education

Department
Education
PROVINCE OF KWAZULU-NATAL

ANNUAL REPORT

2022/23

DEPARTMENT OF EDUCATION
PROVINCE OF KWAZULU-NATAL
VOTE NO. 5

ANNUAL REPORT
2022/2023 FINANCIAL YEAR

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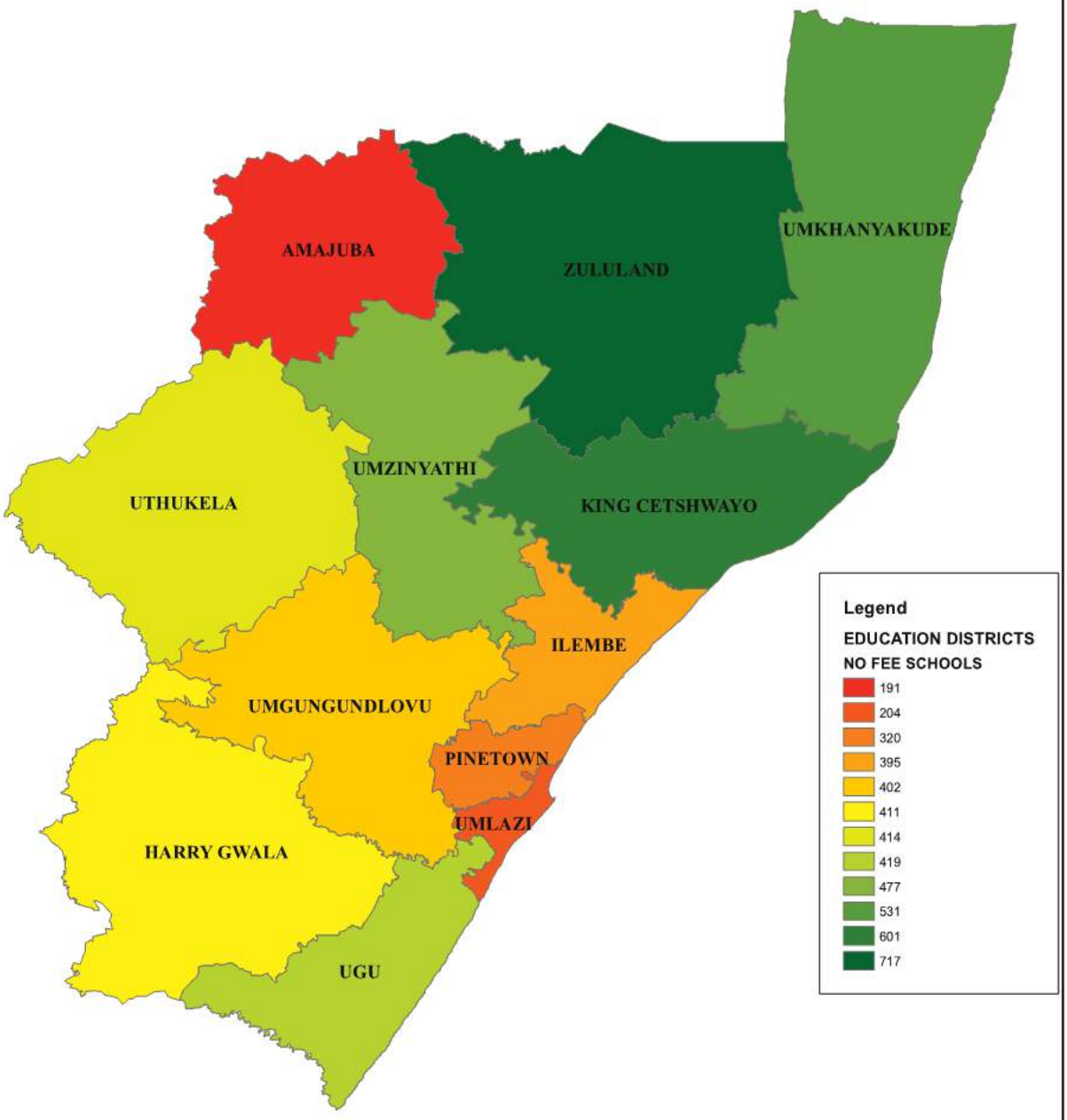
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PART A:
GENERAL INFORMATION

NO FEE PAYING SCHOOLS BY DISTRICT



DISTRICT	NO FEE PAYING SCHOOLS	ALL PUBLIC SCHOOLS
AMAJUBA	191	222
HARRY GWALA	411	421
ILEMBE	395	414
KING CETSHWAYO	601	646
PINETOWN	320	492
UGU	419	453
UMGUNGUNDLOVU	402	480
UMKHANYAKUDE	531	539
UMLAZI	204	458
UMZINYATHI	477	492
UTHUKELA	414	440
ZULULAND	717	738

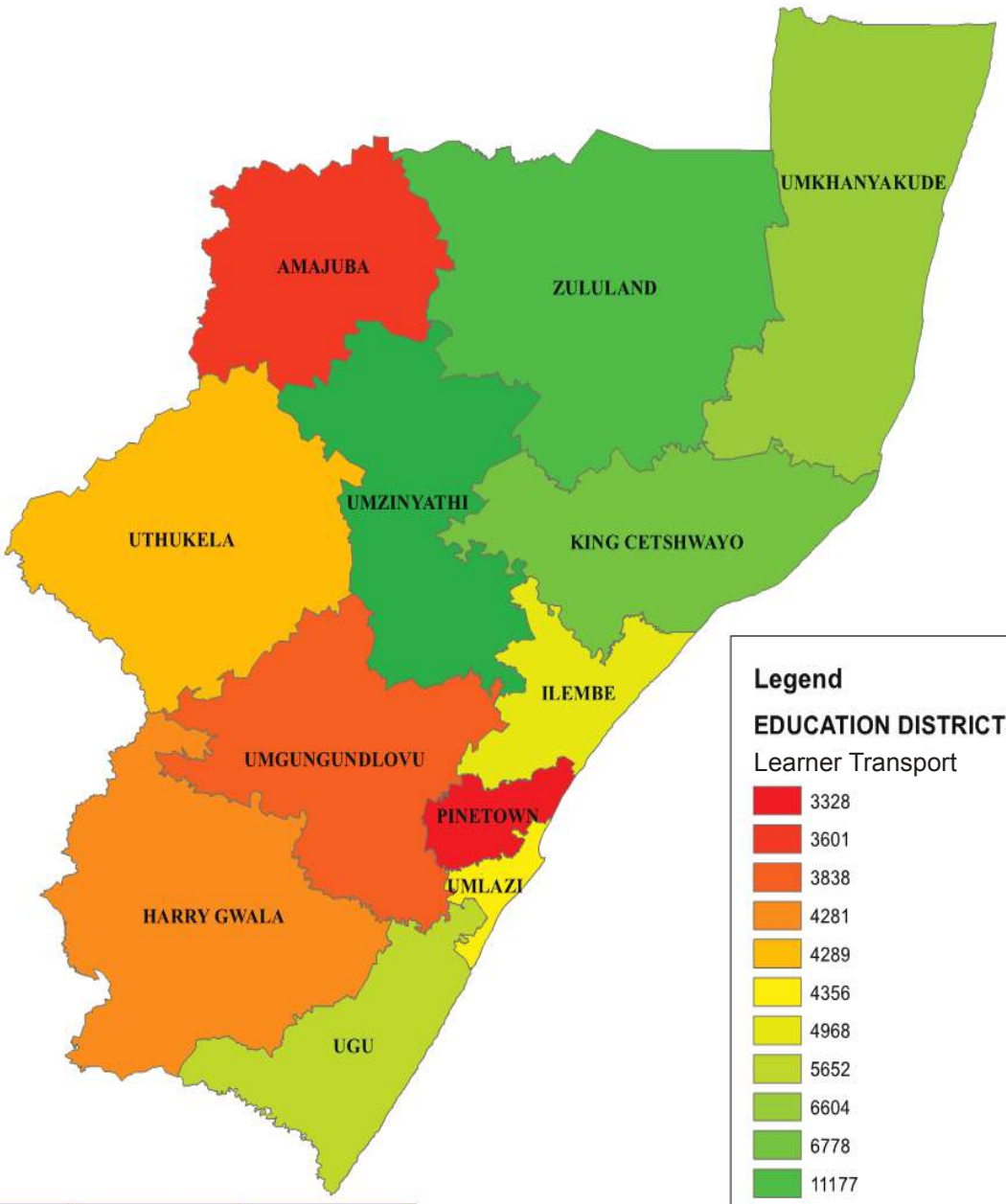
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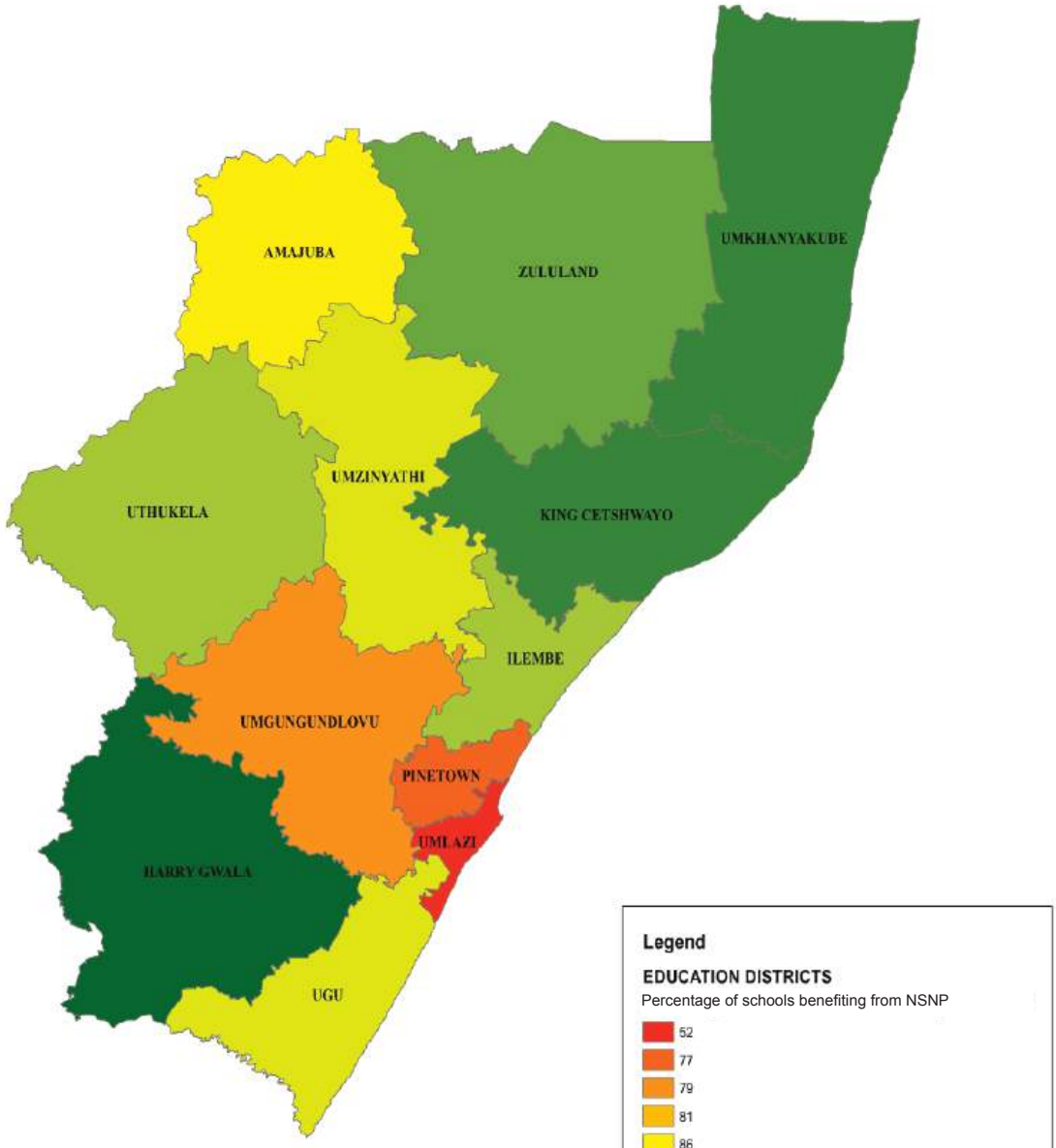
0 15 30 60 90 120
Miles

Number of learners benefitting from learner transport per district



DISTRICT	NUMBER OF SCHOOLS	NUMBER OF LEARNERS
AMAJUBA	23	3601
HARRY GWALA	29	4281
ILEMBE	33	4968
KING CETSHWAYO	43	6778
PINETOWN	21	3328
UGU	22	5652
UMGUNGUNDLOVU	31	3838
UMKHANYAKUDE	31	6604
UMLAZI	19	4356
UMZINYATHI	67	15017
UTHUKELA	34	4289
ZULULAND	49	11177
TOTAL	402	73889

KZN National School Nutrition Programme 2022/23



NSNP QUARTER 1 SUMMARY PER DISTRICT-JAN-MAR 2023

DISTRICT	P/Ordinary Schools Enrolment	No. of Learnerd Benefited in NSNP	% of Learners Benefited in NSNP
Amajuba	139984	120693	86
Harry Gwala	143315	135995	95
Ilembe	178671	158581	89
King Cetshwayo	281603	260814	93
Pinetown	364682	281731	77
Ugu	206361	180451	87
Umgungundlovu	234580	185121	79
Umkhanyakude	242287	225159	93
Umlazi	355626	186573	52
Umzinyathi	184190	159480	87
Uthukela	208064	185992	89
Zululand	275284	248232	90
Totals	2814647	2328821	83

ANNUAL REPORT
2022-2023

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2. LIST OF ABBREVIATIONS/ACRONYMS

ACE	Advanced Certificate in Education
AET	Adult Basic Education and Training
AGSA	Auditor-General of South Africa
ASER	Age Specific Enrolment
AFS	Annual Financial Statement
BBBEE	Broad Based Black Economic Empowerment
BREPRCO	Budget Review Expenditure Performance and Risk Committee
CAPS	Curriculum Assessment Policy Statement
CASS	Continuous Assessment
CPF	Community Policing Forum
DBE	Department of Basic Education
DTC	Departmental Training Committee
ECD	Early Childhood Development
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
EFA	Education for All
ETDP	Education, Training and Development Practices
GET	General Education and Training
GETC	General Education and Training Certificate
HEDCOM	Heads of Education Departments' Committee
ICT	Information and Communication Technology
IQMS	Integrated Quality Management System
LSEN	Learners with Special Education Needs
LTSM	Learning and Teaching Support Materials
LURITS	Leaner Unit Record Information and Tracking System
MDGs	Millennium Development Gaols
MEC	Member of the Executive Council
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MST	Mathematics, Science and Technology
NEIMS	National Education Infrastructure Management System
NEPA	National Education Policy Act
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
PAJA	Promotion of Administrative Justice Act
PEDs	Provincial Education Departments
PFMA	Public Finance Management Act
PGDP	Provincial Growth Development Plan
PGDS	Provincial Growth Development Strategy
PPP	Public-Private Partnership
PSA	Public Service Act
RCL	Representative Council of Learners
SACMEQ	Southern Africa Consortium for Monitoring Educational Quality
SIAS	Screening, Identification, Assessment and Support (SIAS) Strategy
SASA	South African Schools Act
SASAMS	South African School Administration and Management System
SBAs	School Based Assessments
SCM	Supply Chain Management
SDGs	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SDP	School Development Plan
SGB	School Governing Body
SITA	State Information Technology Agency
Stats-SA	Statistics South Africa
SMT	School Management Team
TR	Treasury Regulations
WSE	Whole-School Evaluation

3. FOREWORD BY THE MEC



HON. MBALI FRAZER

MEC: Education

KwaZulu-Natal Provincial Government

As we reflect on the 2022/2023 term, we can take pride in the numerous achievements made in the education sector in KwaZulu-Natal. In accordance with the 2019-24 Medium Term Strategic Framework, we have made considerable strides towards achieving our targets, particularly in the areas of early childhood development, literacy numeracy, and the provision of safe and inclusive learning environments.

