 628



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
6. Interest and rent on land			
Interest paid		470	406
7. Payments for financial assets			
Material losses through criminal conduct		-	-
Other material losses	7.1	-	-
Debts written off	7.2	-	86 571
Total		-	86 571
7.1 Other material losses			
Nature of losses			
Incident	Disciplinary steps taken/criminal proceedings		
Fraud cases		-	-
Total		-	-
7.2 Debts written off			
Nature of debts written off			
Advances from foreign and international organisation		-	-
Damages and losses		-	5 459
Inter-departmental claims		-	984
Debt account		-	79 234
Disallowance damages and losses		-	-
Disallowance dishonoured cheques		-	-
Disallowance miscellaneous		-	-
T & S advances domestic		-	292
T & S advances foreign		-	602
Total		-	86 571
8. Transfers and subsidies			
Provinces and municipalities	Annexure 1A	1 048	1 375
Departmental agencies and accounts	Annexure 1B	18 944	16 552
Public corporations and private enterprises		-	-
Non-profit institutions	Annexure 1C	1 745 282	1 631 707
Households	Annexure 1D	127 660	75 085
Total		1 892 934	1 724 719



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3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
9. Expenditure for capital assets			
Tangible assets		2 121 369	1 920 880
Buildings and other fixed structures		2 097 788	1 836 333
Machinery and equipment	33.1	23 581	84 547
Software and other intangible assets		12	-
Computer Software	35.1	12	-
Total		2 121 381	1 920 880

9.1 Analysis of funds utilised to acquire capital assets – 2011/2012

	Voted Funds R'000	Aid Assistance R'000	TOTAL R'000
Tangible assets	2 121 369	-	2 121 369
Buildings and other fixed structures	2 097 788	-	2 097 788
Machinery and equipment	23 581	-	23 581
Software and other intangible assets	12	-	12
Computer software	12	-	12
Total	2 121 381	-	2 121 381

9.2 Analysis of funds utilised to acquire capital assets – 2010/2011

	Voted Funds R'000	Aid Assistance R'000	TOTAL R'000
Tangible assets	1 920 880	-	1 920 880
Buildings and other fixed structures	1 836 333	-	1 836 333
Machinery and equipment	84 547	-	84 547
Software and other intangible assets	-	-	-
Computer software	-	-	-
Total	1 920 880	-	1 920 880



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

10.	Unauthorised expenditure	Notes	2011/12 R'000	2010/11 R'000
10.1	Reconciliation of unauthorised expenditure			
	Opening balance		255 976	836 295
	Unauthorised expenditure – current year	15.	953 791	2 690
	Less: Amounts approved by legislature with funding		(141 820)	(449 407)
	Less: Amounts approved by legislature without funding		-	(133 602)
	Unauthorised expenditure awaiting authorisation/ written off		<u>1 067 947</u>	<u>255 976</u>
	Analysis of unauthorised expenditure awaiting authorisation per economic classification			
	Current		1 067 704	255 976
	Transfers and subsidies		243	-
	Total		<u>1 067 947</u>	<u>255 976</u>
	Analysis of unauthorised expenditure awaiting authorisation per type			
	Unauthorised expenditure relating to overspending of the vote or a main division within the vote		1 067 947	255 976
	Total		<u>1 067 947</u>	<u>255 976</u>
10.2	Details of unauthorised expenditure current year			
	Incident Disciplinary steps taken/criminal proceeding			
	Programme 2 – Public Ordinary Schools		897 397	
	Programme 5 – Further Education and Training		56 394	
	Total		<u>953 791</u>	
11.	Fruitless and wasteful expenditure			
11.1	Reconciliation of fruitless and wasteful expenditure			
	Opening balance		19 924	19 924
	Fruitless and wasteful expenditure – current year		-	-
	Current payment		<u>-</u>	<u>-</u>
	Fruitless and wasteful expenditure awaiting condonement		<u>19 924</u>	<u>19 924</u>
	Analysis of awaiting condonement per economic classification			
	Current		19 924	19 924
	Total		<u>19 924</u>	<u>19 924</u>
12.	Prepayments and advances			
	Travel and subsistence		-	-
	Advances paid to other entities		17 730	14 140
	Total		<u>17 730</u>	<u>14 140</u>



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

13.	Receivables		Less than one year R'000	2011/12 One to three years R'000	Older than three years R'000	Total R'000	2010/11 R'000
	Claims recoverable	Annexure					
		3, 13.1	1 142	141	-	1 283	475
	Staff debt	13.2	69 904	88 889	31 991	190 784	730 144
	Other debtors	13.3	7 072	2 549	105 353	114 974	108 317
	Total		78 118	91 579	137 344	307 041	838 936

13.1	Claims recoverable			
	National departments		115	44
	Provincial departments		1 168	431
	Universities and technikons		-	-
	Total		1 283	475

13.2	Staff debt			
	Debt account		188 226	729 327
	Salary: tax debt		2 558	817
	Total		190 784	730 144

13.3	Other Debtors			
	Advances to public corporations and private enterprises		6 093	5 559
	Provincial Revenue Fund – Indiza Receivables		99 054	99 054
	Disallowance Accounts		-	-
	Salary Accounts		9 344	3 346
	Debt Account: Supplier Debtors		483	358
	Total		114 974	108 317

14.	Investments			
	Non – Current			
	Securities Other Than Shares			
	JMNA Hershensohn Funds		230	227
	Robert Acutt Scholarship Fund		186	182
	FL Johnsson Scholarship Fund		93	90
	Harry Escombe Scholarship Fund		119	113
	HA Koch Scholarship Fund		625	592
	Jean Miller Memorial Prize Fund		59	55
	Total		1 312	1 259
	Total non-current		1 312	1 259



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

Analysis of non-current investments		2011/12 R'000	2010/11 R'000
	Notes		
Opening balance		1 259	1 203
Additions in cash		53	56
Closing balance		1 312	1 259
<p>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 2011/12 financial year the trusts earned R52 140-61 (R269 275 – from 2006/7 to 2010/11). The credit in respect of the interest is posted to payables – non- current – Note 19.</p>			
15. Voted Funds to be surrendered to the Revenue Fund			
Opening Balance		825 634	81 970
Transfer from Statement of Financial Performance		(572 216)	823 444
Add: Unauthorised expenditure for current year	10.	953 791	2 690
Voted funds not requested/ not received	1.1	(536)	(500)
Paid during the year		(825 633)	(81 970)
Closing Balance		381 040	825 634
<p>The above closing balance consists of a 29 515 ('000) rand value to be surrendered to the National Department for unspent conditional grants and a 351 525 ('000) rand value to be surrendered to the Provincial Revenue Fund.</p>			
16. Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		10 915	6 072
Transfer from Statement of Financial Performance		89 105	63 864
Paid during the year		(95 199)	(59 021)
Closing balance		4 821	10 915



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

		2011/12	2011/12
	Notes	R'000	R'000
17. Bank Overdraft			
Consolidated Paymaster General Account		844 235	108 627
Total		844 235	108 627
18. Payables- Current			
Description		Total R'000	Total R'000
Advances received	18.1	-	-
Clearing accounts	18.2	14 894	20 220
Other payables	18.3	99 692	99 368
Total		114 586	119 588
18.1 Advances received			
Advances from National departments		-	-
Total		-	-
18.2 Clearing accounts			
Salary: ACB Recalls		6 421	4 942
Salary: Deduction disallowance		-	-
Salary: Bargaining council		19	118
Salary: Finance institution study loan		51	36
Salary: Finance other institution		-	1
Salary: Garnishee order		240	866
Salary: Income Tax		7 830	9 469
Salary: Medical aid		333	1 136
Salary: Pension fund		-	3 652
Total		14 894	20 220
18.3 Other payables			
Pension recoverable		-	-
Salary: Pension debt account		638	314
Supplier for LTSM – Stationery – legal dispute		99 054	99 054
Damages: Payables CL		-	-
Credit balances: Debtors		-	-
Total		99 692	99 368

19. Payables – Non current

Description		2011/12				2010/11 Total R'000
		One to two years	Two to three years	More than three years	Total R'000	
Other payables	19.1	53	131	1 132	1 316	1 262
Total		53	131	1 132	1 316	1 262



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.11 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2011/12 R'000	2010/11 R'000
19.1 Other payables			
JMNA Hersensohnn Funds		233	230
Robert Acutt Scholarship Fund		187	182
FL Johnsson Scholarship Fund		93	90
Harry Escombe Scholarship Fund		119	113
HA Koch Scholarship Fund		624	591
Umkomaas War Memorial Prize Fund		1	1
Jean Miller Memorial Prize Fund		59	55
Total		1 316	1 262
20. Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		(479 207)	914 651
Add back non cash/cash movements not deemed operating activities		1 858 391	1 806 058
(Increase)/Decrease in receivables – current		531 895	(539 506)
(Increase)/Decrease in prepayments and advances		(3 590)	(13 352)
Decrease/(Increase) in other current assets		141 820	583 009
(Decrease)/Increase in payables – current		(5 002)	(3 482)
Proceeds from sale of capital assets		(6 745)	-
Expenditure on capital assets		2 121 381	1 920 880
Surrenders to revenue fund		(920 832)	(140 991)
Voted funds not requested/not received		(536)	(500)
Net cash flow generated by operating activities		1 379 184	2 720 709
21. Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General Account		(844 235)	(108 627)
Total		(844 235)	(108 627)



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

These amounts are not recognised in the Financial Statements and are disclosed to enhance the usefulness of the Financial Statements.

22.	Contingent liabilities and contingent assets	Notes	2011/12 R'000	2010/11 R'000
22.1	Contingent liabilities			
	Liable to	Nature		
	Housing loan guarantees	Employees	14 132	27 136
	Other departments (interdepartmental unconfirmed balances)	Annexure 2A Annexure 4	4 899	6 515
	Claims against the department	Annexure 2B	261 373	245 556
	Other	Annexure 2B	12 711	-
	Total		293 115	279 207
22.2	Contingent assets			
	Nature of contingent assets			
	Strike debtors 2010/11 recovery		606 325	-
	Total		606 325	-
23.	Commitments			
	Current Expenditure			
	Approved and contracted		191 851	950 143
	Approved but not yet contracted		211 300	106 348
			403 151	1 056 491
	Capital Expenditure (including transfers)			
	Approved and contracted		2 752 911	1 116 931
	Approved but not yet contracted		5 269 194	2 603 382
			8 022 105	3 720 313
	Total Commitments		8 425 256	4 776 804
	Capital expenditure commitments to the amount of R8 012 933 ('000) is per the infrastructure Reporting Template developed internally by the department.			
24.	Accruals			
	By economic classification			
		30 Days R'000	30+ Days R'000	Total R'000
	Goods and services	9 739	191 436	201 175
	Interest and rent on land	-	-	21
	Capital Assets	33 779	143 107	42 670
	Total	43 518	334 543	378 061
	Listed by programme level			
	Administration			173 286
	Public ordinary school education			29 633
	Public special school education			61 178
	Further education and training			166
	Adult basic education and training			24
	Early childhood development			9
	Auxiliary and associated services			-
	Total			378 061
				117 110



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

	Note	2011/12 R'000	2010/11 R'000
Confirmed balances with departments	Annexure 4	217 699	91 603
Total		217 699	91 603
25. Employee benefits			
Leave entitlement		140 298	236 960
Service bonus (Thirteenth cheque)		812 314	741 776
Performance awards		-	-
Capped leave commitments		2 566 039	2 660 898
Other		211 039	56 770
Total		3 729 690	3 696 404
The leave entitlement and capped leave balances as disclosed above are the net of negative balances. The negative balances amount is R1 580 324-29.			
26. Leases Commitments			
26.1 Operating leases - 2011/12			
	Land	Buildings and other fixed structures	Machinery and equipment
	R'000	R'000	R'000
Not later than 1 year	3 807	29 841	77 772
Later than 1 year and not later than 5 years	-	30 019	74 939
Later than five years	-	-	-
Total lease commitments	3 807	59 860	152 711
26.2 Operating leases – 2010/11			
	Land	Buildings and other fixed structures	Machinery and equipment
	R'000	R'000	R'000
Not later than 1 year	3 452	34 614	72 139
Later than 1 year and not later than 5 years	-	53 544	142 968
Later than five years	-	-	-
Total lease commitments	3 452	88 158	215 107
27. Receivables for departmental revenue			
Interest, dividends and rent on land		4 745	2 233
Total		4 745	2 233
27.1 Analysis of receivables for departmental revenue			
Opening balance		2 233	-
Add: Amounts recognized		4 745	2 233
Closing balance		6 978	2 233

This is interest due from COEGA, Mhlathuze and Edu-Solutions.



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

		2011/12 R'000	2010/11 R'000
28. Irregular expenditure			
28.1 Reconciliation of irregular expenditure			
Opening Balance		974 040	902 436
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		187 339	84 412
Less: Amounts condoned		(767 590)	(12 808)
Irregular expenditure awaiting condonation		393 789	974 040
Analysis of awaiting condonation per age classification			
Current		186 674	71 604
Prior years		207 115	902 436
Total		393 789	974 040
28.2 Details of irregular expenditure – current year			
Incident	Disciplinary steps taken / criminal proceedings		
Compensation of employees	Per Schedules	-	-
Goods and services	Per Schedules	187 339	-
Payment of capital assets	Per Schedules	-	-
		187 339	
28.3 Details of irregular expenditure condoned			
Incident	Condoned by (condoning authority)		
Compensation of employees	Per Schedules	649 037	-
Goods and services	Per Schedules	665	-
Transfer and subsidies	Per Schedules	91 844	-
Payment of capital assets	Per Schedules	26 044	-
		767 590	
29. Fruitless and wasteful expenditure			
29.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		2 264	1 915
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		4 197	621
Less: Amounts resolved		(155)	(272)
Fruitless and wasteful expenditure awaiting condonement		6 306	2 264
Analysis of awaiting condonement per economic classification			
Current		6 306	2 264
Total		6 306	2 264
29.2 Analysis of current year's fruitless and wasteful expenditure			
Incident	Disciplinary steps taken / criminal proceedings		
Compensation of employees	Per Schedules	3 989	-
Goods and services	Per Schedules	208	-
Total		4 197	



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

30. 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 influences 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 the 2011/12 financial year. An amount of R 1 334 080 – 00 was received from the Flemish Government on behalf of the trust for the 2011/12 financial year, as a result these funds were credited to the bank account of the KwaZulu-Natal Education Development Trust. The Department acts as an agent in respect of the receipt of these funds.

31. Key management personnel

Description	No of Individuals	2011/12 R'000	2010/11 R'000
Political Office Bearers	1	1 566	1 492
Officials			
Level 15 to 16	5	4 585	3 204
Level 14	18	13 907	12 057
Family members of key management personnel	21	6 095	5 600
Total		26 153	22 353

32. Provisions

Debtors ex-employees (3 years and over)	18 525	2 027
Total	18 525	2 027

33. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals/ Transfers	Closing Balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT					
Transport assets	139 921	3 132	9 806	14 544	138 315
Computer equipment	66 912	(5 960)	9 453	-	70 405
Furniture and Office equipment	18 709	1 051	20 131	19 465	20 426
Other machinery and equipment	1 026	(148)	149	-	1 027
TOTAL MOVABLE TANGIBLE ASSETS	226 568	(1 925)	39 539	34 009	230 173



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

During the year the department acquired R 19 465 000 (2011: R 20 529 000) of machinery and equipment on behalf of Non Section 21 schools. This amount is reflected in both additions and disposals.

Motor vehicles disposed of in the 2011/12 financial year, has vehicles that were not included in the opening balance to Note 33 in the Fixed Asset Register to the amount of R 971 577-00. This value of assets is not removed through the disposal note.

Adjustment to the opening balance to Note 33 Computer Equipment to the amount of R 5 057 000 relates to equipment transferred to schools which was erroneously sitting in the opening balance of the Fixed Asset register.

33.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSET PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash	Non-Cash	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT				
Transport assets	2 900	-	6 906	9 806
Computer Equipment	401	-	9 052	9 453
Furniture and Office equipment	20 131	-	-	20 131
Other machinery and equipment	149	-	-	149
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	23 581	-	15 958	39 539

33.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Sold for cash	Transfer out of destroyed or scrapped	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT				
Transport assets	14 372	172	14 544	6 745
Computer equipment	-	-	-	-
Furniture and office equipment	-	19 465	19 465	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	14 372	19 637	34 009	6 745



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

33.3 Movement for 2010/11

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening balance	Additions	Disposals/ Transfers	Closing Balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT				
Transport assets	112 284	27 637	-	139 921
Computer equipment	55 804	11 108	-	66 912
Furniture and Office equipment	18 376	20 862	20 529	18 709
Other machinery and equipment	991	35	-	1 026
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	187 455	59 642	20 529	226 568

34. Minor Assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Intangible assets R'000	Machinery and Equipment R'000	Total R'000
Opening balance	105	27 576	27 681
Additions	1	1 010	1 011
TOTAL	106	28 586	28 692
Number of R1 minor assets	-	58 614	58 614
Number of minor assets at cost	-	18 144	18 144
TOTAL	-	76 758	76 758

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Intangible assets R'000	Machinery and Equipment R'000	Total R'000
Opening balance	105	26 762	26 867
Additions	-	814	814
TOTAL	105	27 576	27 681
Number of R1 minor assets	-	58 614	58 614
Number of minor assets at cost	-	16 419	16 419
TOTAL	-	75 033	75 033



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

35. Intangible Capital Assets
MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening Balance	Current Year Adjustments to prior year balances	Additions	Closing Balance
	R'000	R'000	R'000	R'000
Computer Software	1 163	-	12	1 175
TOTAL INTANGIBLE CAPITAL ASSETS	1 163	-	12	1 175

35.1 ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash R'000	Total R'000
Computer Software	12	12
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	12	12