Our unwavering focus on these key areas has yielded positive results, as evidenced by notable improvements in learner outcomes and a reduction in dropout rates over the recent years while increasing the number of learners enrolled in special schools.

Furthermore, we have intensified our efforts to provide professional development opportunities for educators and Early Childhood Development Practitioners. We have also implemented initiatives to support curriculum delivery and assessment which have been instrumental in enhancing the quality of education in the province.

We acknowledge that there is still much work to be done to fully achieve our strategic outcomes; however, we remain confident that we will continue to make progress towards achieving all of our targets in the coming years.

Our education landscape can be best described in the words of Nigerian Poet and Novelist, Ben Okri, who said "The most authentic thing about us is our capacity to create, to overcome, to endure, to transform, to love, and to be greater than our suffering." These words are a true reflection of the resilience, determination, and unwavering spirit of our learners, educators, and stakeholders in the face of adversities encountered in the 2022/23 financial year.

The year under review was undoubtedly one of the most challenging periods for the Department of Education in KwaZulu-Natal, as the devastating impact of climate change wreaked havoc across the province, damaging approximately 356 schools in its trail. This setback was significant, but we worked tirelessly to ensure that affected schools were supplied with mobile classrooms while repairs were underway. This placed enormous pressure on the already financially constrained resources of our department, but we remained resolute in our commitment to providing quality education to all learners in our province.

Rehabilitation and repairs have been completed on 148 schools that were damaged by floods, while construction is underway for 16 others. The people of KwaZulu-Natal can rest assured that we are continuing our efforts to repair and rebuild damaged infrastructure in the remaining schools.

One of our key achievements in 2022/23 has been the rigorous implementation of the Provincial Academic Improvement Plan, which has significantly improved the quality of teaching and learning in our schools. As a result, our learning outcomes have seen a significant boost across all grades.

We remain humbled by the accolades given to the collective in the education sector that ensured that the matric Class of 2022 put KwaZulu-Natal among the galaxy of academic stars. With a historic 83% pass rate, we are now among the top three best-performing provinces in the Republic of South Africa. We have also improved our bachelor passes, increasing from 37.1% in 2021 to 42.5% in 2022. This achievement is a testament to the hard work and dedication of our learners and educators, as well as the support of parents, social partners, and other stakeholders. We also owe a debt of gratitude to our dedicated educators who go above and beyond to support our learners, often under difficult circumstances.

We have made significant investments in building new schools and upgrading existing ones, in line with our mission to create a safe and conducive learning environment for our learners. We have also made substantial progress in improving access to quality education, particularly for learners in rural areas and those enrolled in special schools throughout the province.

During the year under review, we successfully completed the construction of several new schools, including Dundee Junior Secondary School in Umzinyathi District, Xoloxolo Senior Primary School in Harry Gwala District,

Mgai Primary School in Ugu District, and Phumanyova Technical High School in Zululand. We are also proud of the upgrades that were carried out at Mbhekwa Secondary School in Zululand District, Fundokuhle Secondary School in Umzinyathi District, Intunjambili Secondary School in Ilembe District, and Inanda Special School in Umlazi District. These upgrades have provided additional teaching and learning spaces throughout the province.

The Department remains committed to ensuring the health, safety, and dignity of learners and has continued its efforts to eradicate pit latrines in schools. To date, 1 120 out of the 1 377 identified schools with pit latrines have been eradicated, and these schools now have safe and dignified ablution facilities. The remaining 204 schools are at different stages of construction and will be completed in the 2023/24 financial year. Meanwhile, 252 schools were closed or are non-viable. Non-viable schools have been provided with interim solutions whilst the enrolment is being monitored.

In addition to implementing a Coding and Robotics curriculum, we have also been aggressively implementing an ICT strategy across the province. To date, we have provided school-based connectivity worth R219 million to 64 schools. All learners and educators in these schools now have full school WI-FI access and interactive smart screens. Additionally, we have provided 1 840 laptops for educators, including principals, in the 64 schools.

To enhance the capacity of our staff to perform effectively and optimally, we have procured 3 200 laptops and 558 desktops as tools of trade. These measures are aimed at improving service delivery in the education system.

As a department, we remain committed to good governance, financial discipline, accountability, and professional ethics of fairness and equity, where no one should be discriminated against for any reason. We will continue to work tirelessly to redress the imbalances of the past and eradicate any trace of inequity that seeks to reverse the gains made by our democratic government since 1994.

We have made significant strides in strengthening our internal controls and improving the efficiency of our system. As a result, we have been able to achieve much-needed savings through the reduction of staff debt and other forms of expenditure. We remain committed to good governance, financial discipline, and accountability, as well as upholding professional ethics of fairness and equity.

The year under review has indeed been a period of both triumphs and challenges, but we are confident that our department is well-equipped to address any obstacles that lie ahead. We know that no challenge is insurmountable, and we remain focused and encouraged by the words of Henry Ford that, “Obstacles are those frightful things you see when you take your eyes off the goal.”

Looking ahead, our strategic focus over the medium to long term period remains centred on improving access to quality education and ensuring that our learners are equipped with the knowledge and skills they need to succeed in the era of Fourth Industrial Revolution. We will continue to prioritise initiatives that promote equity and inclusivity in education as well as invest in technology and infrastructure to support digital literacy.

We will persist in our commitment to investing in infrastructure development to ensure that our schools provide safe and conducive learning environments that are well-equipped to support quality education. This will involve the establishment of Focus Schools in all districts, where our learners can acquire the skills and knowledge necessary to thrive in the global economy.

We will prioritise the development of our human resources, which includes recruiting and training a qualified workforce, as well as providing ongoing professional development opportunities.

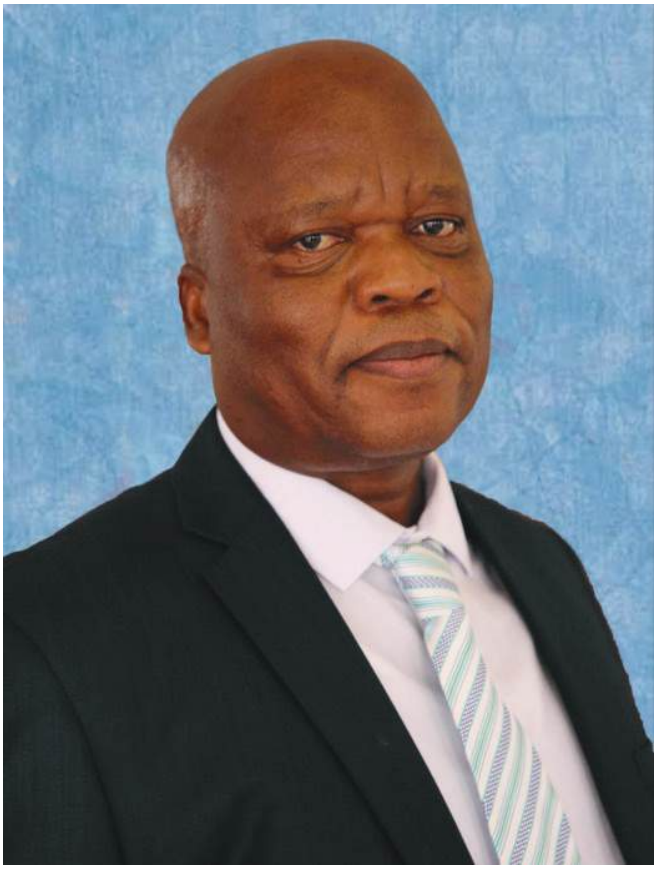
We recognise the invaluable support and contributions of our stakeholders, including parents, communities, and civil society organisations, who have played an essential role in helping us achieve our objectives, despite the challenges we faced during the previous financial year.

As we look to the future, we remain committed to strengthening these partnerships and working collaboratively to build a brighter future for our learners and our province.



Hon. Ms Mbalenhle Cleopatra Frazer MPL
MEC: Department of Education
Date: 31 August 2023

4. REPORT OF THE ACCOUNTING OFFICER



MR G.N. NGCOBO
Head of Department: Education
KwaZulu-Natal Provincial Government

Introduction

The 2022/23 financial year drew mixed feelings from the KwaZulu-Natal Department of Education. On a positive note, the Grade 12 Class of 2022 managed to record an achievement of 83% in the National Senior Certificate (NSC).

This was a huge achievement which has certainly become a benchmark for the province because from now on, getting anything below this percentage will be a regression.

This 83% pass rate is one of the highlights of the 2022/23 financial year and will remain etched in the annals of history as the turning point where the province seriously began its ascension to the highest level.

Whist the academic achievement was something to cheer about, the budget cuts present a huge challenge which continue to render the lives of everyone in the department very difficult. This situation continues to restrict the department to a shoe-string budget; however, as difficult as the situation is, we are managing to do a lot with less and ensure that all our flagship programmes are not affected by this situation.

Academic Achievements

The Class of 2022 was very fortunate in a sense that it was spared from any further devastating effects of the Covid-19 pandemic which had earlier plagued the education system for two successive years.

Whilst the end of Covid-19 placed us in great stead and allowed us to focus more on maximum teaching and learning, another monster reared its ugly head in the form of devastating floods which caused untold destruction to the province's infrastructure including some of our schools. To this day, we are still dealing with the effects of the destruction caused by the floods.

Our school infrastructure was severely destroyed by the ravaging storms, but of utmost note was the demise of some of our learners and educators.

While dealing with flood damage in our schools remains a moving target for the Department due to unpredictable weather pattens resulting from the impact of climate change, we remain committed to always ensuring that no learner is left behind when it comes to their academic work. It is this resilience and fortitude that, to a great extent, led to the Department achieving 83% in the NSC in 2022.

National Senior Certificate Results in 2022

It is now history that at one stage, as KwaZulu-Natal Province, we were in the 60s' in the National Senior Certificate pass rate. Hard work led to us moving to the 70s' which saw us recording a pass rate 76.8% in 2021 at the height of the Covid-19 pandemic. Subsequent to this, our collective hard work saw KwaZulu-Natal joining the league of sister provinces that are in the 80% bracket as the class of 2022 took us a few steps higher by achieving a historic 83% pass rate.

In numbers, this meant that out of the 164 308 of our learners who wrote the 2022 NSC Exams, 136 388 of them passed. Our province continued to contribute the highest number of candidates who sat for and passed the National Senior Certificate examinations in the country.

The number of our schools that obtained a 100% pass rate also increased significantly from 145 in 2021 to 212 in 2022. We were also able to reduce the number of schools that performed below 75% from 713 in 2021 to 435 in 2022.

The Department also ensured that no school obtained 0% pass rate. Our interventions to eradicate the 40% and below category of performance in the 2022 NSC examinations also yielded positive results and we are continuing to inject more efforts towards addressing this bracket.

Performance of special schools

Over the past few years, we have taken a decision to focus our energies on the improvement of our special schools. From the infrastructure provisioning point of view, we have

done everything to ensure that our special schools are not left behind when all our other schools have improved. We have also ensured that in terms of human resources we provide them with the best employees who are also passionate about their work.

As a result of the above, and many other efforts, five of our eleven special schools obtained a 100% pass rate in 2022.

Academic Improvement Plan

In recent times we have upped the ante in the implementation of the Provincial Academic Improvement Plan to ensure that all curriculum support related issues are attended to with vigour and enthusiasm never been seen before. Important matters are addressed such as setting of matric performance targets, provision of teachers in critical subjects, improving basic district and school functionality and productivity, quality curriculum delivery and learner attainment, subject specific interventions, promotion of reading for meaning, special focus on learners with special education needs, Early Childhood Development (ECD) support, teacher development, tracking and analysis of learner attainment, and infusion of accountability as part of organisational culture

A competent cohort of educators with the requisite skills for curriculum delivery and assessment in a changing world

The Department has intensified its resolve to develop competent teachers who are qualified and skilled to teach existing and new technological subjects. To this end, a total of 2 639 teachers and lead teachers were trained on skills for a changing world through a Teacher Union Collaboration (TUC). However, one major challenge we have had to contend with was the absence of a common training programme as different unions conducted workshops using different content and manipulatives.

Concentrating on Focus Schools

Our focus on this area has always been embedded on the understanding and knowledge of the ideals of the National Development Plan 2030 which sets specific targets that we must have met by 2030 towards realising quality education. As such, we have established Focus Schools that specialise in gateway subjects such as Mathematics, Science and Technology as part of meeting this target.
In this regard, we continue to ensure that two of the already established schools, Mandla Mthethwa School of Excellence in Ndumo under Umkhanyakude District and Anton Lembede Mathematics, Science & Technology Academy in La Mercy under the Pinetown District continue to be fully resourced.

Another great step taken in 2022 was the approval by the MEC of the purchasing of a school previously owned by an independent body named Curro. The intention is to open this as a third Focus School in KwaZulu-Natal under Amajuba District. The aim is to have at least one Focus School per district as part of our response to the vision encapsulated in the NDP vision 2030, which enjoined us to ensure that by 2030 South Africans have access to education and training of the highest quality.

Quality Learning and Teaching Campaign (QLTC)

Following the re-launch of the QLTC in all 12 Districts late in the previous financial year, CMCs, Circuits and Schools also launched QLTCs. The relaunches were meant to mobilize various stakeholders to come on board and contribute to the delivery of quality education in schools in the province. Due to its importance, the QLTC has been put in the agenda of the Provincial Education Labour Relations Council. Up to this point, we are satisfied with the work of the QLTC Task Team which looks at issues to do with quality learning and teaching as well as school safety.

School Governing Body (SGB) Roadshows

Stabilizing our schools is one of our apex priorities in the province. As such, we have done all we could to do thorough SGB Roadshows. The Department conducted the Roadshows in February to March 2023 where all principals and SGB Chairpersons were addressed on various issues. This was in response to our monitoring which revealed some gaps that needed to be closed for the province to improve the performance recorded in the Class of 2022 and across all grades. We are looking forward to a smooth and peaceful year due to this intervention.

Reviving school sport

Working on the knowledge that the School Sport Programme was identified as a critical priority and foundation for identification and development of talent in our country, a National Joint Task Team (NJTT) started to work on the programme. This led to the launch of the National School Sport programme on the 5th of November 2011 at the University of Johannesburg, Soweto Campus, leading to the signing of the Memorandum of Understanding (MOU) at the National Level.

Subsequently, the province also re-established all the programmes that would lead to school sport taking centre stage. This saw a memorandum of understanding being signed between our Department and the Department of Arts, Culture, Sport and Recreation.

Of great importance is that the MOA has been revisited for a review to improve collaboration and the implementation of Arts, Culture, Sport and Recreation in schools.

To make this more meaningful, we established five key priorities aligned to the strategic objectives of sport, recreation, arts and culture development in KwaZulu- Natal through the Department of Education, the Department Arts and Culture, Federations and other stakeholders. These include the promotion of KwaZulu-Natal as the home of competitive sport, recreation, arts and cultural activities; promotion of safe and sustainable communities and healthy lifestyles early in life; as well as the empowering former disadvantages communities to participate in sporting activities through a diverse range of activities and sports codes, amongst others.

KwaZulu-Natal has become known for embracing this programme and has teams from schools such as the Edendale Technical High School which continues to fly the flag of the province even on an international stage.

Learner Transport

We have been very consistent in indicating that despite continued budgetary constraints which persist to affect the provisioning of dedicated learner transport in KZN, we have for over a decade, been providing learner transport to thousands of qualifying learners who travel long distances to their schools of need.

This is our recognition of the unenviable situation that many learners find themselves in, where without such government intervention, they would find it difficult to access their education.