35.2 Movement for 2010/11

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening Balance R'000	Additions R'000	Closing Balance R'000
Computer Software	1 163	-	1 163
TOTAL INTANGIBLE CAPITAL ASSETS	1 163	-	1 163

36. Immovable Tangible Capital Assets

36.1 ADDITIONS

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Cash R'000	(Capital work-in- progress current costs and finance lease payments) R'000	Total R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1 521 296	(1 521 296)	-
Non-residential buildings	1 521 296	(1 521 296)	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	1 521 296	(1 521 296)	-



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.12 DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANTS	2011/12								2010/11		
	GRANT ALLOCATION					SPENT			Division of Revenue Act	Amount spent by department	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount Spent by department	% of funds spent by department			
	R'000	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	45 114	-	-	-	45 114	45 114	45 114	100%	42 686	39 998	
National Department of Education – National school Nutrition Programme	1 070 013	102 069	-	-	1 172 082	1 172 082	1 144 368	98%	855 285	753 216	
Technical Secondary School Recap Grant	38 563	-	-	-	38 563	38 563	36 762	95%	15 274	15 039	
FET College Sector Grant	754 793	-	-	10 744	765 537	765 537	765 537	100%	649 177	648 820	
Expanded Public Works Programme	-	-	-	536	536	-	-	-	500	500	
Dinaledi Schools Grant	12 320	-	-	-	12 320	12 320	12 320	100%	-	-	
Provincial Grants:											
Provincial Treasury – Provincial Infrastructure Grant	1 158 136	-	-	17 820	1 175 956	1 175 956	1 175 956	100%	1 035 501	1 035 501	
Total	3 078 939	102 069	-	29 100	3 210 108	3 209 572	3 180 057		2 598 423	2 493 074	

The grants that have a 100% spend against them shows that the funds received from National for these grants were fully utilised. In the Appropriation Statement these grants are overspent and the department has used voted funds to fund the overspent portion.



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 1A

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO PROVINCIAL DEPARTMENTS AND MUNICIPALITIES

NAME OF DEPARTMENT	GRANT ALLOCATION				TRANSFER		SPENT			2010/11
	Amount R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Transferred %	Amount Received by department R'000	Amount Spent by department R'000	% of Available funds spent by department %	Total Available R'000
KwaZulu-Natal Department of Transport	1 000	-	48	1 048	1 048	100%	-	-	-	1 375
Total	1 000	-	48	1 048	1 048		-			1 375

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER			2010/11
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act	
	R'000	R'000	R'000	R'000	R'000	%	R'000	
EDTP SETA	18 944	-	-	18 944	18 944	100%	22 382	
TOTAL	18 944	-	-	18 944	18 944		22 382	



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 1C

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2010/11 Final Appropriation Act
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Administration	-	-	12	12	12	100%	12
Public ordinary school education	1 466 606	-	(76 570)	1 390 036	1 022 769	74%	1 027 543
Independent schools	63 357	-	-	63 357	63 114	100%	59 772
Public special school education	125 410	-	(675)	124 735	98 633	79%	117 203
FET institutions	544 840	-	-	544 840	544 840	100%	476 382
Early childhood development	28 216	-	(1 249)	26 967	15 914	59%	26 285
TOTAL	2 228 429	-	(78 482)	2 149 947	1 745 282		1 707 197



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2010/11 Final Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %	
Transfers							
Employees	63 199	-	78 434	141 633	127 660	90%	82 204
Act of Grace – Deceased learners	-	-	-	-	-	-	30
TOTAL	63 199	-	78 434	141 633	127 660		82 234



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIPS	2011/12 R'000	2010/11 R'000
Received in cash			
Vivia Publishers	Donations to Education Summit	-	15
RWL Furniture	Donations to Education Summit	-	10
ESP	Donations to Education Summit	-	10
Invictus	Donations to Education Summit	-	10
Cambridge University Press	Donations to Education Summit	-	5
Everybody's Books	Donations to Education Summit	-	5
Shuter & Shooter Publishers	Donations to Education Summit	-	15
Smile SA	Donations to Education Summit	-	15
Macmillan SA	Donations to Education Summit	-	20
SJS Consulting	Donations to Education Summit	-	2
Sizwe IT Group	Donations to Education Summit	-	10
Wamark Educational Publishers	Donations to Education Summit	-	5
Vulindlela Security	Donations to Education Summit	-	5
Microsoft	Donations to Education Summit	-	5
Nasou Via Afrika	Donations to Education Summit	-	5
Heinemann Publishers	Donations to Education Summit	-	15
Oshlanga Enterprise	Donations to Education Summit	-	5
MiET	Donations to Education Summit	-	5
Oxford University Press	Donations to Education Summit	-	5
Dimension Data	Donations to Education Summit	-	10
Windy Shanks Trading	Donations to Education Summit	-	5
Sub total		-	182



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 1E (Continued)

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIPS	2011/12 R'000	2010/11 R'000
Received in kind			
MIET	Education Centres	-	22 571
Nutrend	Corporate gifts	-	2
Answer Series	Study guides	-	280
Sub total		-	22 853
Total		-	23 035

ANNEXURE 1F

STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Received in cash					
Royal Netherlands Embassy	Educational Centres	(3 904)	4 616	712	-
Total		(3 904)	4 616	712	-



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012 - LOCAL

Guarantor Institution	Guarantee in respect of	Original Guaranteed capital amount	Opening Balance 1 April 2011	Guarantees draw downs during the year	Guarantees Repayments/ Cancelled/ reduced/ released during the year	Closing balance 31 March 2012	Guaranteed interest outstanding as at 31 March 2012	Realised losses not recoverable, i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Motor Vehicles								
		-	-	-	-	-	-	-
Subtotal		-	-	-	-	-	-	-
Housing								
Standard Bank		-	3 262	-	936	2 326	-	-
FNB		-	3 773	-	2 083	1 690	-	-
Nedbank		-	1 849	-	529	1 320	-	-
ABSA		-	6 787	-	2 323	4 464	-	-
Peoples Bank FBC		-	19	-	-	19	-	-
Old Mutual		-	3 301	-	998	2 303	-	-
Hlano Financial services		-	14	-	-	14	-	-
Ithala Limited		-	7 924	-	6 102	1 822	-	-
Free State development		-	33	-	-	33	-	-
Green Start HL		-	86	-	14	72	-	-
Company Unique Finance		-	88	-	19	69	-	-
Sub total		-	27 136	-	13 004	14 132	-	-
TOTAL		-	27 136	-	13 004	14 132	-	-



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

Nature of Liability	Opening Balance 1 April 2011 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/ reduced during the year R'000	Closing Balance 31 March 2012 R'000
Claims against the department				
Legal Claims	245 556	15 817	-	261 373
Sub-total	245 556	15 817	-	261 373
Other				
Ithala (Utilisation of own funds to pay contractors)	-	5 912	-	5 912
South African Revenue Services	-	6 799	-	6 799
Sub-total	-	12 711	-	12 711
Total	245 556	28 528	-	274 084



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 3 CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed Balance		Unconfirmed balance		Total	
	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000
DEPARTMENTS						
Gauteng Department of Education	-	-	918	304	918	304
Mpumalanga Department of Education	-	-	65	17	65	17
Eastern Cape Department of Education	-	-	44	44	44	44
KZN Agriculture	-	-	30	44	30	44
Higher Education & Training	-	-	-	37	-	37
KZN Department of Health	-	-	14	14	14	14
KZN Department of Social Development	-	-	8	8	8	8
National Labour	-	-	2	2	2	2
National Department of Rural Development	-	-	-	5	-	5
Free State Department of Education	-	-	35	-	35	-
KZN Department of Local Government and Traditional Affairs	-	-	5	-	5	-
National Department of Public Service and Administration	-	-	16	-	16	-
National Department of Home Affairs	-	-	51	-	51	-
KZN Department of Transport	-	-	30	-	30	-
KZN Department of Community, Safety & Liaison	-	-	17	-	17	-
National Department of Co-operative Governance	-	-	10	-	10	-
National Department of Justice & Constitutional Development	-	-	27	-	27	-
Government Employees Pension Fund	-	-	9	-	9	-
KZN Department of Public Works	-	-	2	-	2	-
TOTAL	-	-	1 283	475	1 283	475



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance		Unconfirmed balance		TOTAL	
	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000
DEPARTMENTS						
Current						
KwaZulu-Natal Department of Transport	6 906	2 921	2 905	5 396	9 811	8 317
KwaZulu-Natal Department of Public Works	208 496	46 412	-	-	208 496	46 412
Department of Justice	1 672	1 577	-	119	1 672	1 696
KwaZulu-Natal Office of the Premier	347	169	-	-	347	169
KwaZulu-Natal Department of Health	278	-	-	1 000	278	1 000
National Prosecuting Authority of SA	-	11	-	-	-	11
Mpumalanga Provincial Department of Education	-	162	-	-	-	162
KZN Provincial Treasury	-	40 351	-	-	-	40 351
Government Printing Works	-	-	17	-	17	-
PALAMA	-	-	1 421	-	1 421	-
Eastern Cape Department of Education	-	-	556	-	556	-
Total	217 699	91 603	4 899	6 515	222 598	98 118



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.13 ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

ANNEXURE 5

INVENTORY

Inventory	Note	2011/12		2010/11	
		Quantity	R'000	Quantity	R'000
Opening Balance		-	112 401	-	9 881
Add: Additions/Purchases – Cash		-	533 176	-	436 452
Add: Additions – Non – cash		-	-	-	82
(Less): Disposals		-	(275)	-	(240)
(Less): Issues		-	(636 005)	-	(333 774)
Closing balance		-	9 297	-	112 401

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 Edu-Solutions Warehouse. This excludes “Inventory” as represented by National School Nutrition Programme, certain directorates that purchase on their own behalf and any other that the department buys on behalf of schools.