During the 2022/23 financial year, over 70 000 learners are being transported to school through the dedicated learner transport programme on a daily basis at no cost whatsoever to their parents or guardians. These are learners who travel a minimum distance of three (3) kilometres to the nearest appropriate school.

It is, however, critical that we concede that there are thousands more learners who qualify to benefit from dedicated learner transport, but who do not benefit as a result of budgetary constraints. The department is in regular contact with Provincial Treasury to find ways to address this hurdle, as well as the attendant scourge of unavoidable overloads. We will continue to put more efforts into finding ways to ensure that the number of benefiting learners increase in the province.

National School Nutrition Programme (NSNP)

KwaZulu-Natal Department of Education continues to see the largest number of learners benefiting from the National School Nutrition Programme (NSNP) from all the Quintile 1 to Quintile 3 qualifying schools. This programme continues to go a long way in terms of dealing with the challenges we once had in the past of learners not being able to pay attention in class.

It is our belief that the provision of nutritious meals is one of the major reasons behind the decline in learner absenteeism and many other negative occurrences which we experienced in the past.

Automation of working systems in the Department

In the quest to automate many of our working systems in the Department, we have since decided to do away with the archaic way of doing things in the department which has been a major cause of some challenges such as financial leakages. The unreasonable accumulation of staff debt, poor management of staff leave, failure to pay substitute educators on time and delays in appointment and placement of educators as well as unreliable data from certain schools can be attributed to both the archaic systems of the department and unprofessional conduct of some within the department.

It is for this reason that we have decided to pursue great strides in automating our systems to correct these wrongs and also improve on efficiency and effectiveness.

Since the launch of this programme of automating the working systems in the Zululand District, a large number of teachers and officials have been trained on how to use the available solution.

E-Learning and Digital Skills

Through a DBE initiated programme, 1 189 Foundation Phase teachers were trained on Digital Skills - a programme that is aimed at improving teachers' skills in remote teaching and learning; online learning and teaching tools; and teaching with radio and television for Foundation Phase teachers. Training also included the Professional Development Framework for Digital Learning and the Online Teacher Development platform.

Coding and Robotics

Under the stewardship of DBE, a pilot programme for Coding and Robotics was carried out in 260 schools from six districts, namely Amajuba, Uthukela, Umkhanyakude, Pinetown, King Cetshwayo and Zululand. The province has orientated 5 864 piloting teachers. Furthermore, a budget of R3 295 384,45 from the MST Conditional Grant and R5 280 313,79 from the Skills Levy was spent on orientating 7 890 Grade R-3 and Grade 7 teachers in preparation for implementation to scale. Monitoring and support was provided in 58 piloting schools. A budget of R8.9M from the MST Conditional Grant was used to procure Coding and Robotics laboratory ICT resources and robotic kits for sixteen (16) piloting schools and R46 853 100 was spent on Coding and Robotics LTSM for 6 993 Grade R classrooms and 202 265 learners using Norms and Standards.
R178 000 was spent on learner support for competitions.

Professional Learning Communities (PLC)

The Department has made great strides in ensuring the presence of strong and functional PLCs. Accordingly, PLC's were revived to create a platform for engagement on curriculum related matters. This saw 900 educators participate in online courses, 387 Foundation Phase teachers, 2 692 Grade R teachers and 171 other teachers also benefitted from training.

Heads of Departments, School Principals, Circuit Managers and all other relevant District Officials will be trained on leadership, management as well as quality monitoring and support of curriculum implementation.

The department in collaboration with Jika Imfundo were able to train 5 304 School Management Team (SMT) members. The trained SMT members were trained in module 2 and 3 based on curriculum management and curriculum coverage; however, the challenge we confronted was that not all intended SMTs could attend the training because of competing priorities.

School Safety/ Safety Communities

It is common knowledge that one of the challenges that is currently worrying the Department of Education in KwaZulu-Natal is school safety. As a way of dealing head-on with this scourge, we have put in place various programmes in an effort to circumvent the challenges. As a way of fighting this scourge, a School Safety Indaba organized in collaboration with National Collaboration Trust (NECT) was held at Anton Lembede School of Maths, Science and Technology.

It was attended by various stakeholders who deliberated on the various strategies to make our schools safe environment for teaching and learning. This event followed the one held in the Greytown Hall for the Umzinyathi District organized

in collaboration with Community Safety. The stakeholders included the former MECs for Education and Community Safety, SAPS, Amakhosi, Izinduna, Local Municipalities officials, sister Departments like DSD, NGOs, officials from the Department, principals and SGB Chairpersons.

Sanitary Dignity Programme

We pride ourselves, as the Department, for being able to provide free sanitary pads to indigent girl learners attending quintiles 1-3 public schools, farm schools and special schools. This is in line with the National Sanitary Dignity Framework, 2019, promulgated by the Department of Women, Youth and Persons with Disabilities aimed at protecting and preserving the sanitary dignity of indigent persons as a fundamental human right. It further addresses learner drop-out and also contributes to the achievement of menstrual health and hygiene management for school-going girls.

Co-curricular Programmes

Whilst we still have a spring on our step due to the great performance of the Grade 12 Class of 2022, we also had a lot of proud moments that should remain etched in our hearts forever. Amongst those great moments was the victories we recorded on the side of co-curricular activities. We will never forget that our girls from Edendale Technical High School brought home the glory by winning the CAF African Schools Championship that was held in Malawi. Neither will we ever forget that 2022 also saw our learners excelling on both the provincial and national Moot Court competitions.

Importantly, our educators were also not to be left behind, as they also excelled on both Provincial and National Teaching Awards.

Another great step in the right direction in this area was the last year's signing of the MOU with the Department of Sport, Arts and Culture which was all about ensuring a focused approach to the reintroduction of sports, arts and cultural programmes to schools in the province.

Overview of the financial results of the department:

- **Departmental receipts**

Departmental receipts	2021/2022			2022/2023		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	72 824	61 557	11 267	61 221	75 241	(14 020)
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land	445	51 109	(50 664)	466	8 871	(8 405)
Sale of capital assets					3 379	(3 379)
Financial transactions in assets and liabilities	41 621	58 600	(16 979)	43 619	27 689	15 930
TOTAL	**114 890**	**171 266**	**(56 376)**	**105 306**	**115 180**	**(9 874)**

- **Programme Expenditure**

Programme Name	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	2 026 287	1 998 936	27 351	2 088 047	2 088 047	-
Public Ordinary School Education	46 735 858	47 366 520	(630 662)	49 060 713	48 923 595	137 118
Independent School Subsidies	95 799	91 828	3 971	93 292	91 829	1 463
Public Special School Education	1 466 510	1 462 881	3 629	1 528 832	1 528 832	-

Programme Name	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Early Childhood Development	1 328 130	1 362 771	(34 641)	1 950 507	1 911 703	38 804
Infrastructure Development	2 853 995	2 732 919	121 076	2 807 115	2 807 115	-
Examination and Education Related Services	3 131 728	3 020 832	110 896	3 141 728	2 990 432	151 296
TOTAL	**57 638 307**	**58 036 687**	**(398 380)**	**60 670 234**	**60 341 553**	**328 681**

Conclusion

The Annual Report 2022/23 that I am presenting to the Executive Authority is the outcome of hard work that has been put in by the officials of the Department and all other stakeholders. The Department has retained its focus on improving financial management and service delivery. The task has not been easy, but our relentless effort to establish sound financial management systems, including internal controls and risk management, has begun bearing fruit.

Whilst we have indicated the challenges we have as a result of the budget cuts, it is also important to indicate that we continue to try our best to do more with less. The 2022/23 financial year has also been no exception. We continued with our endeavours to take this department to the highest level. Our intention is to find ourselves in a position where no one will be able to compete with KwaZulu-Natal when it comes to producing good results.



Mr. G. N. Ngcobo
Head of Department of Education
Date: 31 August 2023

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully



Mr. G. N. Ngcobo
Head of Department of Education
Date: 31 August 2023

6. STRATEGIC OVERVIEW

6.1 Vision

To be an innovative hub for quality teaching and learning that produces learners developed to exploit opportunities for lifelong success.

6.2 Mission Statement

To facilitate quality teaching and learning in a conducive classroom environment every day.

6.3 Values

(i) Teamwork

- Striving to be together with one's team at all times and promote 'Team Education',
- Striving to bring everyone together to support, embrace and excel in whatever we do,
- Being part of a collective in everything we do and learning to support one another than to let one another down,
- Establishing and maintaining shared goals,
- Working together towards improving service delivery.
- Focusing the Department on improving cooperation through shared common goals.

(ii) Altruism

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

(iii) Empathy

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

(iv) Professionalism

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

(v) Integrity

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

(vi) Openness and Transparency

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

(vii) Excellence

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

(viii) Ubuntu

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

7. LEGISLATIVE AND OTHER MANDATES

- **The Constitution of the Republic of South Africa, 1996:** The Constitution requires education to be transformed and democratised in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism. It guarantees basic education for all, with the provision that everyone has the right to basic education, including adult basic education.

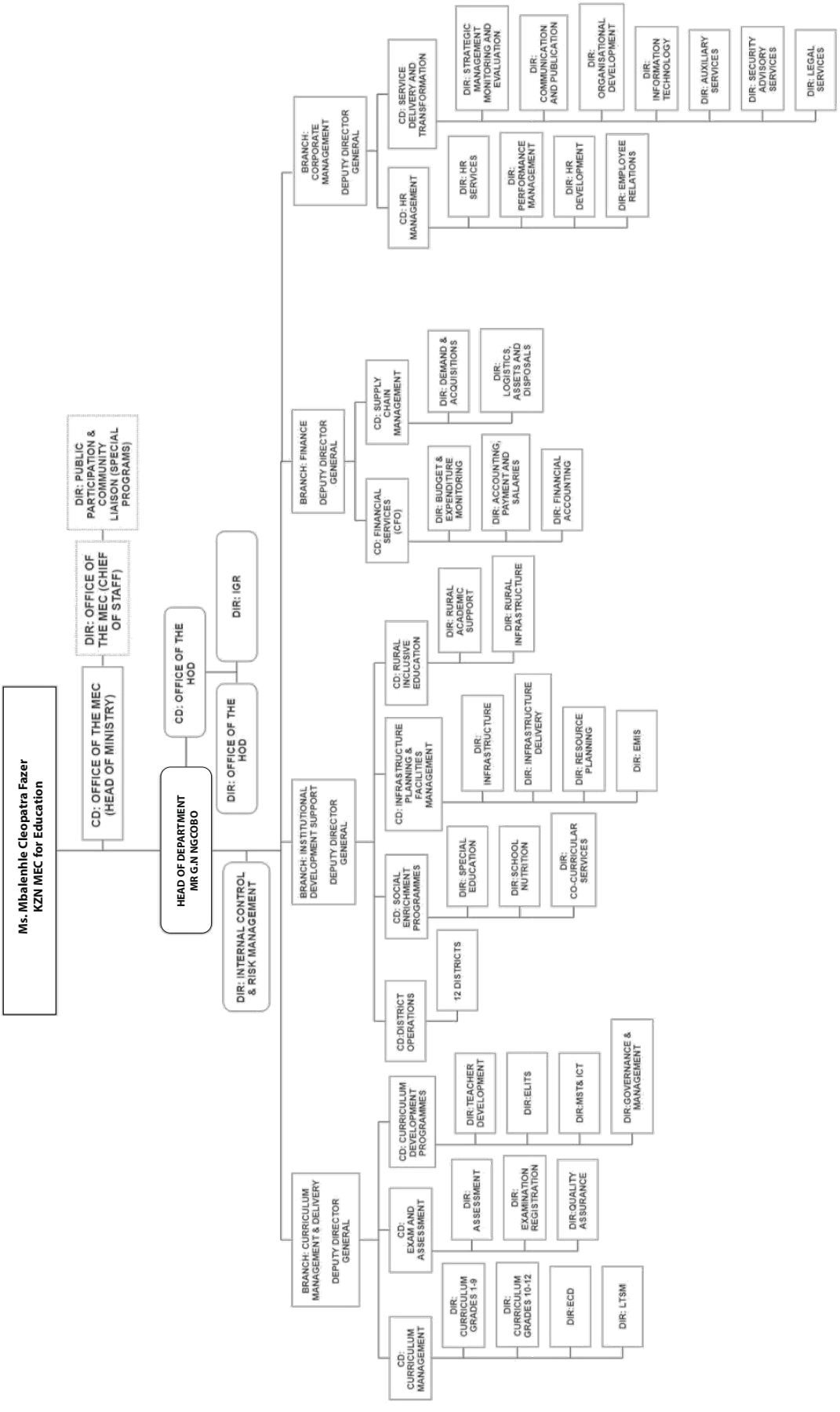
  Since 1994, several policies have been implemented and legislation promulgated to create a framework for transformation in education and training. A summary of key legislation follows below:

- **The National Education Policy Act, 1996 (Act No. 27 of 1996) (NEPA):** The NEPA inscribed into law the policies, the legislative and monitoring responsibilities of the Minister of Education, as well as the formal relations between national and provincial authorities. It laid the foundation for the establishment of the Council of Education Ministers, as well as the Heads of Education Departments Committee (HEDCOM), as inter-governmental forums that would collaborate in the development of a new education system. NEPA therefore provided for the formulation of national policy in both the general and further education and training bands policies for, inter alia, curriculum, assessment, language, and quality assurance. NEPA embodies the principle of cooperative governance, elaborated upon in Schedule 3 of the Constitution.
- **South African Schools Act, 1996 (Act No. 84 of 1996), as amended (SASA):** SASA provides for a uniform system for the organisation, governance and funding of schools. It ensures that all learners have the right of access to quality education without discrimination and makes schooling compulsory for children aged 7 to 14 years.
- **Employment of Educators Act, 1998 (Act No.76 of 1998):** The Employment of Educators Act, 1998 provides for the employment of educators by the state and for regulation of the conditions of service, discipline, retirement and discharge of educators.
- **Public Service Act, 1947 as amended (Proclamation 103 of 1994) (PSA):** PSA provides for the organisation and administration of the public service of the Republic, as well as the regulation of the regulation of conditions of employment, terms of office, disciple, retirement and discharge of members of the public service.
- **Public Finance Management Act No. 1 of 1999 ss Amended (PFMA):** PFMA regulates financial management in the national government, provincial governments and departments within those governments. It further ensures that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; and provides the responsibilities of persons entrusted with financial management in those governments.
- **Protection of Personal Information Act, 2013 (Act No. 4 of 2013) (POPIA):** POPIA applies to the processing of personal information which is entered into a record by a responsible party who is domiciled in South Africa or makes use of automated or non-automated means in South Africa.

POLICY FRAMEWORKS

- **The Education White Paper 5 on Early Childhood Development (2000):** White Paper 5 provides for the expansion and full participation of 5-year-olds in pre-primary school reception grade education by 2010, as well as for an improvement in the quality of programmes, curricula and teacher development for 0 to 4-year-olds and 6 to 9-year-olds.
- **Education White Paper 6 on Inclusive Education (2001):** White Paper 6 describes the intent of the Department of Education to implement inclusive education at all levels in the system by 2020. Such an inclusive system will facilitate the inclusion of vulnerable learners and reduce the barriers to learning, via targeted support structures and mechanisms, which will improve the retention of learners in the education system, particularly those learners who are prone to dropping out.
- **Education White Paper 7 on e-Learning:** The Education White Paper 7 on e-Learning provides a framework for the roll out of information and Communication Technology (ICT) infrastructure in schools as well as curriculum delivery through ICTs.
- **National Curriculum Statements (Grades 10 to 12):** The National Curriculum Statements embody the vision for general education to move away from rote-learning model, to a learner-centred outcomes-based approach. In line with training strategies, the reformulation is intended to allow greater mobility between different levels and between institutional sites, as well learning pathways.
- **National Curriculum and Assessment Policy Statement (CAPS):** A National Curriculum and Assessment Policy Statement is a single, comprehensive, and concise policy document, which has replaced the Subject and Learning Area Statements, Learning Programme Guidelines and Subject Assessment Guidelines for all the subjects listed in the National Curriculum Statement Grades R - 12.

8. ORGANISATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC.

PART B:
PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to page 119-122 of the Report of the Auditor General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

In fulfilling its mandate to provide quality basic education to all, the department understands the huge gap that needs to be closed between what has been provided and what still needs to be addressed in schools – against the very limited budget since the department is experiencing huge budget cuts every year. The situation demands frugal spending, planning differently, reprioritising the very limited budget in order to survive and continue to meet the ever-increasing demands. Tough economic times call for special measures and a rethink on how the department plans and implements strategies.

Over the past few years KwaZulu-Natal Department of Education was not spared the ire of the Covid-19 pandemic, floods and social upheavals. Teaching in an environment challenged by hostile external influences is a daunting task but all stakeholders played their part in ensuring that our learners are adequately prepared for the task at hand. Our results in the 2022 National Senior Certificate Examinations is testimony to the hard work put in by learners, teachers, parents, school governing bodies, teacher unions and all officials. We achieved an overall pass rate of 83% which was an increase of 6.2% from the 2021 results. This is certainly no mean feat. We also improved our bachelor passes from 37,1 % in 2021 to 42,5% in 2022. This signifies an improvement in the quality of passes in the province.

In recent times the department has upped the ante in the implementation of the Provincial Academic Improvement Plan to ensure that all curriculum support related issues are attended to with vigour and enthusiasm never been seen before. Important matters are addressed such as setting of matric performance targets, provision of teachers in critical subjects, improving basic district and school functionality and productivity, quality curriculum delivery and learner attainment, subject specific interventions, promotion of reading for meaning, special focus on learners with special education needs, Early Childhood Development (ECD) support, teacher development, tracking and analysis of learner attainment, and infusion of accountability as part of organisational culture.

Last year saw a shift of the Early Childhood Development (ECD) function from the Department of Social Development to the Department of Basic Education, which requires extensive development of ECD practitioners in order to do justice to the education that our young children get from these centres. The ECD curriculum needs to be strengthened as well.

The Department's infrastructure programme is pro-poor where the most disadvantaged (rural and township) schools are targeted for renovations and refurbishment. The province is on course to achieve our 5 year targets. In modernising our rural schools, the department aims to close the gap between schools in the urban areas and those in rural areas.

Historically, examination results both internal and external were adversely impacted on by challenges such as the ineffective teaching and learning, poor curriculum leadership, high teacher and learner absenteeism, non-completion of syllabus, lack of effective teacher development, poor quality of assessment in GET, and teaching of subjects in which teachers are not specialists. The department, however, is pleased to declare that most if not all the above-mentioned factors have since been relegated to the dustbins of history.

To achieve success in the schooling system in KZN, the department focused on the development of capacity within our teaching fraternity and put in place internal controls to increase accountability, transparency of the learning process and the use of resources at all levels of the Department and in the classroom. The department is also committed to improving the understanding of languages and, lastly, dedicating itself to improving education resources and infrastructure in formerly disadvantaged schools and at rural schools.

KZNDOE continues to protect teaching and learning time, monitor school functionality, support education delivery, provide scholar transport, roll out the school nutrition programme, build schools and implement policies as expected by the government of the day.

The department has made progress in improving access to learning; however, it is acknowledged that the continuing challenges, especially in respect of equity and redress; the drop-out rates; the levels of literacy

and numeracy; the performance of our learners in the subjects of mathematics and science; teacher support and development; and learner behaviour as well as parental involvement in the education system need to be urgently addressed. COVID-19 aggravated the dropout rate in schools and the department will continue its efforts to reduce the number of learners dropping out of school.

Over recent times the province has experienced a scourge of crime and violence at schools. Incidences of violence at schools are swelling while armed robberies and break-ins are also on the increase. Teenage pregnancy is also of major concern in certain areas. To counter crime at schools, the Department has strengthened governance and management while also improving safety and security for both learners and educators. The department also rolled out programmes that emanate from the Provincial Youth Strategy to strengthen its school related interventions. These include the anti-drug campaign, teenage pregnancy, anti-bullying campaigns, second chance programme and Young Falcons.

The COVID-19 pandemic has brought to the fore the weakness of ICT infrastructure in many schools and gaps regarding digital content for learners and educators. Technology innovation is important when faced with a health crisis.

The department is serious about making strong investments in technology and internet connectivity to lay a solid foundation for a future that is underpinned by innovation and is digitally inclusive. KZN DoE e-learning solution is a central source for providing e-Curriculum support material for both Teachers and Learners. e-Curriculum Support Material is made up of DBE e-Content, e-curriculum material from the QA-OER as well as curriculum material developed by both Teachers and Curriculum Officials. The department will continue its effort to provide devices to school principals in the province.

The Department is committed to pilot the introduction of Coding and Robotics at foundation phase as part of aligning with the demands of the 4th Industrial Revolution. The subject is 75% practical and teaching the subject requires that schools have at least one fully resourced Coding and Robotics laboratory. Since the beginning of 2022 financial year, 244 Grade 9 piloting teachers were orientated from 26 June -1 July 2022. 108 Officials attended the Capacity building and Dry Run for District Training Teams on 10-15 July 2022 and more than 2 824 Grade R-3 and Grade 7 teachers orientated in preparation for introduction of the new subject in 2023.

In our quest to ensure that all learners with special needs are also taken care of in our crusade to change the face of education in KwaZulu-Natal, we have dedicated much of our energies and resources to improving many of our special schools. This is evidenced by the fact that in the last couple of years we have been able to build and improve many of the 75 special schools we have in the province.

The Department aims to implement the Inclusive Education System in all our schools and increase the number of learners with disabilities accessing education. There are 75 Special Schools, 102 Full-Service Schools and 24 Inclusive Schools supporting 20 761 learners with disabilities in Special Schools, 13 300 learners with barriers in Full-Service Schools and 730 learners with severe to profound intellectual disabilities in Care Centres. 184 Therapists and 1 967 educators are employed in public special schools. The Department also has a deliberate strategy to involve women, youth and people with disabilities in its infrastructure and other programmes.

2.2 Service Delivery Improvement Plan

As per the Department of Public Service and Administration (DPSA) Circular No 14 of 2022, there was no Service Delivery Improvement Plan requirement for the financial year 2022/23.

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation	100% consultation of all relevant stakeholders	The Department reaches its wider community on social media platforms, newspapers and radio stations.
Service Standards	100% Service Delivery Charter compliance in all offices	The Departmental Citizens Charter is accessible in the departmental website.
Access standards	100% Visible signage in all offices	97% signage visibility

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Media Engagement Radio Newspapers Circulars Use of Social Media Marketing and Advertising Communication Outreach	Media Engagement Radio Newspapers Circulars Use of Social Media Marketing and Advertising Communication Outreach	The Department reaches service beneficiaries through the current information tools

COMPLAINTS MECHANISMS

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Departmental Call Centre and Social media platform	Electronic Complaints Management System	Complaints are recorded manually in the complaints register and referred to the relevant officials to be resolved.

2.3 Organisational environment

The Department's strategic outcomes and concomitant mandates find lucid expression within the operational framework of the organogram which to all intent and purpose is structured in a tiered fashion so as to ensure efficient and effective service delivery at grassroots level. The organisational structure is not only fundamental to the delivery of education but creates a conducive environment within which qualitative education can be delivered at institutional level. The overall performance of the department is dependent on the efficacy of its operations within the various strata as they relate to both core and support functions. Whilst financial constraints continue to hamper the review of the organogram, the department has reconfigured and realigned certain components with the express view to foster efficiency with the system.

The year in question has not been without its challenges as the department is extremely concerned with the high levels of disruption in academic activities caused by community protests, learner-on-learner violence and other ills that have surfaced within the schooling environment. It is common cause that such occurrences have a traumatic effect on learners and, in order to address these issues, appropriate measures/interventions have been implemented. Furthermore, the province has experienced extreme heat waves as weather patterns are impacted by global climate change, which have a negative effect on the wellbeing of learners. Other natural disasters such as flooding, etc. have also caused tremendous damage to school infrastructure resulting in funding being reprioritized to mitigate further losses, hence significantly impacting on the budget.

The department has taken serious cognizance of the policy on the organisation, roles and responsibilities of education districts prescribed by the Department of Basic Education and fully supports the pronouncements thereof. The policy proposes a shift in the organisational trajectory of the districts in terms of operations to the effect that these delivery sites would be in close proximity to and be more accessible to the schools. The concept of the normative reconfiguration would certainly provide the impetus towards efficient and effective district functionality. However, the review of the district norms would no doubt require significant funding to implement in its entirety as it posits a replication of the current districts. Having regard thereto, the department has in its proposed organogram, which is with Provincial Treasury for consultation, attempted to reconfigure the district so as to reflect the aspirations of the policy in terms of the district operations as they relate to the core and support functions.

Following the success of Phases 1 and 2 of the Presidential Youth Employment Initiative, implemented as the Basic Education Employment Initiative within this Department, Phase 3 was implemented. In Phase 3, the incumbents of Phase 2 who still met the criteria were permitted to transition into this phase. The 62229 incumbents in this regard were appointed for the period 1 April to 31 August 2022 (5 months).

In order to effectively address challenges and shortcomings, job opportunities are to be distributed in accordance with the following categories:

- Education Assistant: Curriculum
- Education Assistant: ICT/e Cadres
- Education Assistant: Reading Champion
- General School Assistant: Child & Youth Care Worker
- General School Assistant: Handyman
- General School Assistant: Sports and Enrichment Agent

The Assistants were paid a stipend of R4081.44 to be in-keeping with the minimum wage. Upon expiry of their contract, they submitted their claims to Department of labour and were successfully paid in respect of their UIF.

2.4 Key policy developments and legislative changes

Education Legislation

There were no major changes to educational legislation during the period under review. The consultation in respect of the Basic Education Laws Amendment Act (BELA) has been completed; however, the Act has still not been promulgated.

Amendments to Transversal Legislation

The following were three (3) amendments to Gender based Violence Legislation-

(i) Criminal and Related matters, Amendment Act No 12 of 2021;
(ii) Sexual Offences and Related Matters Amendment Act No.13 of 2021;
(iii) Domestic Violence Amendment Act No 14 of 2021

These three (3) pieces of legislation were promulgated to aid and prevent the scourge of Gender Based Violence(GBV) in Society. The Department has embraced Government's call to eradicate GBV in society. The Department is part of a multi-sectoral team that together to prevent GBV in our school environment.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Impact Statement of the Department is: Skilled and competent learners prepared for socio-economic emancipation, while the primary outcome is: Youth better prepared for further learning and the world of work. All the other secondary outcomes such as: Sound corporate governance and accountability; a competent cohort of educators with the requisite skills for curriculum delivery and assessment in a changing world; improved reading for meaning, numeracy and digital skills; and collaborative and responsive infrastructure planning and implementation contribute to the primary outcome, viz., Youth better prepared for further learning and the world of work.

Outcome 1: Sound corporate governance and accountability

The Department has implemented various measures to advance good governance, financial discipline, accountability, and professional ethics of fairness and equity, where no one is discriminated against for any reason.

Significant strides have been made in strengthening internal controls and improving the efficiency of the system. As a result, the Department was able to achieve much-needed savings through the reduction of staff debt and other forms of expenditure. The Department's audit and performance turnaround strategies for the entire system will lead to sound corporate governance and accountability.

Outcome 2: Youth better prepared for further learning and the world of work

Despite the serious challenges brought about by environmental factors such as floods, load shedding and service delivery disruptions, the Department is making progress towards the achievement of the five-year targets in relation to the outcome indicators. The Department has implemented various programmes to ensure that the 5-year targets are met.

The National Senior Certificate results indicate an increase in the number and quality of passes in the province. The overall KZN pass rate for the class of 2022 stands at 83% which is a 6.2% increase from the class of 2021. Of the 83% learners that passed, 43% of the learners obtained Bachelor passes. Furthermore, 11.4% of learners achieved 60% and above in Mathematics whilst 17% of learners attained 60% and above in Physical Sciences.

In an attempt to achieve the Outcome 2: Youth better prepared for further learning and the world of work, the Department has increased access to niche subjects such as STEM subjects for historically disadvantaged learners. The Department has also implemented a curriculum with skills and competencies for a changing world in many more public schools by adequate provisioning for and implementation of the Three Streams Model (Academic, Technical Vocational and Technical Occupational). There is an increase offering of subjects such as: Visual Arts; Woodworking; Fitting and Machining; Agricultural Technology; Construction; Tourism; Agricultural Management Practices; Consumer Studies; Dramatic Arts; Hospitality Studies; Digital Systems; Music; Power Systems; and Engineering Graphics and Design. The Department has also introduced Coding and Robotics in schools.

Outcome 3: A competent cohort of educators with the requisite skills for curriculum delivery and assessment in a changing world.

The Department's teacher training programme was adversely affected by the severe austerity measures which were exacerbated by the April 2022 floods that disrupted education programmes in the province. In addition to physical meetings the Department implemented alternative methods of teacher training such as virtual workshops and training.

The province also implemented a strategy of assisting teachers to teach effectively especially in gateway subjects. 2 639 Teachers and lead teachers were trained on skills needed for a changing world through a Teacher Union Collaboration (TUC) and 2 927 teachers were trained on curriculum differentiation in mathematics Grades 1-9. Nine hundred (900) teachers participated in online courses, while 387 foundation phase teachers and 2 692 Grade R teachers were trained on curriculum delivery.

The Department in collaboration with Jika Imfundo trained 5 304 SMT members to support teachers.

Outcome 4: Improved reading for meaning, numeracy and digital skills

The Department focused on reading with understanding across all Grades, improvement of classroom teaching, learner attainment and performance across the system. Teachers have been trained on assessment practices related to reading with understanding.

The Primary School Reading Improvement Programme (PSRIP) is an intervention pitched at the GET level. The PSRIP is a reading improvement programme focusing on English First Additional Language (EFAL). This programme seeks to capacitate and up-skill teachers and subject advisors. The PSRIP also aims to support the transition of learners from mother-tongue instruction in the Foundation Phase to English in the Intermediate phase. This is aimed at preparing our learners for further learning and the world of work.

Reading with Meaning is central to the KZN Reading Strategy 2020 – 2025 which was implemented in the 2022/23 financial year. The reading strategy amongst others encapsulates the following:

- PYEI –Phase IV reading champions are used to promote reading with understanding.
- Read to lead campaigns are led through reading celebrations.
- Reading competitions are held throughout the province.

The Department provided digital equipment and trained teachers in Grade R classes and at some schools access is provided to e-content at no cost to teachers and learners i.e. E-books, on-line library.

Seventy-five (75) smart schools were established throughout the province to enhance curriculum delivery to actualise virtual tuition when the need arises. The provision of 120 visualisers to schools has been initiated to support the mathematics digital classroom. Support to coding and robotics has been evident through the provision of robotics kits for 16 primary schools piloting the subject

To improve learner performance in mathematics, 19 516 teachers were trained in mathematics content and methodology during the 2022/2023 financial year. To develop a passion for mathematics the Department held mathematics days and mathematics competitions.

Outcome 5: Collaborative and responsive infrastructure planning and implementation

The Department's infrastructure programme is pro-poor where the most disadvantaged (rural and township) schools are targeted for renovations and refurbishment. The province is on course to achieve the 5-year targets. In modernising our rural schools, we wish to close the gap between schools in the urban areas and those in rural areas.

A number of schools in the province have been modernized through our ICT roll out programme. The Department, together with Vodacom continue to support schools around the province by introducing the smart classroom programme.

Seventy-five (75) smart schools were established throughout the province to enhance curriculum delivery to actualise virtual tuition when the need arises.

The Department has made significant investments in building new schools and upgrading existing ones, in line with our mission to create a safe and conducive learning environment for our learners. We have also made substantial progress in improving access to quality education, particularly for learners in rural areas and those enrolled in special schools throughout the province.