KWAZULU-NATAL DEPARTMENT OF EDUCATION VOTE 5

3.14 SCHEDULE OF IMMOVABLE ASSETS, LAND AND SUB SOIL ASSETS

Annexure A

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 structure* 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.

The supplementary information presented does not form part of the annual financial statements and is unaudited.





SECTION 4:

HUMAN RESOURCE MANAGEMENT



4.1 OVERVIEW OF HUMAN RESOURCES

HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Provide access to transformative education to learners in KZN: FET, GET, ABET	Education stakeholders Learners, educators, parents, citizens	Business industry and commerce Tertiary institutions	Service Charter Batho Pele	Risk management Skills audit report

TABLE 1.2 - Consultation Arrangements for Customers

Type of Arrangement	Actual Customer	Potential Customer	Actual Achievements
Imbizo, meetings Consultation with unions on the determination of posts	Citizens, Parents, School Communities Organised Labour	Educators and Learners	1. Service Provision 2. Resource redress 3. Transformation 4. Justice 5. Expenditure 6. Successful implementation of PPN

TABLE 1.3 - Service Delivery Access Strategy

Access Strategy	Actual Achievements
1. Human resource provision and development 2. Legislation and policy enforcement 3. Consultation 4. Oversight over line function	1. Communication 2. Redress 3. Transformation 4. Allocation of resources

TABLE 1.4 - Service Information Tool

Type of Information Tool	Actual Achievements
MEC's Hotline, Suggestion boxes	Queries Policy and Legislative enforcements

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievements
1. Grievance Procedure as per Public Service Act 2. Chapter G of PAM 3. Procedure for Educators 4. Imbizo, Faz line, Telephone, Meetings	Most of the problems were resolved Follow ups



HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education

TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)	Employment
Prog 1: administration	1,389,302	856,198	0	0	64.3	8	107,657
Prog 2: public ordinary schools	28,570,071	24,142,017	0	0	81.9	224	107,657
Prog 3: independent schools	63,357	0	0	0	0	0	107,657
Prog 4: public special schools	953,714	612,671	0	0	69.6	6	107,657
Prog 5: further education & training	777,754	286,996	0	0	34.4	3	107,657
Prog 6: adult basic education & training	157,408	145,275	0	0	93.5	1	107,657
Prog 7: early childhood development	630,699	315,368	0	0	64.5	3	107,657
Prog 8: auxiliary & associated services	684,696	280,869	0	0	48.5	3	107,657
Total as on Financial Systems (BAS)	33,227,001	26,639,394	0	0	78.8	247	107,657

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Lower skilled (Levels 1-2)	650,666	2.4	82,072	26,926,130	7,928
Skilled (Levels 3-5)	1,807,520	6.7	126,303	26,926,130	14,311
Highly skilled production (Levels 6-8)	14,519,520	55	242,594	26,926,130	59,851
Highly skilled supervision (Levels 9-12)	9,157,798	34	364,330	26,926,130	25,136
Senior management (Levels 13-16)	57,214	0.2	752,816	26,926,130	76
Contract (Levels 1-2)	1,642	0	91,222	26,926,130	18
Contract (Levels 3-5)	41,868	0.2	144,372	26,926,130	290
Contract (Levels 6-8)	10,425	0	242,442	26,926,130	43
Contract (Levels 9-12)	2,014	0	671,333	26,926,130	3
Contract (Levels 13-16)	1,886	0	1,886,000	26,926,130	1
Periodical Remuneration	95,667	0.4	13,531	26,926,130	7,070
Abnormal Appointment	293,174	1.1	32,231	26,926,130	9,096
TOTAL	26,639,394	100	215,141	26,926,130	123,823



HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Prog 1: administration	613,089	71.6	26,280	3.1	23,960	2.8	43,953	5.1	856,198
Prog 2: public ordinary school	17,917,725	74.2	1,541	0	686,890	2.8	1,249,005	5.2	24,142,017
Prog 4: public special schools*	414,720	67.7	392	0.1	22,334	3.6	38,592	6.3	612,671
Prog 5: further educ & train*	194,597	67.8	6	0	8,147	2.8	15,492	5.4	286,996
Prog 6: adult basic educ & train*	63,178	43.5	0	0	603	0.4	998	0.7	145,275
Prog 7: early childhood dev*	271,965	86.2	0	0	1,564	0.5	3,183	1	315,368
Prog 8: aux & assoc services*	45,087	16.1	19,178	6.8	1,668	0.6	3,547	1.3	280,869
TOTAL	19,520,361	73.3	47,397	0.2	745,166	2.8	1,354,770	5.1	26,639,394

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary bands	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Salary Band (R'000)
Lower skilled (Levels 1-2)	460,157	70.7	692	0.1	51,479	7.9	40,288	6.2	650,666
Skilled (Levels 3-5)	1,363,357	75.4	17,587	1	81,926	4.5	101,994	5.6	1,807,520
Highly skilled production (Levels 6-8)	10,559,665	72.7	20,911	0.1	425,598	2.9	825,009	5.7	14,519,520
Highly skilled supervision (Levels 9-12)	6,769,126	73.9	6,487	0.1	185,302	2	385,602	4.2	9,157,798
Senior management (Levels 13-16)	48,085	84	0	0	487	0.9	1,102	1.9	57,214
Contract (Levels 1-2)	1,374	83.7	112	6.8	38	2.3	47	2.9	1,642
Contract (Levels 3-5)	38,845	92.8	1,607	3.8	244	0.6	519	1.2	41,868
Contract (Levels 6-8)	9,710	93.1	1	0	92	0.9	188	1.8	10,425
Contract (Levels 9-12)	1,646	81.7	0	0	0	0	21	1	2,014
Contract (Levels 13-16)	1,677	88.9	0	0	0	0	0	0	1,886
Periodical Remuneration	0	0	0	0	0	0	0	0	95,667
Abnormal Appointment	266,719	91	0	0	0	0	0	0	293,174
TOTAL	19,520,361	73.3	47,397	0.2	745,166	2.8	1,354,770	5.1	26,639,394



HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education

TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prog 1: administration, Permanent	3,331	3,165	5	263
Prog 2: public ordinary school, Permanent	105,709	99,585	6	2,988
Prog 2: public ordinary school, Temporary	8	8	0	0
Prog 4 : public special schools*, Permanent	3,328	3,136	6	55
Prog 5:further educ & train*, Permanent	1,258	1,117	11	62
Prog 5:further educ & train*, Temporary	2	2	0	0
Prog 6:adult basic educ & train*, Permanent	85	81	5	3
Prog 7 : early childhood dev*, Permanent	367	323	12	1
Prog 8:aux & assoc services*, Permanent	243	240	1	29
TOTAL	114,331	107,657	6	3,401

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	8,276	7,958	4	68
Lower skilled (Levels 1-2), Temporary	6	6	0	0
Skilled (Levels 3-5), Permanent	14,809	14,299	3	983
Skilled (Levels 3-5), Temporary	4	4	0	0
Highly skilled production (Levels 6-8), Permanent	64,551	59,823	7	1,708
Highly skilled supervision (Levels 9-12), Permanent	26,244	25,136	4	373
Senior management (Levels 13-16), Permanent	86	76	12	0
Contract (Levels 1-2), Permanent	18	18	0	12
Contract (Levels 3-5), Permanent	290	290	0	238
Contract (Levels 6-8), Permanent	43	43	0	19
Contract (Levels 9-12), Permanent	3	3	0	0
Contract (Levels 13-16), Permanent	1	1	0	0
TOTAL	114,331	107,657	6	3,401

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	60	55	8	1
Agriculture related, Permanent	12	11	8	0
Ambulance and related workers, Permanent	1	1	0	0
Archivists curators and related professionals, Permanent	1	1	0	0
Artisan project and related superintendents, Permanent	4	4	0	0
Auxiliary and related workers, Permanent	884	704	20	4
Boiler and related operators, Permanent	20	19	5	0
Building and other property caretakers, Permanent	274	263	4	3
Bus and heavy vehicle drivers, Permanent	103	101	2	0
Cleaners in offices workshops hospitals etc., Permanent	4,009	3,924	2	51
Client inform clerks(switchb recept inform clerks), Permanent	12	12	0	0
Communication and information related, Permanent	10	9	10	0
Conservation labourers, Permanent	12	12	0	0
Educationists., Permanent	3	0	100	0



Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Farm hands and labourers, Permanent	62	59	5	0
Farming forestry advisors and farm managers, Permanent	2	2	0	0
Finance and economics related, Permanent	21	18	14	1
Financial and related professionals, Permanent	37	29	22	0
Financial clerks and credit controllers, Permanent	296	265	11	1
Food services aids and waiters, Permanent	156	151	3	1
Food services workers, Permanent	1	1	0	0
General legal administration & rel. professionals, Permanent	4	4	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	3	3	0	0
Household and laundry workers, Permanent	755	731	3	7
Household food and laundry services related, Permanent	17	17	0	0
Housekeepers laundry and related workers, Permanent	102	92	10	0
Human resources & organisat developm & relate prof, Permanent	64	60	6	0
Human resources clerks, Permanent	506	483	5	14
Human resources related, Permanent	114	104	9	4
Information technology related, Permanent	12	12	0	11
Language practitioners interpreters & other commun, Permanent	2	2	0	0
Legal related, Permanent	4	4	0	0
Librarians and related professionals, Permanent	8	7	13	0
Library mail and related clerks, Permanent	243	240	1	18
Library mail and related clerks, Temporary	1	1	0	0
Light vehicle drivers, Permanent	74	71	4	2
Logistical support personnel, Permanent	9	9	0	0
Material-recording and transport clerks, Permanent	83	81	2	0
Messengers porters and deliverers, Permanent	44	41	7	0
Motor vehicle drivers, Permanent	14	14	0	0
Other administrat & related clerks and organisers, Permanent	4,750	4,617	3	181
Other administrat & related clerks and organisers, Temporary	8	8	0	0
Other administrative policy and related officers, Permanent	78	70	10	2
Other information technology personnel., Permanent	52	47	10	1
Other machine operators, Permanent	3	2	33	0
Other occupations, Permanent	96,087	91,379	5	3,040
Other occupations, Temporary	1	1	0	0
Photographic lithographic and related workers, Permanent	13	13	0	0
Physiotherapy, Permanent	1	1	0	0
Printing and related machine operators, Permanent	9	9	0	0
Professional nurse, Permanent	32	31	3	0
Rank: Departmental head transitional, Permanent	1	0	100	0
Rank: Departmental head, Permanent	158	0	100	0
Rank: Deputy principal, Permanent	11	0	100	0
Rank: Education specialist (feti), Permanent	8	0	100	0
Rank: Education specialist deputy chief (feti), Permanent	1	0	100	0
Rank: Education specialist senior (feti), Permanent	2	0	100	0
Rank: Education therapist (ther/psyc), Permanent	5	0	100	0
Rank: Lecturer (feti), Permanent	29	0	100	0
Rank: Principal p1, Permanent	2	0	100	0
Rank: Principal p2 (transitional), Permanent	1	0	100	0
Rank: Principal p2, Permanent	16	0	100	0
Rank: Principal p3, Permanent	9	0	100	0
Rank: Teacher (school-based), Permanent	1	0	100	0
Rank: Teacher, Permanent	1,086	2	100	0
Risk management and security services, Permanent	9	9	0	0
Secretaries & other keyboard operating clerks, Permanent	310	299	4	52
Security guards, Permanent	3,468	3,419	1	7
Security officers, Permanent	19	18	5	0
Senior managers, Permanent	90	83	8	0
Social sciences supplementary workers, Permanent	15	15	0	0
Staff nurses and pupil nurses, Permanent	4	4	0	0
Trade labourers, Permanent	12	12	0	0
TOTAL	114,331	107,657	6	3,401



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TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	8,282	0	0	0	0	0	0
Contract (Levels 1-2)	18	0	0	0	0	0	0
Contract (Levels 3-5)	290	0	0	0	0	0	0
Contract (Levels 6-8)	43	0	0	0	0	0	0
Contract (Levels 9-12)	3	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	14,813	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	64,551	0	0	1	0	0	0
Highly skilled supervision (Levels 9-12)	26,244	50	0.2	0	0	0	0
Senior Management Service Band A	66	7	10.6	0	0	1	14.3
Senior Management Service Band B	15	3	20	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	114,331	60	0.1	1	1.7	1	1.7

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	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	0	0	0	0

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
None	0	0	0	0	0
Total	0	0	0	0	0
Percentage of Total Employment	0	0	0	0	0

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

Beneficiaries	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	0	0	0	0



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TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	7,394	810	144	2
Lower skilled (Levels 1-2), Temporary	8	0	0	0
Skilled (Levels 3-5), Permanent	15,426	3,246	3,780	25
Skilled (Levels 3-5), Temporary	10	0	0	0
Highly skilled production (Levels 6-8), Permanent	59,258	1,228	3,377	6
Highly skilled supervision (Levels 9-12), Permanent	24,874	51	1,103	4
Senior Management Service Band A, Permanent	58	0	5	9
Senior Management Service Band B, Permanent	15	0	2	13
Senior Management Service Band C, Permanent	2	1	0	0
Senior Management Service Band D, Permanent	1	1	0	0
Other, Permanent	0	6	0	0
Contract (Levels 1-2), Permanent	15	9	1	7
Contract (Levels 3-5), Permanent	168	221	405	241
Contract (Levels 6-8), Permanent	43	5	14	33
Contract (Levels 9-12), Permanent	4	0	1	25
Contract (Band A), Permanent	1	0	0	0
TOTAL	107,277	5,578	8,832	8

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	53	1	2	4
Agriculture related, Permanent	8	2	0	0
Ambulance and related workers, Permanent	1	0	0	0
Archivists curators and related professionals, Permanent	1	0	0	0
Artisan project and related superintendents, Permanent	5	0	1	20
Auxiliary and related workers, Permanent	252	501	12	5
Boiler and related operators, Permanent	20	0	1	5
Building and other property caretakers, Permanent	266	9	12	5
Bus and heavy vehicle drivers, Permanent	103	3	11	11
Cleaners in offices workshops hospitals etc., Permanent	3,890	174	123	3
Client inform clerks (switchboard reception inform clerks), Permanent	12	0	0	0
Communication and information related, Permanent	10	0	1	10
Conservation labourers, Permanent	12	0	0	0
Farm hands and labourers, Permanent	60	2	3	5
Farming forestry advisors and farm managers, Permanent	2	0	0	0
Finance and economics related, Permanent	19	0	1	5
Financial and related professionals, Permanent	31	0	3	10
Financial clerks and credit controllers, Permanent	281	0	19	7
Financial clerks and credit controllers, Temporary	1	0	0	0
Food services aids and waiters, Permanent	142	13	4	3
Food services workers, Permanent	1	0	0	0
General legal administration & rel. professionals, Permanent	4	0	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	3	0	0	0
Household and laundry workers, Permanent	747	35	37	5
Household food and laundry services related, Permanent	18	0	0	0
Housekeepers laundry and related workers, Permanent	88	5	2	2
Human resources & organisational development & related professions, Permanent	69	1	1	1
Human resources clerks, Permanent	480	14	12	3
Human resources related, Permanent	111	0	4	4



Occupation	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate
Information technology related, Permanent	12	1	0	0
Language practitioners interpreters & other commun, Permanent	2	0	0	0
Legal related, Permanent	4	0	0	0
Librarians and related professionals, Permanent	7	0	0	0
Library mail and related clerks, Permanent	237	4	25	11
Library mail and related clerks, Temporary	1	0	0	0
Light vehicle drivers, Permanent	69	4	1	1
Logistical support personnel, Permanent	9	0	0	0
Material-recording and transport clerks, Permanent	78	3	5	6
Medical technicians/technologists, Permanent	0	0	1	0
Messengers porters and deliverers, Permanent	43	3	2	5
Motor vehicle drivers, Permanent	14	0	1	7
Natural sciences related, Permanent	0	0	1	0
Not available, Permanent	0	6	0	0
Other administrat & related clerks and organisers, Permanent	4,482	425	445	10
Other administrat & related clerks and organisers, Temporary	15	0	0	0
Other administrative policy and related officers, Permanent	70	0	2	3
Other information technology personnel, Permanent	27	23	3	11
Other machine operators, Permanent	2	0	0	0
Other occupations, Permanent	91,582	4,263	7,989	9
Other occupations, Temporary	1	0	0	0
Photographic lithographic and related workers, Permanent	13	0	0	0
Physiotherapy, Permanent	1	0	0	0
Printing and related machine operators, Permanent	9	0	0	0
Professional nurse, Permanent	29	0	1	3
Rank: Teacher, Permanent	4	0	0	0
Risk management and security services, Permanent	9	0	0	0
Secretaries & other keyboard operating clerks, Permanent	325	6	44	14
Security guards, Permanent	3,401	78	54	2
Security officers, Permanent	18	0	0	0
Senior managers, Permanent	86	1	7	8
Social sciences supplementary workers, Permanent	15	0	0	0
Social work and related professionals, Permanent	3	0	0	0
Staff nurses and pupil nurses, Permanent	4	0	0	0
Trade labourers, Permanent	14	0	2	14
TOTAL	107,277	5,578	8,832	8