During the year under review, we successfully completed the construction of several new schools, including Dundee Junior Secondary School in Umzinyathi District, Xoloxolo Senior Primary School in Harry Gwala District, Mgai Primary School in Ugu District, and Phumanyova Technical High School in Zululand. We are also proud of the upgrades that were carried out at Mbhekwa Secondary School in Zululand District, Fundokuhle Secondary School in Umzinyathi District, Intunjambili Secondary School in Ilembe District, and Inanda Special School in Umlazi District. These upgrades have provided additional teaching and learning spaces throughout the province.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Programme Purpose:

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

Sub-Programme

This programme has six sub-programmes analyzed as follows:

(i) Office of the MEC
To provide for the functioning of the office of the Member of the Executive Council (MEC) for education in line with the ministerial handbook.

(ii) Corporate Services
To provide management services which are not education specific for the education system.

(iii) Education Management
To provide education management services for the education system

(iv) Human Resource Development
To provide human resource development for office-based staff

(v) Education Management Information System (EMIS)
To provide education management information in accordance with the National Education Information Policy

(vi) Conditional Grants
To provide for projects under programme 1 specified by the Department of Basic Education and funded by conditional grants.

Summary of Achievements

Administration in any department is the backbone that ensures the department delivers on all its constitutional mandates in accordance with the National Education Policy Act., the Public Finance Management Act, and other policies. The Department is striving towards the improvement of provisioning to schools other than staffing. The Department is committed to good governance and accountability. During the financial year 2022/2023, the Department has remained committed to minimising spending pressures on non-personnel items in order to support sub-sectors of education such as public ordinary schools, special schools and independent schools. The Departments performance in this regard demonstrates the positive strides that are being made towards prioritising funds towards the achievement of its core mandate. The Department was successful in providing additional resources with the aim of fast-tracking online connectivity. This is evident in the fact that the Department ensured that 5 540 schools could be contacted electronically (via email) as part of ensuring a seamless system of communication. 5 865 Public schools used the South African Schools Administration and Management Systems (SA-SAMs) or any alternative electronic solution to provide data. 189 Therapists/ specialist staff were employed in public special schools.

The Department has experienced challenges in meeting its target of ensuring that 50% of SMS positions are occupied by women. Women in Management Service constitute 35% of all those in SMS positions. On the other hand, females who outnumber males in the teaching fraternity in KZNDOE constitute 40% women principals in schools. Education expenditure going towards non-personnel items stands at 9.91% in 2022/23. As part of improving school safety, the department employed 2 610 security guards at schools.

Presidential Youth Initiative

Phase I, II and III of the Presidential Youth Initiative was implemented from December 2020 until 31 March 2021, 1 November 2021 to 31 March 2022 and 1 April 2022 to 31 August 2022 respectively. Youth between the ages 18 to 35 were appointed. The job opportunities for each of these phases were 73 566, 64 117 and 62 229 and this allowed for the same incumbents to be appointed for more than 1 phase. In addition to providing much needed employment to the youth, this programme was conceived to provide support to schools in order to ensure continuity of teaching and learning. An amount of R1 483 932 has now been allocated for Phase IV of PYEI with 58 500 job opportunities. This budget was made available from 1 April 2023. The savings from Phases III is being utilised for Phase IV which commenced on 1 March 2023. The contract period for this phase will therefore be 1 March 2023 to 30 September 2023 (7 months). This will be for a new cohort of youth and therefore youth who participated in any or all of the previous phases will not be eligible to be appointed for Phase IV. The stipend payable is R4 081.44.

The Department has also been aggressively implementing an ICT strategy to improve its efficiencies through use of virtual meetings, online submission as well shortened turnaround time to process appointments and terminations. ICT infrastructure sites at Head Office and Districts are undergoing upgrades ranging from 10 MB to 50MB in support of the e-submission system rollout. Furthermore, 3 200 laptops have been acquired to propel the adoption of this platform. 1 500 laptops and 558 desktops have been distributed as part of the end user device refresh project.

The Department is currently in the process of procuring the School of Engineering and Technology in Amajuba District. This will be KwaZulu-Natal's fourth Focus School. It will equip our learners with the necessary skills and exposure to the Fourth Industrial Revolution (4IR), which is the next frontier of economic development.

4.2 Programme 2: Public Ordinary Schools

Programme Purpose

To provide public ordinary education from Grade 1 to 12, in accordance with the South African Schools Act and White Paper 6 on inclusive education. (E-learning is also included)

ANALYSIS BY SUB-PROGRAMME

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

(i) Public Primary Schools
To provide specific public primary ordinary schools (including inclusive education) with resources required for the Grade 1 to 7 level.

(ii) Public Secondary Schools
To provide specific public secondary ordinary schools (including inclusive education) with resources required for the Grade 8 to 12 levels.

(iii) Human Resource Development
To provide departmental services for the development of educators and non-educators in public ordinary schools (Including inclusive education).

(iv) In-school Sport and Culture
To provide additional and departmentally managed sporting, cultural and reading activities in public ordinary Schools (including inclusive education).

(v) Conditional Grant
To provide for projects (including inclusive education) under programme 2 specified by the Department of Basic Education and funded by conditional grants.

Summary of Achievements

Learner Teacher Support Material (LTSM)

The Department ring-fenced R 922m for core LTSM (textbooks and stationery) for public ordinary schools for the 2023 school year. These funds were accessed in terms of the provisions of the South African Schools' Act (SASA), where funds were transferred to schools which procured LTSM in terms of Section 21c of SASA (Section 21c schools) whilst other schools (non-Section21c schools) participated in central procurement. This dual modality of procurement ensured savings through economies of scale whilst also supporting localised SMME's. Constant monitoring of the procurement process has ensured that all 5 796 schools have made provisions for LTSM for 2023. In respect of central procurement, the KwaZulu-Natal Department of Education is proud to have achieved LTSM readiness for schools with 99.6% delivery by day one of the 2023 school year. In respect of school-based procurement by S21c schools, the Department recorded full school compliance with procurement and financial requirements to ensure value for money and transparency before funds were transferred to the respective schools. All transfers were finalised in December 2022 to ensure that SMME's were paid timeously for LTSM supplied by November 2022.

Rationalisation and Re-alignment of small and non-viable schools

The South African Schools Act No.84 of 1996 Section 12 (A) and Section 33 makes provision for the MEC to merge/close public schools subject to certain processes being followed. DBE developed guidelines to implement the School Rationalisation and Re-Alignment Process (SRRP). KZNDOE can confirm 252 schools officially closed due to low learner numbers. 79 out of the 252 Schools are Section 14 schools, 137 are public ordinary schools and the department resolved to repurpose 36 of the 252 schools for alternative use by the department.

The schools identified for repurpose will be used as focus schools which include schools of skills, technical, special, mathematics and science schools. The department has been approached by the private sector, NGOs and the Department of Higher Education for permission to use some of the closed schools.

Social Security Programmes

The number of schools that are benefitting from the schools' social security programmes such as the Learner Transportation Programme, the National School Nutrition Programme and No Fees School Policy have steadily increased in the 2022/23 financial year thus bringing the province closer to the 5-year target.

- 83% of targeted learners benefited from the National School Nutrition Programme. A total of 14 947 Food Handlers assisted in preparing the meals for learners during the school calendar feeding days.
- 2 118 615 Learners benefited from the No Fees School Policy
- 73 889 Learners benefitted from leaner transport.

ELITS

As part of the province's commitment to improving literacy and reading for meaning, the Department provided 204 schools with multimedia resources, against an annual target of 120. The achievement was due to the World Read Aloud Day and Literacy Promotion Celebrations which were conducted during the financial year.

"Reading with Meaning" is central to the KZN Reading Strategy 2020 – 2025 which was implemented in the 2022/23 financial year. The reading strategy amongst others encapsulates the following:

- PYEI –Phase IV reading champions are used to promote reading with understanding.
- Read to lead campaigns are led through reading celebrations.
- Reading competitions are held throughout the province.

MST/ICT

Seventy-five (75) smart schools were established throughout the province to enhance curriculum delivery to actualise virtual tuition when the need arises. The provision of 120 visualisers to schools has been initiated to support the mathematics digital classroom. Support to coding and robotics has been evident through the provision of robotics kits for 16 primary schools piloting the subject. A budget of about R70 244 000 was allocated to MST/ICT and the department achieved the following in the 2022/23 financial year:

- High schools received ICT resources (smart schools project).
- 120 High schools received visualisers.
- 16 Primary schools piloting coding and robotics received robotics kits.
- 8 Technical high schools received workshop equipment and tools.
- 30 High schools received science consumables and technology kits.
- 1 276 Teachers were supported through MST subject content training and 84 KZNFUNDA portal administrators were trained on portal administration.
- 23 993 Learners were supported through various MST programmes such as the provision of Grade 12 maths study guides, winter virtual tuition programmes, participation at MST/Robotics competitions and spring camps.
- The KZNFUNDA Portal has been revamped of to accommodate new learner engaging features which promotes e-learning. This zero-rated portal will host e-content and reference other curriculum related sites which are rich in digital content. The KZNFUNDA portal will be accessed through login credentials using any mobile device. The process of creating login credentials is in process; however, a total of 312 619 learner login credentials and 9 995 teacher login credentials have been created for this portal.

Governance and Management

School Governing Body Roadshows were organized in all District where Head Office Officials were deployed to address principals in their capacity as managers of schools and the GB Chairpersons in their capacity as governors of schools. This was aimed at improving the performance of the SGBs and ensuring that policies and departmental directives are implemented.

The election of the Representative Council of Learners (RCLs) was completed at all schools for the 2023 academic year to develop leadership and ensure that learners participate and are represented in democratic structures that advance the mandates of the department.

School Safety/ Safety Committees

All schools in the province have school safety committees which are all linked to Police Stations. The challenge is that not all school safety committees are functional as many of these were not properly constituted. SGB Roadshows were meant to address school safety amongst other things. Capacity building of the school safety committees on the national school safety framework and the provincial school safety strategy were conducted in all schools in all Districts. School safety awareness campaigns were organized by various districts as part of community mobilization.

Teacher development and support

The Department has engaged the Department of Higher Education and Training (DHET) on developing programmes that will assist the Department in implementing the three streams model and a programme that will help FET educators who are artisans to fit into the mainstream schools. There are plans to reskill Technical Subject teachers where Amajuba TVET and DUT will be engaged.

Curriculum management development was provided through the Jika iMfundo Campaign which is aimed at institutionalisation of change in practice and systemic improvement of learners' school results. 5 304 SMT members from 12 districts were trained on Module 2 and 3 which supports teachers as instructional leaders in the classroom to improve practice. 2 042 Newly- promoted school managers were inducted successfully. Support was provided to 10 schools from five districts that had performed between 10%-30% in the 2022 NSC examinations.

Through the Female Principal Support Programme (FPSP) support programme, 615 Female Principals were empowered through attendance of the FPSP/SWIM launch in 2022. 517 Women leaders were capacitated on Conflict Management through the Women- In- and- Into Management (WIIM) developmental programme.

34 874 Teachers were trained in Languages and 19 516 in Mathematics content and methodology during the 2022/2023 financial year. 2 779 Teachers were trained on the water safety strategy which is incorporated into the Watersmart Safety Education that forms part of the Life Orientation Curriculum. 2 639 Teachers and Lead teachers were trained on teaching skills for a changing world through a Teacher Union Collaboration (TUC) and 2 927 Teachers were trained on Curriculum Differentiation in Mathematics Grades 1-9.

4.3 Programme 3: Independent Schools

Programme Purpose

The purpose of Programme 3 is to support independent schools in accordance with the South African Schools Act as enshrined in the Norms and Standards for School Funding Regulations.

ANALYSIS BY SUB-PROGRAMME

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

(i) Primary Phase

To support independent schools offering Grades 1 to 7

(ii) Secondary Phase

To support independent schools offering Grades 8 to 12

Summary of Achievements

Funding for qualifying learners at independent schools ensures that the Department is providing access to quality education so that the youth is better prepared for further learning and a world of work. During the reporting period the Department has supported approximately 126 registered independent schools with subsidies to further contribute to enhancing the teaching and learning environment. These schools are monitored on both administration and curriculum delivery.

Over and above the support provided to subsidised independent schools, the Department fosters strong ties with other independent schools in the Province where we advance the betterment of all children in the province. The Department maintains a salubrious relation with these independent schools where good practices both in curricular and extra-curricular activities are shared.

4.4 Programme 4: Public Special Schools Education

Programme Purpose

To provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education. Including E-learning and inclusive education.

ANALYSIS BY SUB-PROGRAMME

This programme has four sub-programmes analysed as follows:

(i) Schools

To provide specific public special schools with resources (including E-learning and inclusive education)

(ii) Human Resource Development

To provide departmental services for the development of educators and non - educators in public special schools (including inclusive education).

(iii) Conditional Grants

To provide for projects under programme 4 specified by the Department of Basic Education and funded by conditional grants (including inclusive education).

Summary of Achievements

In the province there are 75 public special schools, 102 full-service schools, 60 special care centres and 24 Inclusive Schools that support learners with special educational needs.

The Department has beefed up attempts to increase enrolment of children with disabilities in appropriate formal education programmes. This is evident in the enrolment of 20 761 learners in public special schools against a target of 20 590. Of these 0.07% of learners are enrolled in SA Sign language.

Eight (8) schools of skills are implementing the GEC Technical Occupation qualification (NQF L 1). Learners that exit this program are prepared for the world of work aligned to NQF Level 1. Six hundred and eighty-two (682) learners with disabilities graduated through Schools of Skills in 2022.

The department is committed to ensuring that public special schools are well resourced. We believe that all learners irrespective of their special needs must have access to quality education in order to learn and function effectively. To this end 80 special school educators are employed to take care of Autism, 71 special school educators teach SASL, 137 special school educators teach coding and robotics to learners with special educational needs. Seven (7) special schools offer braille and 13 Special Schools offer SASL.

There are 530 LSPID learners in special care centres and 300 LSPID learners in special Schools. LTSM and assistive devices, therapeutic services and psychological services were provided to care centres. In addition, training was offered to care givers and care centre manager in 2022/23.

A total of 5 254 teachers were trained on screening, identification, assessment and support (SIAS) policy. During the financial year under review foundation phase learners were screened for barriers to learning.

4.5 Programme 5: Early Childhood Development

Programme Purpose

To provide Early Childhood Education (ECD) at the Grade R and pre-grade R in accordance with White Paper 5 (E-learning is also included)

ANALYSIS BY SUB-PROGRAMME

This programme has four sub-programmes analysed as follows:

(i) Grade R in Public Schools
To provide specific public ordinary schools with resources required for Grade R.

(ii) Pre-Grade R Training
To provide training and payment of stipends of Pre-Grade R practitioners/ educators

(iii) Grade R in Grade R in early childhood development centres
To support Grade R, at early childhood development centres.

(iv) Human Resource Development
To provide departmental services for the development of practitioners/ educators and non-educators in grade R

Summary of Achievements
Strong foundational skills are important in ensuring that the youth is better prepared for further learning and a world of work. It is imperative that children acquire basic concepts, skills and attitudes required for successful learning and development prior to entering the schooling system. It has been a year since the migration of ECD from DSD. To this end the Department reports 3 362 fully registered ECD centres. The registered ECD centres are accessed by 140 967.

ECD centres were monitored for compliance issues and curriculum delivery with the aim of addressing challenges and providing timely interventions. By the end of 2022, the Department reported 4 013 public schools as offering Grade R. During this period the Department has recorded 5 168 Grade R practitioners being employed in public ordinary schools.

To improve the delivery environment of Early Childhood Development, 689 practitioners were trained on pre-literacy content and methodology and 1 737 were trained on pre-numeracy and content and methodology. A Grade R curriculum monitoring tool was developed to monitor and support curriculum. 1 342 Foundation Phase Departmental Heads were capacitated to manage the curriculum in Grade R classes.

374 Newly appointed Grade R practitioners attended Grade R Orientation sessions. These sessions focused on the key areas of the CAPS Curriculum for Grade R viz. planning, classroom organization and informal assessment strategies. 826 Grade R Practitioners attended orientation sessions which focused on the daily programme, planning and preparation. Onsite coaching strengthens the support given to the Grade R practitioners and the Foundation Phase Departmental Head/SMT during the visits.

2 335 Grade R practitioners and 338 foundation phase departmental heads were trained by subject advisers on gender responsive pedagogy in Early Childhood Development. Professional Learning Committees (PLCs) aimed at strengthening teacher collaboration and subject specific/grade support was rolled out to 2 692 Grade R teachers and practitioners. Training on the National Curriculum Framework (NCF) was conducted for 3421 ECD Practitioners. 586 ECD Centres were visited by Social Workers and ECD officials to monitor NCF implementation and compliance to set Norms and Standards for ECD centres.

4.6 Programme 6: Infrastructure Development

Programme Purpose

To provide and maintain school infrastructure facilities through infrastructure programmes in support of teaching and learning at schools. The aim is to ensure that the school infrastructure is in compliance to the Regulations Relating to the Minimum Norms and Standards for Public School Infrastructure.

ANALYSIS BY SUB-PROGRAMME

This programme has four sub-programmes analysed as follows:

(i) Administration

To provide and maintain infrastructure facilities for administration

(ii) Public Ordinary Schools

To provide and maintain infrastructure facilities for public ordinary school

(iii) Special Schools

To provide and maintain infrastructure facilities for public special school

(iv) Early Childhood Development

To provide and maintain infrastructure facilities for early childhood development

Summary of Achievements

The achievements in the infrastructure programme are indicative of the Department honouring its mandate to facilitate teaching and learning in a safe and conducive environment for learners.

The Department has made significant investments in building new schools and upgrading existing ones, in line with our mission to create a safe and conducive learning environment for our learners. We have also made substantial progress in improving access to quality education, particularly for learners in rural areas and those enrolled in special schools throughout the province.

During the year under review, we successfully completed the construction of several new schools, including Dundee Junior Secondary School in Umzinyathi District, Xoloxolo Senior Primary School in Harry Gwala District, Mgai Primary School in Ugu District, and Phumanyova Technical High School in Zululand. We are also proud of the upgrades that were carried out at Mbhekwa Secondary School in Zululand District, Fundokuhle Secondary School in Umzinyathi District, Intunjambili Secondary School in Ilembe District, and Inanda Special School in Umlazi District. These upgrades have provided additional teaching and learning spaces throughout the province.

In addition to the building of new schools the following deliverables were achieved in 2022/23:

- 300 Public schools were provided with water infrastructure.
- 70 Public schools were provided with electricity infrastructure.
- 300 Public schools provided were supplied with sanitation facilities.
- 500 Public schools had scheduled maintenance projects completed.

- 80 Women benefitted from EPWP programmes.
- 50 Youth benefitted from infrastructure projects.
- 2 Disabled people benefitted from EPWP programmes.

The Department performed an audit of bridges required in areas of need for learners to access schools. The audit reveals that there are 131 schools which need repairs or reconstruction of bridges to enable learners to cross rivers to get to school.

The Department continued to focus on the provision of special schools' infrastructure to facilitate access to education for learners with special needs. The scope included the construction of new teaching and learning facilities, specialised rooms for assessment and consultation, as well as boarding facilities. The Department continued with the rehabilitation of the Inanda LSEN School in the Pinetown District, the Open Gate Special School in the uMgungundlovu District and the YWCA Special School in the Amajuba District.

4.7 Programme 7: Examination and Education Related Services

Programme Purpose

To provide the education institutions as a whole with examination and education related services.

ANALYSIS BY SUB-PROGRAMME

This programme has five sub-programmes analysed as follows:

(i) Payments to SETA
To provide human resource development for employees in accordance with the Skills Development Act.

(ii) Professional Services
To provide educators and learners in schools with departmentally managed support services.

(iii) Special Projects
To provide for special departmentally managed intervention projects in the education system as a whole.

(iv) Examination
To provide for departmentally managed examination services.

(v) Conditional Grants
To provide for projects specified by the department that is applicable to more than programme and funded with conditional grants.

Summary of Achievements

The overall KZN pass rate for the class of 2022 stands at 83% which is a 6.2% increase from the class of 2021. Of the 83% learners that passed, 43% of the learners obtained Bachelor passes. Furthermore, 11.4% of learners achieved 60% and above in Mathematics whilst 17% of learners attained 60% and above in Physical Sciences.

164 308 Learners out of 136 388 who wrote the 2022 NSC Examinations, passed these examinations. Our province continued to contribute the highest number of candidates who sat for and passed the National Senior Certificate examinations in the country.

The number of our schools that obtained a 100% pass rate also increased significantly from 145 in 2021 to 212 in 2022. We were also able to reduce the number of schools that performed below 75% from 713 in 2021 to 435 in 2022.

The Department also ensured that no school obtained 0% pass rate. Our interventions to eradicate the 40% and below category of performance in the 2022 NSC examinations also yielded positive results and we are continuing to inject more efforts towards addressing this bracket.

The Department intends to implement dedicated interventions on foundational knowledge across all grades in order to improve on the pass rate.

5. PERFORMANCE INFORMATION

5.1. ORIGINALLY TABLED ANNUAL PERFORMANCE PLAN
PROGRAMME PERFORMANCE INFORMATION FOR FINANCIAL YEAR 2022/23

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**	**Reasons for Revisions to the Outputs/ Output Indicators/ Annual Targets**
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools provided with water infrastructure.	**STANDARDISED OUTPUT INDICATORS**						
		SOI 601: Number of public schools provided with water infrastructure.	1 660	300	200	-	This is an annual target that is reported on in the 4th quarter.	The initial target was understated. The revised target is based on the budget available for provision of water infrastructure.
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools provided with electricity infrastructure.	**SOI 602:** Number of public schools provided with electricity infrastructure.	30	19	20	-	This is an annual target that is reported on in the 4th quarter.	The initial target was understated. The revised target is based on the budget available for provision of electricity infrastructure.
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools supplied with sanitation facilities	**SOI 603:** Number of public schools supplied with sanitation facilities.	500	300	200	-	This is an annual target that is reported on in the 4th quarter.	The initial target was understated. The revised target is based on the budget available for the provision of sanitation facilities.
Collaborative and responsive infrastructure planning and implementation	Scheduled maintenance projects completed in schools	**SOI 605**: Number of schools where scheduled maintenance projects were completed.	317	100	150	-	This is an annual target that is reported on in the 4th quarter.	The initial target was understated. The revised target is based on the budget available for scheduled maintenance projects.

5.2. PERFORMANCE INFORMATION:RE - TABLED ANNUAL PERFORMANCE PLAN PROGRAMME PERFORMANCE INFORMATION FOR FINANCIAL YEAR 2022/23

PROGRAMME 1: ADMINISTRATION								
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**	**Reasons for Deviation**
Sound corporate governance and accountability	Public schools using the South African Schools Administration and Management Systems (SA-SAMs) to electronically provide data	**STANDARDISED OUTPUT INDICATORS**						
		SOI 101: Number of public schools that use the South African Schools Administration and Management Systems (SA-SAMs) or any alternative electronic solution to provide data.	5 848	5 877	5 882	5 865	-17 / -0,29%	Since the 5 873 schools previously reported, eleven (11) schools are no longer functioning and there are three (3) new functioning schools
Sound corporate governance and accountability	Public schools contacted electronically (e-mail)	**SOI 102:** Number of public schools that can be contacted electronically (e-mail).	5 389	5 540	5 540	5 540	0 / 0,00%	Target Achieved.
Sound corporate governance and accountability	Expenditure going towards non personnel items	**SOI 103:** Percentage of education expenditure going towards non-personnel items.	9,43%	9.89%	11.52%	9.91%	-1,61% / -13,98%	The demand for school-based as well as office-based educators led to the target not being met. The Department enforced cost cutting measures to offset overspend on compensation.
Sound corporate governance and accountability	To promote employment equity	**NON-STANDARDISED OUTPUT INDICATORS**						
		NSOI 1.1: Percentage of women in Senior Management Service.	33%	33%	50%	35%	-15,00% / -30,00%	Every effort is being made to recruit female employees for SMS posts: however, candidates with requisite skills for the post are appointed. Selection Committees are being apprised of the Departments' obligations to increase representation of women in SMS posts prior to the proceedings of the selection process.
Sound corporate governance and accountability	To promote employment equity	**NSOI 1.2:** Percentage of women school principals.	41%	40%	40%	40%	0,00% / 0,00%	Target Achieved

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work	Schools provided with media resources.	**STANDARDISED OUTPUT INDICATORS**							
		SOI 201: Number of schools provided with multi-media resources	154	163	120	204	84	70,00%	The target has been exceeded due to the World Read Aloud Day and Literacy Promotion Celebrations conducted during the year.
Youth better prepared for further learning and world of work	Learners in public ordinary schools benefiting from the "No Fee Schools" policy.	**SOI 202:** Number of learners in public ordinary schools benefiting from the "No Fee Schools" policy.	2 122 680	2 121 248	2 120 847	2 118 615	-2 232	-0,11%	Adjustments to "No Fee Schools" were not approved. Provision of adequate funds to fund adjustments.
Sound corporate governance and accountability	Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies.	**SOI 203:** Percentage of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies.	3,3%	5%	5%	5%	0,00%	0,00%	Target Achieved
Youth better prepared for further learning and world of work	Learners are funded at a minimum level.	**SOI 204:** Percentage of learners in schools that are funded at a minimum level.	0%	0%	100%	0	-1	-100,00%	There are insufficient funds for the implementation of this indicator. The Executive of the Department is in engagements with Provincial Treasury for more funding.
Youth better prepared for further learning and world of work	To provide access in the public ordinary schooling system	**NON-STANDARDISED OUTPUT INDICATORS**							
		NSOI 2.1: Percentage of learners benefitting from school nutrition programme	83%	86%	83%	83%	0,00%	0,00%	Target Achieved

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work	To provide adequate Learner Teacher Support Materials (LTSM) to public ordinary schools	**NSOI 2.2:** Percentage of core LTSMs delivered to public ordinary schools by day one of the school year, as ordered.	86%	88%	100%	94%	-6,00%	-6,00%	In respect of central procurement, 100% delivery of stationery and 99.5% delivery of textbooks was achieved. The remaining textbooks, which resulted as variances in the packing process, were ready for dispatch to schools on the first day of opening for 2023. In respect of school-based procurement by S21c schools, 82,8% of deliveries were recorded against orders placed. The deviation is attributed in part to the late transfer of funds to schools due to cash-flow constraints and in part to Principals not reporting on orders and deliveries. The central procurement process shall be tightened to ensure that shrinkage is dealt with timeously. For school-based procurement, letters for consequence management have been issued to defaulting Principals. In future, directives shall highlight the timelines for transfer of funds to schools to enable better planning by schools and suppliers.
Youth better prepared for further learning and world of work	To measure the number of learners accessing the dedicated learner transport provided by department	**NSOI 2.3:** Number of learners benefiting from learner transport	62 383	67 163	61 000	73 889	12 889	21,13%	The demand for learner transport was more than the target. The Department is faced with a serious challenge of insufficient budget for learner transport, which subjects it to the scourge of unavoidable overloads. This also means that thousands of eligible learners cannot access this crucial service. Engagements with Treasury will continue with the view to raising the issue of insufficient budget for learner transport.

PROGRAMME 2: PUBLIC ORDINARY SCHOOLS									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work	To provide support and guidance to learners in mainstream schools	**NSOI 2.4:** Number of learners benefitting from Psycho-social support programmes.	16 486	32 306	32 000	35 157	3 157	9,87%	The target was exceeded due to greater demand from schools and collaboration with support partners. In future an estimate calculation of partners' contributions will be considered when determining the targets for 2023–2024.

PROGRAMME 3: INDEPENDENT SCHOOLS SUBSIDIES									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work	To ensure that quality education occurs in subsidized independent schools.	**NON-STANDARDISED OUTPUT INDICATORS**							
		NSOI 3.1: Number of funded independent schools visited for monitoring purposes.	49	114	127	126	-1	-0,79%	Futura School was closed down. The school will be replaced with two more that closed at the end of the academic year. They will be replaced in the next financial year (2023-2024)

PROGRAMME 4: PUBLIC SPECIAL SCHOOLS EDUCATION									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work	Learners enrolled in public special schools.	**STANDARDISED OUTPUT INDICATORS**							
		SOI 401: Number of learners in public special schools.	19 790	20 545	20 590	20 761	171	0,83%	There were more placements done in special schools due to the growing demand.
Youth better prepared for further learning and world of work	Therapists/specialist staff employed in public special schools.	**SOI 402:** Number of therapists/specialist staff in public special schools.	202	194	192	189	-3	-1,56%	The target was exceeded due to greater demand from schools and collaboration with support partners. In future an estimate calculation of partners' contributions will be considered when determining the targets for 2023–2024.
Youth better prepared for further learning and world of work	To screen, identify, assess, and support learners with barriers to learning for placement and concession.	**NON-STANDARDISED OUTPUT INDICATORS**							
		NSOI 4.1: Number of teachers trained on SIAS Policy	0	1 876	4 000	5 254	1 254	31,35%	Onsite training sessions led to the target being surpassed.
Youth better prepared for further learning and world of work	To measure number of educators employed at public special schools.	**NSOI 4.2:** Number of educators employed in public special schools	1 978	1 922	1 916	2 052	136	7,10%	The target has been exceeded due to the non-employment of specialist staff.

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**	**Reasons for Deviation**
Improved reading for meaning, numeracy and digital skills.	Public schools offer Grade R.	**STANDARDISED OUTPUT INDICATORS**						
		SOI 501: Number of public schools that offer Grade R.	3 982	3 982	3 982	4 013	31	0,78%	The number of schools that offer Grade R changes if more schools that did not have Grade R classes start offering Grade R and also when new schools are built. This takes place at the beginning of the academic year. Data from EMIS is utilized.
A competent cohort of educators with the requisite skills for curriculum delivery and assessment in a changing world	Measure the quality provision of grade R programmes in public schools.	**NON-STANDARDISED OUTPUT INDICTAORS**						
		NSOI 5.1: Number of Grade R practitioners employed in public ordinary schools	5 246	5 197	5 207	5 168	-39	-0,75%	The PPN is considered when practioners are being employed. If the learner numbers drop no practitioner is employed. If learner number increase more practioners/ teachers are employed.
Improved reading for meaning, numeracy and digital skills.	Fully registered ECD Centres	**NSOI 5.2:** Number of fully registered ECD centres.	New	New	3 380	3 362	-18	-0,53%	The output includes the number of registered ECD centres managed by NPOs and registered privately owned ECD centres.
Improved reading for meaning, numeracy and digital skills	Children accessing registered ECD programmes	**NSOI 5.3:** Number of children accessing registered ECD centres.	New	New	145 200	140 967	-4 233	-3%	ECD centres admit learners throughout the year, hence the regular fluctuation of learner numbers.