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TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	568	6	1	8,832	107,277
Resignation, Permanent	1,927	22	2	8,832	107,277
Expiry of contract, Permanent	5,356	61	5	8,832	107,277
Transfers, Permanent	3	0	0	8,832	107,277
Discharged due to ill health, Permanent	27	0	0	8,832	107,277
Dismissal-misconduct, Permanent	106	1	0	8,832	107,277
Retirement, Permanent	837	10	1	8,832	107,277
Other, Permanent	8	0	0	8,832	107,277
TOTAL	8,832	100	8	8,832	107,277

Resignations as % of Employment
8.2



TABLE 5.4 - Granting of Employee Initiated Severance Packages

Category	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	0	0	0	0
Skilled (Salary Level 3-5)	0	0	0	0
Highly Skilled Production (Salary Level 6-8)	0	0	0	0
Highly Skilled Production (Salary Level 9-12)	0	0	0	0
Senior Management (Salary Level 13 and higher)	0	0	0	0
Total	0	0	0	0

TABLE 5.5 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Administrative related	53	0	0	39	74
Agriculture related	8	0	0	2	25
Ambulance and related workers	1	0	0	0	0
Archivists curators and related professionals	1	0	0	1	100
Artisan project and related superintendents	5	0	0	0	0
Auxiliary and related workers	252	0	0	137	54
Boiler and related operators	20	0	0	11	55
Building and other property caretakers	266	0	0	150	56
Bus and heavy vehicle drivers	103	0	0	66	64
Cleaners in offices workshops hospitals etc.	3,890	1	0	2,719	70
Client inform clerks(switchboard receipt inform clerks)	12	0	0	11	92
Communication and information related	10	0	0	9	90
Conservation labourers	12	0	0	9	75
Farm hands and labourers	60	1	2	41	68
Farming forestry advisors and farm managers	2	0	0	0	0
Finance and economics related	19	0	0	14	74
Financial and related professionals	31	0	0	19	61
Financial clerks and credit controllers	282	0	0	212	75
Food services aids and waiters	142	0	0	82	58
Food services workers	1	0	0	0	0
General legal administration & rel. professionals	4	0	0	4	100
Head of department/chief executive officer	1	0	0	0	0
Health sciences related	3	0	0	2	67
Household and laundry workers	747	0	0	559	75
Household food and laundry services related	18	0	0	7	39
Housekeepers laundry and related workers	88	0	0	60	68
Human resources & organisat developm & relate prof	69	0	0	50	73
Human resources clerks	480	1	0	355	74
Human resources related	111	0	0	85	77
Information technology related	12	0	0	10	83
Language practitioners interpreters & other commun	2	0	0	0	0
Legal related	4	0	0	4	100
Librarians and related professionals	7	0	0	4	57
Library mail and related clerks	238	0	0	165	69
Light vehicle drivers	69	1	1	45	65
Logistical support personnel	9	0	0	1	11
Material-recording and transport clerks	78	0	0	41	53
Messengers porters and deliverers	43	0	0	29	67
Motor vehicle drivers	14	0	0	11	79
Other administrat & related clerks and organisers	4,497	1	0	3,169	71
Other administrative policy and related officers	70	1	1	51	73
Other information technology personnel.	27	0	0	26	96
Other machine operators	2	0	0	2	100
Other occupations	91,583	665	1	73,044	80
Photographic lithographic and related workers	13	0	0	12	92



Physiotherapy	1	0	0	1	100
Printing and related machine operators	9	0	0	7	78
Professional nurse	29	0	0	24	83
Rank: Teacher	4	0	0	0	0
Risk management and security services	9	0	0	7	78
Secretaries & other keyboard operating clerks	325	1	0	209	64
Security guards	3,401	0	0	2,615	77
Security officers	18	0	0	13	72
Senior managers	86	6	7	51	59
Social sciences supplementary workers	15	0	0	12	80
Social work and related professionals	3	0	0	0	0
Staff nurses and pupil nurses	4	0	0	1	25
Trade labourers	14	0	0	4	29
TOTAL	107,277	678	1	84,202	79

TABLE 5.6 - Promotions by Salary Band

Salary Band	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2), Permanent	7,394	0	0	4,800	65
Lower skilled (Levels 1-2), Temporary	8	0	0	0	0
Skilled (Levels 3-5), Permanent	15,426	5	0	7,700	50
Skilled (Levels 3-5), Temporary	10	0	0	0	0
Highly skilled production (Levels 6-8), Permanent	59,258	230	0	46,219	78
Highly skilled production (Levels 6-8), Temporary	0	0	0	1	0
Highly skilled supervision (Levels 9-12), Permanent	24,874	433	2	25,284	102
Senior management (Levels 13-16), Permanent	76	10	13	38	50
Contract (Levels 1-2), Permanent	15	0	0	6	40
Contract (Levels 3-5), Permanent	168	0	0	123	73
Contract (Levels 6-8), Permanent	43	0	0	29	67
Contract (Levels 9-12), Permanent	4	0	0	2	50
Contract (Levels 13-16), Permanent	1	0	0	0	0
TOTAL	107,277	678	1	84,202	79



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TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent	41	1	6	47	4	22	1	2	31	0	77
Professionals, Permanent	24,289	295	2,833	27,418	713	53,988	731	6,034	60,747	2,581	91,464
Technicians and associate professionals, Permanent	190	6	30	226	8	551	15	53	619	30	883
Clerks, Permanent	1,137	11	252	1,400	12	3,654	66	559	4,279	305	5,996
Clerks, Temporary	0	0	0	0	0	0	0	2	2	7	9
Service and sales workers, Permanent	3,144	12	25	3,181	2	345	3	14	362	13	3,558
Craft and related trades workers, Permanent	11	0	1	12	5	5	0	0	5	0	17
Plant and machine operators and assemblers, Permanent	142	4	55	201	1	14	0	0	14	0	216
Elementary occupations, Permanent	2,221	25	90	2,336	27	2,761	51	130	2,942	83	5,388
Elementary occupations, Temporary	0	0	0	1	0	0	0	0	0	0	1
Other, Permanent	18	0	0	18	0	30	0	0	30	0	48
TOTAL	31,193	354	3,293	34,840	767	61,370	867	6,794	69,031	3,019	107,657

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	2	1	5	8	0	6	1	4	11	2	21

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	4	0	0	3	0	2	0	0	2	0	6
Senior Management, Permanent	37	1	6	44	4	20	1	2	23	0	71
Professionally qualified and experienced specialists and mid-management, Permanent	7,351	167	1,989	9,508	458	11,168	273	2,615	14,056	1,114	25,135
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	13,727	138	1,005	14,870	259	38,939	477	3,653	43,069	1,625	59,823
Semi-skilled and discretionary decision making, Permanent	5,271	29	206	5,506	34	8,009	87	404	8,500	259	14,299
Semi-skilled and discretionary decision making, Temporary	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making, Permanent	4,691	18	78	4,787	10	3,021	27	102	3,150	11	7,958
Unskilled and defined decision making, Temporary	0	0	0	1	0	0	0	0	0	0	0
Contract (Top Management), Permanent	1	0	0	1	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	0	0	0	0	0	3	0	0	3	0	3
Contract (Skilled technical), Permanent	17	1	2	20	1	18	0	3	21	1	43
Contract (Semi-skilled), Permanent	88	0	6	94	1	178	2	13	193	2	290
Contract (Unskilled), Permanent	6	0	0	6	0	12	0	0	12	0	18
TOTAL	31,193	354	3,293	34,840	767	61,370	867	6,794	69,031	3,019	107,657

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Senior Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management, Permanent	12	0	2	14	1	28	0	6	34	2	51
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	370	3	17	390	21	557	13	125	695	122	1,228
Semi-skilled and discretionary decision making, Permanent	1,121	4	32	1,157	13	1,908	11	111	2,030	46	3,246
Unskilled and defined decision making, Permanent	271	0	9	280	3	514	3	10	527	0	810
Not Available, Permanent	4	0	0	4	0	2	0	0	2	0	6
Contract (Skilled technical), Permanent	3	0	1	4	1	1	0	0	1	0	5
Contract (Semi-skilled), Permanent	75	0	0	75	0	140	0	6	146	0	221
Contract (Unskilled), Permanent	2	0	0	2	0	7	0	0	7	0	9
TOTAL	1,860	7	61	1,928	38	3,157	27	258	3,442	170	5,578



TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top Management, Permanent	1	0	0	1	0	1	0	0	1	0	2
Senior Management, Permanent	21	1	5	27	4	13	1	0	14	0	45
Professionally qualified and experienced specialists and mid-management, Permanent	7,428	167	2,010	9,605	470	11,428	307	2,679	14,414	1,229	25,718
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	9,878	97	680	10,655	149	31,592	369	2,658	34,619	1,028	46,451
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision making, Permanent	2,817	25	122	2,964	19	4,289	61	224	4,574	172	7,729
Unskilled and defined decision making, Permanent	3,124	6	26	3,156	4	1,624	12	29	1,665	4	4,829
Contract (Professionally qualified), Permanent	0	0	0	0	0	2	0	0	2	0	2
Contract (Skilled technical), Permanent	15	0	1	16	0	10	0	1	11	2	29
Contract (Semi-skilled), Permanent	37	0	4	41	1	74	2	3	79	2	123
Contract (Unskilled), Permanent	1	0	0	1	0	5	0	0	5	0	6
TOTAL	23,322	296	2,848	26,466	647	49,038	752	5,594	55,384	2,438	84,935

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	2	1	4	7	0	6	1	4	11	2	20

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior Management, Permanent	4	0	1	5	1	0	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management, Permanent	307	7	86	400	35	486	16	81	583	85	1,103
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	996	9	66	1,071	24	1,838	28	232	2,098	185	3,378
Semi-skilled and discretionary decision making, Permanent	1,415	5	38	1,458	9	2,162	10	114	2,286	27	3,780
Unskilled and defined decision making, Permanent	92	0	0	92	1	46	0	4	50	1	144
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0	0	1
Contract (Skilled technical), Permanent	4	1	2	7	0	5	0	2	7	0	14
Contract (Semi-skilled), Permanent	136	0	6	142	0	249	0	13	262	1	405
Contract (Unskilled), Permanent	1	0	0	1	0	0	0	0	0	0	1
TOTAL	2,955	22	199	3,176	70	4,787	54	446	5,287	299	8,832

TABLE 6.6 - Disciplinary Action

Disciplinary action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Correctional counselling	4	0	0	0	0	3	0	0	3	1	8
Verbal warning	0	0	0	0	0	0	0	0	0	0	0
Written warning	7	1	1	9	0	5	0	0	5	0	14
Final written warning	39	0	0	0	0	368	1	0	369	0	408
Suspended without pay	55	0	8	63	0	15	0	1	16	0	79
Fine	42	2	3	47	2	17	0	0	17	2	68
Demotion	15	0	2	17	0	6	0	1	7	0	24
Dismissal	118	1	3	122	1	76	1	5	82	0	205
Not Guilty	11	0	2	13	0	12	0	2	14	0	27
Case withdrawn	3	0	2	5	0	2	0	0	2	0	7
TOTAL	294	4	21	271	8	505	2	9	513	5	840

TABLE 6.7 - Skills Development

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, Senior Officials and Managers	20	1	5	26	2	15	0	1	16	1	45
Professionals	468	7	15	490	0	668	2	9	679	1	1170
Technicians and Associate Professionals	20	2	23	45	2	23	1	2	26	0	55
Clerks	133	29	33	195	15	226	34	37	297	18	525
Service and Sales Workers	0	0	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary Occupations	50	11	7	68	2	95	9	12	116	4	190
TOTAL	691	50	66	802	20	1,027	46	61	1,126	24	1,985



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TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	0	61,364	0	0	0
African, Male	0	31,191	0	0	0
Asian, Female	0	6,790	0	0	0
Asian, Male	0	3,288	0	0	0
Coloured, Female	0	866	0	0	0
Coloured, Male	0	353	0	0	0
Total Blacks, Female	0	69,020	0	0	0
Total Blacks, Male	0	34,832	0	0	0
White, Female	0	3,017	0	0	0
White, Male	0	767	0	0	0
Employees with a disability	0	21	0	0	0
TOTAL	0	107,657	0	0	0

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Lower skilled (Levels 1-2)	0	7,964	0	0	0
Skilled (Levels 3-5)	0	14,303	0	0	0
Highly skilled production (Levels 6-8)	0	59,823	0	0	0
Highly skilled supervision (Levels 9-12)	0	25,136	0	0	0
Contract (Levels 1-2)	0	18	0	0	0
Contract (Levels 3-5)	0	290	0	0	0
Contract (Levels 6-8)	0	43	0	0	0
Contract (Levels 9-12)	0	3	0	0	0
Periodical Remuneration	0	7,070	0	0	0
Abnormal Appointment	0	9,096	0	0	0
TOTAL	0	123,746	0	0	0

TABLE 7.3 - Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	0	55	0	0	0
Agriculture related	0	11	0	0	0
Ambulance and related workers	0	1	0	0	0
Archivists curators and related professionals	0	1	0	0	0
Artisan project and related superintendents	0	4	0	0	0
Auxiliary and related workers	0	701	0	0	0
Boiler and related operators	0	19	0	0	0
Building and other property caretakers	0	262	0	0	0
Bus and heavy vehicle drivers	0	101	0	0	0
Cleaners in offices workshops hospitals etc.	0	3,921	0	0	0
Client inform clerks (switchboard reception clerks)	0	12	0	0	0
Communication and information related	0	9	0	0	0
Conservation labourers	0	12	0	0	0
Farm hands and labourers	0	59	0	0	0
Farming forestry advisors and farm managers	0	2	0	0	0
Finance and economics related	0	18	0	0	0
Financial and related professionals	0	29	0	0	0
Financial clerks and credit controllers	0	265	0	0	0
Food services aids and waiters	0	149	0	0	0
Food services workers	0	1	0	0	0
General legal administration & rel. professionals	0	4	0	0	0
Head of department/chief executive officer	0	1	0	0	0
Health sciences related	0	3	0	0	0
Household and laundry workers	0	725	0	0	0
Household food and laundry services related	0	17	0	0	0
Housekeepers laundry and related workers	0	92	0	0	0
Human resources & organisational development & related professions	0	60	0	0	0
Human resources clerks	0	483	0	0	0
Human resources related	0	104	0	0	0
Information technology related	0	12	0	0	0
Language practitioners interpreters & other communication	0	2	0	0	0
Legal related	0	4	0	0	0
Librarians and related professionals	0	7	0	0	0
Library mail and related clerks	0	241	0	0	0
Light vehicle drivers	0	71	0	0	0
Logistical support personnel	0	9	0	0	0
Material-recording and transport clerks	0	81	0	0	0
Messengers porters and deliverers	0	41	0	0	0
Motor vehicle drivers	0	14	0	0	0



Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Other administrat & related clerks and organisers	0	4,624	0	0	0
Other administrative policy and related officers	0	70	0	0	0
Other information technology personnel.	0	47	0	0	0
Other machine operators	0	2	0	0	0
Other occupations	0	91,352	0	0	0
Photographic lithographic and related workers	0	13	0	0	0
Physiotherapy	0	1	0	0	0
Printing and related machine operators	0	9	0	0	0
Professional nurse	0	31	0	0	0
Rank: Unknown	0	49	0	0	0
Risk management and security services	0	9	0	0	0
Secretaries & other keyboard operating clerks	0	299	0	0	0
Security guards	0	3,416	0	0	0
Security officers	0	18	0	0	0
Senior managers	0	83	0	0	0
Social sciences supplementary workers	0	15	0	0	0
Staff nurses and pupil nurses	0	4	0	0	0
Trade labourers	0	12	0	0	0
TOTAL	0	107,657	0	0	0

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	0	58	0	0	0	0	0
Band B	0	13	0	0	0	0	0
Band C	0	4	0	0	0	0	0
Band D	0	2	0	0	0	0	0
TOTAL	0	77	0	0	0	0	0



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TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning of Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Lower skilled (Levels 1-2)	1	0.1	1	0.1	0	0	806	973	167
Skilled (Levels 3-5)	303	37.6	305	31.3	2	1.2	806	973	167
Highly skilled production (Levels 6-8)	463	57.4	621	63.8	158	94.6	806	973	167
Highly skilled supervision (Levels 9-12)	25	3.1	26	2.7	1	0.6	806	973	167
Periodical Remuneration	13	1.6	18	1.8	5	3	806	973	167
Abnormal Appointment	1	0.1	2	0.2	1	0.6	806	973	167
TOTAL	806	100	973	100	167	100	806	973	167

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning of Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Administrative office workers	2	0.2	3	0.3	1	0.6	806	973	167
Elementary occupations	2	0.2	2	0.2	0	0	806	973	167
Other occupations	799	99.1	965	99.2	166	99.4	806	973	167
Professionals and managers	2	0.2	2	0.2	0	0	806	973	167
Social natural technical and medical sciences+supp	1	0.1	1	0.1	0	0	806	973	167
TOTAL	806	100	973	100	167	100	806	973	167

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TABLE 9.1 - Sick Leave for Jan 2011 to Dec 2011

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	12,877	85	1,983	6	2,877	37,320	10918
Skilled (Levels 3-5)	27,416	79	4,267	6	8,351	37,320	21,733
Highly skilled production (Levels 6-8)	167,333	83	22,326	7	103,937	37,320	138,770
Highly skilled supervision (Levels 9-12)	59,933	82	8,526	7	57,568	37,320	49,241
Senior management (Levels 13-16)	247	85	33	7	676	37,320	210
Contract (Levels 1-2)	10	30	3	3	2	37,320	3
Contract (Levels 3-5)	834	66	158	5	261	37,320	553
Contract (Levels 6-8)	123	87	21	6	69	37,320	107
Contract (Levels 9-12)	14	93	2	7	23	37,320	13
Not Available	14	100	1	14	12	37,320	14
TOTAL	268,801	82	37,320	7	173,776	37,320	221,562