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT								
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**	**Reasons for Deviation**
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools provided with water infrastructure.	**STANDARDISED OUTPUT INDICATORS**						
		SOI 601: Number of public schools provided with water infrastructure.	1 660	300	300	300	0	0,00%	Target Achieved
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools provided with electricity infrastructure.	**SOI 602:** Number of public schools provided with electricity infrastructure.	30	19	70	70	0	0,00%	Target Achieved
Collaborative and responsive infrastructure planning and implementation	Public ordinary schools supplied with sanitation facilities	**SOI 603:** Number of public schools supplied with sanitation facilities.	500	300	300	300	0	0,00%	Target Achieved
Collaborative and responsive infrastructure planning and implementation	Schools provided with new or additional boarding facilities.	**SOI 604:** Number of schools provided with new or additional boarding facilities.	1	1	1	0	-1	-100,00%	The targeted Hostel, YWCA Special School, experienced delays due to community unrest driven by business forums and the shortage of steel supply. This had a negative impact on the project progress. The project is 90% complete. The Department is engaging with community leaders and the police to ensure that infrastructure projects are not disrupted.
Collaborative and responsive infrastructure planning and implementation	Scheduled maintenance projects completed in schools	**SOI 605**: Number of schools where scheduled maintenance projects were completed.	317	100	500	500	0	0,00%	Target Achieved
Collaborative and responsive infrastructure planning and implementation	To create job opportunities for women, youth and disabled persons.	**NON-STANDARDISED OUTPUT INDICATORS**						
		NSOI 6.1: Number of women benefitting from EPWP programmes	150	80	80	80	0	0,00%	Target Achieved

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Collaborative and responsive infrastructure planning and implementation	Youth benefitting from infrastructure projects.	**NSOI 6.2:** Number of youth benefitting from infrastructure projects	130	50	50	50	0	0,00%	Target Achieved
Collaborative and responsive infrastructure planning and implementation	Disabled people benefitting from EPWP programmes.	**NSOI 6.3:** Number of disabled people benefitting from EPWP programmes	4	2	2	2	0	0,00%	Target Achieved

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work.	Learners passing National Senior Certificate Examination (NSC)	**STANDARDISED OUTPUT INDICATORS**							
		SOI 701: Percentage of learners who passed the National Senior Certificate Examination (NSC)	77,6%	76.8%	85%	83%	-2,00%	-2,35%	Learning gaps as a result of Covid 19. Implementation of learning recovery programmes.
Youth better prepared for further learning and world of work.	Grade 12 learners passing at Bachelor Pass level	**SOI 702:** Percentage of Grade 12 learners passing at Bachelor Pass level.	37,8%	48%	45%	43%	-2,00%	-4,44%	Learners' inability to correctly answer high order questions. Implementation of focused programmes to assist learners to cope with high order questions.
Youth better prepared for further learning and world of work.	Grade 12 learners achieving 60% or more in Mathematics	**SOI 703:** Percentage of Grade 12 learners achieving 60% and above in Mathematics	20,5%	11.5%	15%	11.4%	-3,60%	-24,00%	Impact of poor foundational knowledge. Implementation of dedicated intervention programmes on foundational knowledge across all grades.

PROGRAMME 7: EXAMINATION AND EDUCATION RELATED SERVICES									
Outcome	**Output**	**Output Indicator**	**Audited Actual Achievement 2020/2021**	**Audited Actual Achievement 2021/2022**	**Planned Target 2022/2023**	**Actual Achievement 2022/2023**	**Deviation from Planned Target to actual Achievement for 2022/2023**		**Reasons for Deviation**
Youth better prepared for further learning and world of work.	Grade 12 learners achieving 60% or more in Physical Sciences	**SOI 704:** Percentage of Grade 12 learners achieving 60% or more in Physical Sciences	28,3%	15%	22%	17%	-5,00%	-22,73%	Impact of poor foundational knowledge and lack of exposure to practical work. Implementation of dedicated intervention programmes on foundational knowledge across all grades Incremental provision of science equipment and consumables to schools; Provision of simulation videos.
Youth better prepared for further learning and world of work.	Secondary schools achieving a National Senior Certificate (NSC) pass rate of 60% and above	**SOI 705**: Number of secondary schools with National Senior Certificate (NSC) pass rate of 60% and above	1 459	1 482	1 510	1 627	117	7,75%	Rigorous matric intervention programmes resulted in the target being exceeded.
Youth better prepared for further learning and world of work.	To attain the highest possible educational outcomes amongst learners in public ordinary schools	**NON-STANDARDISED OUTPUT INDICATORS**							
		NSOI 7.1: Number of schools with an NSC pass rate below 60%	307	275	156	138	-18	-11,54%	

6. LINKING PERFORMANCE WITH BUDGETS

Sub-programme expenditure

Programme 1 - Administration	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	20 288	19 145	1 143	23 104	23 104	-
Corporate Services	1 192 210	1 173 112	19 098	1 241 499	1 241 499	-
Education Management	775 457	771 315	4 142	775 908	775 908	-
Human Resource Development	1 023	1 023	-	8 563	8 563	-
Education Mngt Information System (EMIS)	37 309	34 341	2 968	38 973	38 973	-
TOTAL	**2 026 287**	**1 998 936**	**27 351**	**2 088 047**	**2 088 047**	**-**

Programme 2 - Public Ordinary School Education	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Public Primary level	26 271 723	26 306 125	(34 402)	26 942 715	26 942 715	-
Public Secondary level	18 301 666	18 948 689	(647 023)	19 792 520	19 796 600	(4 080)
Human Resource Development	62 845	65 920	(3 075)	179 101	179 101	-
School Sport, Culture and Media Services	15 840	15 915	(75)	36 741	36 741	-
National School Nutrition Programme Grant	1 985 276	1 931 362	53 914	2 006 691	1 865 496	141 195
Epwp Integrated Grant for Provinces	2 110	2 110	-	2 193	2 193	-
Social Sector Epwp Incentive Grant for Provinces Grant	28 543	28 543	-	30 508	30 505	3
Maths, Science And Technology Grant	67 855	67 856	(1)	70 244	70 244	-
TOTAL	**46 735 858**	**47 366 520**	**(630 662)**	**49 060 713**	**48 923 595**	**137 118**

Programme 3: Independent School Subsidies	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Primary level	59 980	57 214	2 766	56 725	55 262	1 463
Secondary level	35 819	34 614	1 205	36 567	36 567	-
TOTAL	**95 799**	**91 828**	**3 971**	**93 292**	**91 829**	**1 463**

Programme 4 - Public Special School Education	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Schools	1 433 918	1 430 289	3 629	1 492 141	1 492 141	-
Human Resource Development	16	16	-	2 268	2 268	-
Learners with Profound Intellectual Disabilities Grant	32 576	32 576	-	34 423	34 423	-
TOTAL	**1 466 510**	**1 462 881**	**3 629**	**1 528 832**	**1 528 832**	**-**

Programme 5 - Early Childhood Development	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Grade R in Public Schools	1 222 613	1 257 254	(34 641)	1 289 922	1 289 922	-
Grade R In Early Childhood Development Centres	82 813	82 813	-	79 682	79 682	-
Pre-Grade R in Early Childhood Development Centres	22 447	22 447	-	354 896	354 896	-
Human Resource Development	257	257	-	-	-	-
Early Childhood Development Grant	-	-	-	226 007	187 203	38 804
TOTAL	**1 328 130**	**1 362 771**	**(34 641)**	**1 950 507**	**1 911 703**	**38 804**

Programme 6 – Infrastructure Development	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	36 832	36 832	36 832	40 801	40 801	-
Public Ordinary Schools	2 816 984	2 695 908	2 816 984	2 708 462	2 708 462	-
Special Schools	179	179	179	13 386	13 386	-
Early Childhood Development	-	-	-	44 466	44 466	-
TOTAL	**2 853 995**	**2 732 919**	**2 853 995**	**2 807 115**	**2 807 115**	**-**

Programme 7 - Examination and Education Related Services	2021/2022			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Payments To Seta	40 000	40 000	-	55 000	55 000	-
Professional Services	629 180	641 982	(12 802)	636 915	636 915	-
External Examinations	860 928	867 731	(6 803)	908 868	908 868	-
Conditional Grants	61 450	61 450	-	61 183	61 176	7
Special Projects	1 540 170	1 409 669	130 501	1 479 762	1 328 473	151 289
TOTAL	**3 131 728**	**3 020 832**	**110 896**	**3 141 728**	**2 990 432**	**151 296**

7. TRANSFER PAYMENTS

The table below reflects the transfer payments made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Various Directorates/ Sub Directorates / Districts / Circuits	Administration	Leave gratuity / stipend / claims against the state/ vehicle licenses		-	-	
Various Schools	Public Ordinary School Education			1 367 098	1 367 098	
Various Schools	Independent School	Running Costs & LTSM		93 292	91 829	These are funds not transferred to non-compliant schools.
Various Schools	Public Special School Education			148 703	148 703	

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Various Schools	Early Childhood Development	Payment Leave Gratuity / Non LTSM Running Costs		551 000	512 196	These are funds not transferred to non-compliant schools.
Various Directorates/ Sub Directorates / Districts / Circuits	Infrastructure Development	Payment Leave Gratuity		692	692	
Various Directorates/ Sub Directorates / Districts / Circuits	Examination & Education Related Services	Payment Leave Gratuity / Payment to SETA		1 367 098	1 367 098	

8. CONDITIONAL GRANTS

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2022 to 31 March 2023.

8.1 Conditional Grant 1: MST ICT

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To provide support and resources to schools, teachers, and learners in line with the Curriculum Assessment Policy Statements (CAPS) for the improvement of mathematics, science and technology teaching and learning at selected public schools
Expected outputs of the grant	• Provision of Information, communication, and technology (ICT) subject specific resources. • Provision of Workshop equipment, consumables, tools and machinery for Technical Schools. • Provision of Laboratory equipment, apparatus and science consumables. • Provision and coordination of Learner support programmes. • Provision and coordination Teacher support programmes working with Curriculum management.
Actual outputs achieved	• 05 high schools received ICT resources (smart schools project). • 120 high schools received visualisers. • 16 primary schools piloting coding and robotics received robotics kits. • 08 technical high schools received workshop equipment and tools. • 30 high schools received science consumables and technology kits. • A total of 1276 teachers supported through MST subject content trainings and 84 kznfunda portal administrators trained on portal administration. • Grant Monitoring through MST Focus schools' monitoring meeting which was attended by 227 principals/schools ICT Coordinators. • A total of 23 993 learners supported through various MST programmes: provision of grade 12 maths study guides, winter virtual tuition programme, participation to MST Competitions/Robotics and spring camps.
Amount per amended DORA	R70 244 000
Amount received (R'000)	R70 244 000
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R70 244 000
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Establishment of a Digital Learning Working Committee for school visits (the committee comprises of Subject Advisors and Information Technology Officers supported by the District ICT Coordinator)

8.2 Conditional Grant 2: HIV and AIDS Life Skills Education

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To support South Africa's HIV prevention strategy by providing comprehensive sexuality education and access to sexual and reproductive health services to learners to mitigate the impact of HIV and TB for learners and educators.
Expected outputs of the grant	• **1 268** educators trained to implement comprehensive sexuality education (CSE) and TB prevention programmes for learners to be able to protect themselves from HIV and TB. • **1 560** school management teams and governing bodies trained to develop policy implementation plans focusing on keeping girls in school, ensuring that CSE and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health (SRH) and TB services • **26 057** learners and educators reached through co-curricular peer education activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services. • Care and support programmes implemented to reach **23 688** learners and **1140** educators. A total of **750** Learner Support Agents appointed and trained to support vulnerable learners using the care and support for teaching and learning framework. • **50 000** copies of curriculum and assessment policy statement compliant material printed and distributed to schools. • Advocacy and social mobilisation events hosted with **39 311** learners, educators, and school community members on the DBE National Policy on HIV, STIs and TB, Integrated School Health Policy and DBE Policy on the prevention and management of learner pregnancy in schools.
Actual outputs achieved	• **1 268** educators trained to implement comprehensive sexuality education (CSE) and TB prevention programmes for learners to be able to protect themselves from HIV and TB. • **1 560** school management teams and governing bodies trained to develop policy implementation plans focusing on keeping girls in school, ensuring that CSE and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health (SRH) and TB services • **26 057** learners and educators reached through co-curricular peer education activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services. • Care and support programmes implemented to reach **23 688** learners and **1140** educators. A total of **750** Learner Support Agents appointed and trained to support vulnerable learners using the care and support for teaching and learning framework. • **50 000** copies of curriculum and assessment policy statement compliant material printed and distributed to schools. • Advocacy and social mobilisation events hosted with **39 311** learners, educators, and school community members on the DBE National Policy on HIV, STIs and TB, Integrated School Health Policy and DBE Policy on the prevention and management of learner pregnancy in schools.
Amount per amended DORA	R 61 183 000
Amount received (R'000)	R 61 183 000
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R 61 183 000
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	High rate of attrition is compromising performance. A submission has been written to HOD to request for the vacant posts to be filled to improve performance.
Monitoring mechanism by the receiving department	Monitoring mechanism is done through school visits to monitor and support the implementation of the programme. During visits physical verification and interviews are conduct with school staff who implement the programme to determine the extent to which the programme is implemented

8.3 Conditional Grant 3: Conditional Grant: Learners with Severe to Profound Intellectual Disability (LSPID)

Department who transferred the grant	Department of Basic Education (DBE)
Purpose of the grant	To provide necessary support, resources, and equipment to targeted special care centres and schools for the provision of education to CSPID and schools for the provision of education to children with profound intellectual disabilities.
Expected outputs of the grant	COE, Training of caregivers, officials, teachers and outreach teams; LTSM, toolkits and equipment for special care centres and targeted schools and Administration
Actual outputs achieved	Personal hired and retained, Training conducted for caregivers, officials, teachers and outreach teams; Procured LTSM, toolkits and equipment for special care centres and targeted schools and Administration
Amount per amended DORA	N/A
Amount received (R'000)	R 34 423 000
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R 34 423 000
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	Monitoring Plan developed for procured items. Meetings with implementing agent for updates for procured items.

8.4 Conditional Grant 4: Education Infrastructure Grant

Department who transferred the grant	**Department of Education**
Purpose of the grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation To ensure capacity to deliver infrastructure in education To address damages to infrastructure • To address achievement of the targets set out in the minimum norms and standards for school infrastructure
Expected outputs of the grant	• Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided • Number of existing schools infrastructure upgraded and rehabilitated • Number of new and existing schools maintained • Number of work opportunities created • Number of new special schools provided, and existing special and full service schools upgraded maintained • Number of schools where contracts focused on the development and upgrading of portable water supply and safe sanitation have reached practical completion • Number of schools where contracts focused on the COVID-19 emergency portable water supply have reached practical completion • Number of schools where contracts focused on the COVID-19 emergency safe sanitation have reached practical completion • Volume of water supplied through trucking with details of which schools were supplied on what date Number of schools provided with sanitation materials and equipment with quantities specified
Actual outputs achieved	Output Achievements as per Departmental APP targets tabled above. **SOI 601, 602, 603, 604, 605 & NSOI 6.1, NSOI 6.2, NSOI 6.3**
Amount per amended DORA	R 2 483 015 000
Amount received (R'000)	R 2 483 015 000
Reasons if amount as per DORA was not received	NOT APPLICABLE
Amount spent by the department (R'000)	R 2 483 015 000
Reasons for the funds unspent by the entity	**EIG Grant allocated to the Department was fully spent**
Reasons for deviations on performance	• The Department did not achieve **SOI 604**. Delivery of the Special School with hostels that the Department earmarked to deliver was disrupted by local Business Forums and Local Community members. The project could not be completed as a result.
Measures taken to improve performance	• A revised implementation has been presented to the Department and this is being closely monitoring the project very closely.