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2011 to Dec 2011

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of Employees using Disability Leave
Lower skilled (Levels 1-2)	828	100	23	36	186	828	769
Skilled (Levels 3-5)	1,366	100	60	23	437	1,366	769
Highly skilled production (Levels 6-8)	19,572	100	494	40	12,371	19,554	769
Highly skilled supervision (Levels 9-12)	7,499	100	192	39	7,212	7,499	769
TOTAL	29,265	100	769	38	20,206	29,247	769



TABLE 9.3 - Annual Leave for Jan 2011 to Dec 2011

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	12,558	8	1,579
Skilled (Levels 3-5)	28,846	12	2,467
Highly skilled production (Levels 6-8)	28,230	8	3,327
Highly skilled supervision (Levels 9-12)	32,931	10	3,335
Senior management (Levels 13-16)	1,215	17	71
Contract (Levels 1-2)	105	9	12
Contract (Levels 3-5)	2,840	11	250
Contract (Levels 6-8)	476	12	41
Contract (Levels 9-12)	65	16	4
Not Available	5	3	2
TOTAL	107,271	10	11,088

HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education**TABLE 9.4 - Capped Leave for Jan 2011 to Dec 2011**

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2011	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2011	Number of Employees as at 31 December 2011
Lower skilled (Levels 1-2)	52	5	53	10	48,615	915
Skilled (Levels 3-5)	402	6	54	72	124,924	2,302
Highly skilled production (Levels 6-8)	8,022	4	47	2,166	1,241,168	26,154
Highly skilled supervision (Levels 9-12)	8,139	4	66	1,903	1,570,730	23,653
Senior management (Levels 13-16)	12	6	92	2	5,236	57
Not Available	5	3	54	2	7,815	144
TOTAL	16,632	4	56	4,155	2,998,488	53,225

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Capped leave payouts on termination of service for 2011/12	36,374	3,698	9,836
Current leave payout on termination of service for 2011/12	9	4	2,250
TOTAL	36,383	3,702	9,828

HR OVERSIGHT - APRIL 2011 to MARCH 2012 - KwaZulu-Natal - Education**TABLE 10.1 - 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
Educators	Awareness campaign Distribution of condoms Prevention, Care, Treatment & Access

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide 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.	Yes		Dr SZ Mbokazi: Senior General Manager- Human Resource & Administration Services
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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		EAP Sub Directorate with one EAP Practitioner per District and 2 EAP Practitioners at Head Office. The Budget is +-R5m



Question	Yes	No	Details, if yes
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		1. The management of referrals. 2. Management of HIV and AIDS in a workplace. 3. Provision of Wellness Programmes
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.	Yes		Dr SZ Mbokazi: SGM-HR & Admin Services : Chairperson, Dr H.P. Gumede: GM: Delivery Support Services, Mr L. Rambaran: GM: Financial Support Services, Dr L.T. Mbatha: GM: Curriculum, Mr G.N. Ngcobo: GM: HR, Mr M.R.C. Msweli: Manager HRD Planning & PSA HRD,
5. Has the department reviewed the employment policies and practices of your department 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		Recruitment Policy
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		Conducting HIV and Aids workshops on HIV and AIDS Laws and Policies
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Number of employees disclosing their status has increased.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		No	

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TABLE 11.1 - Collective Agreements

Subject Matter	Date
Total collective agreements	None

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total
Correctional counselling	8	1
Verbal warning	0	0
Written warning	14	2
Final written warning	408	49
Suspended without pay	79	9
Fine	68	8
Demotion	24	3
Dismissal	205	24
Not Guilty	27	3
Case withdrawn	7	1
TOTAL	840	100

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	Percentage of Total
Fraud / Theft	64	8
Social Grant misconduct	408	48
Misuse of State Property	12	1
Insurbodination	54	6
Absenteeism	38	4
Sexual Harassment	61	7



Type of misconduct	Number	Percentage of Total
Under influence of Alcohol / Drugs	22	3
Assault	40	5
Other	151	18
TOTAL	850	100

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	Percentage of Total
Number of grievances resolved	94	66
Number of grievances not resolved	49	34
TOTAL number of grievances lodged	143	100

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TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	59	36
Dismissed	103	64
Total	162	100

TABLE 11.6 - Strike Actions

Strike Actions	
Total number of person working days lost	Nil
Total cost(R'000) of working days lost	Nil
Amount (R'000) recovered as a result of no work no pay	Nil

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	56
Number of people whose suspension exceeded 30 days	47
Average number of days suspended	60
Cost (R'000) of suspensions	3,687,500



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TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	25	0	10	0	10
	Male	52	0	15	0	15
Professionals	Female	61,805	1,250	57,200	0	58,450
	Male	27,309	850	21,400	0	22,250
Technicians and associate professionals	Female	792	0	150	0	150
	Male	1,025	0	280	0	280
Clerks	Female	3,998	0	650	0	650
	Male	3,328	0	380	0	380
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	3,908	0	490	0	490
	Male	2,979	0	520	0	520
Gender sub totals	Female	70,528	1,250	58,500	0	59,750
	Male	34,693	850	22,605	0	23,455
Total		105,221	2,100	81,105	0	83,205

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	25	0	0	15	15
	Male	52	0	0	30	30
Professionals	Female	61,805	680	0	0	680
	Male	27,309	490	0	0	490
Technicians and associate professionals	Female	792	0	25	0	25
	Male	1,025	0	30	0	30
Clerks	Female	3,998	0	315	0	315
	Male	3,328	0	210	0	210
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	3,908	0	70	0	70
	Male	2,979	0	120	0	120
Gender sub totals	Female	70,528	680	410	15	1,105
	Male	34,693	490	360	30	880
Total		105,221	1,170	770	45	1,985

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TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	23	88.5
Temporary Total Disablement	2	7.7
Permanent Disablement	0	0
Fatal	1	3.8
Total	26	100



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TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Various	-	261	R528p.h. 3.656 per km

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
As per financial statements	-	261	1 281 186 798

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

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 14.3 - Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
As per financial statements	-	261	-

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

TABLE 14.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs

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



CONCLUSION

The Annual Report 2011/12 responded to the commitments expressed by the Department in the Annual Performance Plan 2011/12. This Report has informed our stakeholders on what progress the Department has made in the achievement of its objectives; moreover it has justified the Department's performance and financial position for the 2011/12 financial year.

The accomplishment of the Department 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 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.



SECTION 5:

OTHER INFORMATION



GLOSSARY OF TERMS

The definitions attached to particular terms *in this document* are provided below. These definitions may differ slightly from definitions employed in other Government planning contexts, for instance that of the Provincial Governments in general or that of another sector at the national level, e.g. health.

Measurable Objective [MO]	Measurable objectives are objectives where attainment can be relatively easily measured. Their focus is largely on fairly universal measures of access, adequacy, equity, efficiency, output and quality. They complement the strategic objectives. Most measurable objectives are linked to one provincial budget programme, though some may be generic to the sector as a whole.
Performance Measure [PM]	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.
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.
Strategic Goal [SG]	Strategic goals are goals that determine the overall medium to long-term direction of the pre-tertiary education system. They reside at the top of the hierarchy of planning elements.
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.



ACRONYMS

ABET	Adult Basic Education and Training
AFET	Adult Further Education and Training
ASGI-SA	Accelerated and Shared Growth Initiative
CEM	Council of Education Ministers
CEO	Chief Executive Officer
CLC	Community Learning Centre
CTI	Cape Teaching Institute
DoE	National Department of Education
DTC	Departmental Training Committee
ECD	Early childhood development
EE	Employment Equity
EFA	Education For All
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
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
HRD	Human Resource Development
ICT	Information and Communication Technology
IQMS	Integrated Quality Management System
IRM	Infrastructure Reporting Model
LSEN	Learners with Special Education Needs
LTSM	Learning and Teaching Support Materials
MEC	Member of the Executive Council
MTEF	Medium-term expenditure framework
NCS	National Curriculum Statements
NGO	Non-Governmental Organisation
NQF	National Qualifications Framework
NSNP	National School Nutrition Programme
NSSF	Norms and Standards For School Funding
PED	Provincial Department of Education
PFMA	Public Finance Management Act
POA	Programme of Action



PPP	Public-private partnership
QUIDS-UP	Quality Improvement, Development, Support
and Upliftment Programme	Accelerated and Shared Growth Initiative
RCL	Representative Council of Learners
RPL	Recognition for Prior Learning
SAQA	South African Qualifications Authority
SASA	South African Schools Act
SDIP	Service Delivery Improvement Plan
SGB	School Governing Body
SITA	State Information Technology Agency



NOTES

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NOTES

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