Monitoring mechanism by the receiving department	1. The Department has the following structures that monitor the effectiveness of the Implementing Agents in implementing the infrastructure portfolio: • Monthly Provincial Infrastructure Delivery Committee • Bilateral meeting between Head of Infrastructure and IA management • Site meetings on each specific projects • Pre-audits to ascertain compliance • One on One monitoring meeting by DBE 2. The Department monitors the Implementing Agent to ensure they adhere to the Service Delivery Agreements conditions 3. Over and above that, the Department has appointed Works Inspectors at District and Programme Managers appointed at Head Office are allocated to dedicated Implementing Agents for more controlled monitoring and accountability

8.5 Conditional Grant 5: National School Nutrition Programme (NSNP)

Department who transferred the grant	Department of Basic Education
Purpose of the grant	To provide a daily balanced nutritious meal to learners by 10:00am
Expected outputs of the grant	To feed 2 445 466 million learners
Actual outputs achieved	Fed 2 343 649 million learners in 2022/23
Amount per amended DORA	R1 952 777 000
Amount received (R'000)	R2 006 691 000 (including rollover)
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R 1 864 828 000 less rollover amount (R141 863 000) underspent in order to pay March invoices.
Reasons for the funds unspent by the entity	To pay for services rendered during the month of March 2023
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	• Monthly (MRR) reporting, • Quarterly Performance Reporting, • Quarterly Expenditure Reporting, • Annual Performance Reporting • Annual Expenditure Reporting • Annual Pre-Evaluation • Annual Evaluation

9. DONOR FUNDS

Name of donor	
Full amount of the funding	
Period of the commitment	
Purpose of the funding	
Expected outputs	
Actual outputs achieved	
Amount received (R'000)	
Amount spent by the department (R'000)	
Reasons for the funds unspent	
Monitoring mechanism by the donor	

10. CAPITAL INVESTMENT, MAINTENANCE, AND ASSET MANAGEMENT PLAN

Infrastructure projects	2021/2022			2022/2023		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	236 666	225 956	10 710	347 408	410 812	(63 404)
Existing infrastructure assets						-
- Upgrades and additions	1 473 986	1 396 296	77 690	1 284 714	1 258 352	26 362
- Rehabilitation, renovations and refurbishments	573 765	541 089	32 676	627 056	553 433	73 623
- Maintenance and repairs	468 865	428 090	40 775	486 889	480 271	6 618
Infrastructure transfer	-	-	-			-
Infrastructure: Leases	-	-	-	139 600	98 037	41 563
Non infrastructure	-	-	-	154 318	127 188	27 130
Current	468 865	428 090	40 775	626 489	578 308	48 181
Capital	2 284 417	2 163 341	121 076	2 259 178	2 222 597	36 581
TOTAL	**2 753 282**	**2 591 431**	**161 851**	**3 039 985**	**2 928 093**	**111 892**

PART C:
GOVERNANCE

1. INTRODUCTION

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

2. RISK MANAGEMENT

The Department has a Risk Management Policy, Risk Appetite Statement and Risk Management Strategy in place.

The Risk Register was revised during the year, which articulates all the risks identified and tabulates the action plans to be implemented to mitigate those risks. Progress on the action plans as well as emergent risks are reported quarterly.

In KZNDOE there is a unit responsible for monitoring the implementation of the action plans as espoused in the Risk Register. The responsibility, accountability and timeframe for the implementation of the action plans are articulated against each senior official in the Risk Register. Regular assessments of the implementation are conducted, and progress reports including emergent risks are presented at Top Management, and oversight committees like the Cluster Audit and the Risk Committee (CARC).

In June 2022 Risk assessments were conducted on Information Technology (IT) and Occupational Health and Safety (OHS)and the progress is monitored quarterly. In January 2023, the Risk unit started with the Risk awareness and Risk assessments in Districts. Ethics survey and Ethics Risk register review was conducted in 2022/2023.

The Department has a Risk Management Committee (RMC) which serves as an oversight committee accountable to the Head of Department for the monitoring, designing, implementing and coordinating the Department's risk management initiatives.

To ensure that the Department is in line with good governance practices, the RMC is responsible for formulating, promoting and reviewing the risk management strategy, progress at strategic and risk management level. The Risk Management Committee meets every Quarter.

The Department works closely with the Risk Management Unit located within the Internal Audit and Advisory Unit of the Department of Provincial Treasury. The development of a risk register is ratified at that level and the implementation of the action plans is being monitored regularly. The progress report is jointly presented at CARC. CARC also advises management on the overall system of risk management within the Department in the Accounting Officers Report submitted to the Department.

Due to capacity constraints within the Department's Risk Unit, the roll out of risk management to all levels within the Department viz., districts, circuits and schools has been negatively affected. Nonetheless, the Department has started with the development of risk registers for districts and within that process Risk Champions are appointed to represent different districts which will assist with coordinating the risk management information.

3. FRAUD AND CORRUPTION

The Department has a Fraud Prevention Plan and other related policies. An Ethics and Fraud survey was conducted in 2022/2023.

A circular advising employees on application of remunerative work outside public service was issued in 2022/2023 to inform employees on renewing their applications and requesting authorisation from the Executive Authority to do remunerative work outside public service and the consequences of having a business without authorisation was emphasized.

A circular on disclosure of gifts and donations was circulated to all employees of the Department.

The Department received fraud alert or complaint from the following sources:

- Members of the public.
- Internal staff.
- Service Providers.
- Media.
- Whistle blowing hotline (Presidential hotline).

Complaint or fraud alerts are reported through National Anti-Fraud & Corruption Hotline (NACH) managed and administered by the Public Service Commission (PSC) together with the Integrity Directorate located within the office of the Premier.

Complaints were received in writing, anonymously and sometimes such complaints were solicited at school, meetings and through media.

The Head of Department (HOD) sanctioned investigations with terms of reference. Cases are investigated internal or outsourced to forensic service providers. Forensic investigation reports are handed to the HOD with recommendations. Consequence management is implemented. The Employee Relations Directorate deals with disciplinary measures.

Legal Services deals with litigation if civil recoveries are recommended. Internal Control & Risk Management reports criminal cases if recommended and monitors the progress of the implementation of these recommendations and reports to oversight committees.

4. MINIMISING CONFLICT OF INTEREST

The following management processes are implemented to minimise conflict of interest:

- All senior management are required annually to complete their Declaration of Interest on the e-disclosure reporting tool of the Department of Public Service Administration.
- Employees on levels 11 – 12, including all employees in the Supply Chain Management unit, were expected to register on the e-disclosure reporting tool and complete their Declaration of interests.
- All members of the Departmental Bid Evaluation and Bid Adjudication Committees are required to complete a Declaration of Interest form prior to adjudication and evaluation of each bid/tender.
- Suppliers are also required to complete the SBD4 form which is a certificate of declaration of interest.

5. CODE OF CONDUCT

The Department's Code of Conduct comprises primarily of the content of the Public Service Code of Conduct and promotes a high standard of professional ethics in the workplace and encourages public servants to think and behave ethically.

When there is a breach of conduct the directorate dealing with the Code of Conduct investigates the matter thoroughly and after investigation, the matter is dealt with either formally or informally, depending on the seriousness of the conduct.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Occupational Health & Safety (OHS) sub-directorate is responsible for the implementation of the Safety, Health, Environment, Risk and Quality (SHERQ) management pillar which is the one of the programmes with the health and safety of employees. This is the process for establishing and maintaining a safe and health working environment for employees in support of a healthy and productive workforce. Occupational Health and Safety is guided by the Occupational health & Safety Act No 85 of 1993.

The Department has appointed 125 Safe, Health and Environmental representatives; 220 Fire Marshals; 83 First Aiders; and 25 Safety Officers. The Department also conducts regular health and safety inspections; carries out Health Risk Assessments; and fumigates buildings.

7. PORTFOLIO COMMITTEES

NO.	DATES OF THE MEETING	RESOLUTIONS	RESPONSE BY THE DEPARTMENT
1.	28 October 2022	**Resolution DOE 01/08/2022** State of the Readiness for NSC 2022	
		Resolution DOE 02/08/2022 Report on Suspended Senior Managers	
2.	21 February 2023	**Resolution DOE 01/10/2022**: To have a standing item on how the Department is responding to the AG's findings during the monthly Committee meetings. The Department to develop a plan that can be monitored by the Committee to ensure that findings of the AG were addressed.	**RESOLUTION 1-10-22 PART A** **EMPHASIS OF MATTER** **Department of Education: Material Uncertainty, Relating to Financial Sustainability** **Noting that: -** (a) As stated in note 5 to the financial statements, inter alia, the department's bank overdraft has increased by R128.30 million (15%) to R965 million at the end of the year end. (b) This was because of budget reduction due to impact of Covid -19 pandemic spending on personnel protective equipment (PPE). **The Committee resolves: -** That the Accounting Officer report to the Committee on the outcome of implemented turnaround strategies and whether the results provide certainty to the financial sustainability of the department.
		Resolution DoE 02/10/2022, that: The Department should present an infrastructural expenditure plan on how it will utilize the reduced budget and constantly monitor progress to ensure achievement of targets at the end of the year, in the next meeting.	• The report provides the Infrastructure Roll-Out Plan by the Department of Education. • The report further provides status on the Eradication of Pit Latrines. • The Infrastructure Delivery Strategy is included as well as the Challenges being experienced in the implementation of Infrastructure Projects across the Province. • The Department aims at creating job creation, empowerment of SMMEs and Vulnerable Groups within the implementation of these Infrastructure Programmes and Projects.
		Noting the irregular expenditure which amounted to R26,19 million, the Committee resolved: **Resolution DoE 02-10-2022, that:**	The Department should present a comprehensive breakdown of the irregular expenditure and how to mitigate it, in the next meeting. **DEPARTMENTAL RESPONSE** The breakdown of the irregular expenditure for 2021-22 is as follows. **IRREGULAR EXPENDITURE FOR 2021-2022** Amount paid exceeded 15% of the contract value without treasury's approval: 12 022 696,06 Procurement of mandatory IT good and services was not done through SITA: 1 815 115,36 B-BBEE scores awarded to bidders who did not submit proof of B-BBEE status level: 497 990,00 SCM processes not followed: 11 851 426,05 **TOTAL: 26 187 227,47** • The previous 15 % deviation had to be declared irregular, it was incurred due the court order that suspended the PPPFA Regulations in 2022 and thereby suspending all tendering processes. Services such as security cleaning etc. had to be continued. This will be avoided in future now that delegation have been given to accounting officer to approve deviations. • Procurement not done through SITA is due to the delays caused in procurement through SITA. In such instances, the Department engages SITA and seek their approval for the Department to initiate internal procurement processes. • Measures have been put in place to ensure that BBBEE points are only awarded to service providers who have submitted either a valid Affidavit or certified copies of their BEE Verification Certificate. • SCM process not followed, were not properly followed mostly in instances where emergency learner transport is required. The Department has made arrangements with the Department of Transport in KZN to assist in such instances to avoid a recurrence. Period contracts are also being put in place to minimize the need for quotations and to also cater for emergency situations.

NO.	DATES OF THE MEETING	RESOLUTIONS	RESPONSE BY THE DEPARTMENT
		Resolution DoE 03/02/2023, that: The Department should present a comprehensive report with the following: (i) Names of all unfinished projects (ii) reasons thereof (iii) and the projected dates of completion, in the next meeting.	
		Resolution DoE 04/02/2023, that: The Department to present a report on the progress thus far regarding the implementation of the ECD, in the next meeting.	
		Noting the unauthorized expenditure report to SCOPA, and recommendations made on whether the unauthorized expenditure was to be funded by the Provincial Revenue Fund or should be a first charge against the Department, the Committee resolved: **Resolution DoE 05/02/2023, that:** The Chairperson of Education PC should engage the Chairperson of Scopa on behalf of the Department regarding the unauthorized expenditure. Noting the irregularities which related to exam, the Committee resolved: **Resolution DoE 06/02/23, that:** The Department to present a report of irregularities relating to the exam, in the next Committee meeting.	

NO.	DATES OF THE MEETING	RESOLUTIONS	RESPONSE BY THE DEPARTMENT
		Noting the 2023/24 APP and Budget of the Department, the Committee resolved: Resolution DOE 01/03/2023, that- The committee to hold a workshop whereby the Department will take the Committee through APP and Budget in addressing issues raised by the Members concerning the following: • National School Nutrition Programme • Learner Transport • Funza Lushaka • Declining of numbers of Learners at no-fee schools • Infrastructure roll-out plan for 2023/24	On the question of the NSNP new/hybrid model, the department stated that according to this approach procurement would be given to the single Service Provider that would buy in bulk instead of buying in smaller quantities. The department stated that it has discovered that this method would be cost-effective. - The Department indicated that 5151 positions of which 3000 were for educators that directly affected by budget cuts. The department further stated that retrenchment was not an option that they were considering. - On the question of Fundza Lushaka, the Department responded that the bursary is a national programme. It was further reported that bursary beneficiaries do not get preferential consideration over other applicants during recruitment process. - On the issue of learner transport indicator change, the department reported that this was due to a Finding by the Auditor-General in previous financial year and the change was actioned as the results of the resolution of the findings. - On the issue of the number of PYEI's in the system, the department reported that it has implemented this programme over four phases from 2020 until this current year, and each year taking about more than 60 000. It was indicated that this programme was intended to stimulate employment and to fill the gaps that were identified in the education sector such as assisting learners to read. - The department reported that decreasing numbers of learners in no-fee schools are a result of duplication of learners during transfers and migration of learners to other Provinces.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department
Resolution 140/2022	Department of Education: Material Uncertainty, Relating to Financial Sustainability	Noting that: - (a) As stated in note 5 to the financial statements, inter alia, the department's bank overdraft has increased by R128.30 million (15%) to R965 million at the end of the year end. (b) This was because of budget reduction due to impact of Covid -19 pandemic spending on personnel protective equipment (PPE). The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on the outcome of implemented turnaround strategies and whether the results provide certainty to the financial sustainability of the department.	The overdraft was mostly due to the unauthorized expenditure incurred due to the budget reductions especially on Educators The Department has presented the impact of the budget cuts to cabinet. Cabinet's resolution was there would no retrenchment of educators to reduce the unauthorized expenditure. Cabinet decision was not followed with any additional funding from Treasuries Although the department has reduced the number of substitutes and posts to be filled, this cannot be sustained even in the current financial year. The Department has presented the impact again to MINCOMBUD and CABINET for the financial year 2022-2203 The impact of the budget cuts would mean that no LTSM would be provided, no new schools will be built, norms and standards would not be fully paid. There is still no decision on the funding. The only solution to reduce over expenditure would be reduction in personnel expenditure, all avenues to reduce from goods, transfers and capital has been exhausted.

Resolution No.	Subject	Details	Response by the department
Resolution 141/2022	Department of Education: Staff Debts (repeat finding)	Noting that: - (a) The department has a staff debt balance of R493,24 million (2020/21: R476.23 million) (b) Provision for debt impairment of R355.31 million (72%) (2021: R329,27 million) was made against the staff debt balance in respect of doubtful debts, mainly for past employee debts that had been outstanding for three years or more and which had become prescribed. (c) New staff debts are being accumulated due to the failure to timeously terminate staff exiting the system, mainly at district level. (d) The department has implemented a process of consequence management in relation to District Directors to prevent late terminations. (e) The department is exploring an electronic system to improve on the processing of terminations, leave capturing and payment of leave gratuities. (f) It is the responsibility of an accounting officer in terms of section 38(1)(c)(i) of the PFMA, and any official to whom such powers and duties are assigned in terms of section 44 of the PFMA, to take effective and appropriate steps to recover all money due to the department, and failure to do so constitutes an act of financial misconduct. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: [1] An age analysis of the staff debt, per district. [2] The reasons for the failure of the department to recover staff debts timeously. [3] The steps taken to implement consequence management against officials responsible for a) the debts arising and b) the failure to recover the debts timeously.	[1] An age analysis of the staff debt, per district provided. [2] The reasons for the failure of the department to recover staff debt timeously. a) The main cause of ensuring timeous recovery is the reluctance on the part of the employee to acknowledge the debt and enter into debt agreement, as legislation requires that no deductions may be made from the employees' salary without consent. b) Out of service issue is being addressed by the legal team and pension section of the Department with National and a task team has been established to deal with in service debt which includes the review of debt policy c) The Department is also in the process of appointing a project manager to assist districts that have capacity and skills to implement processes to recover in service staff debts timeously. [3] [a]Implementation of the Consequence management plan for each District. Provided [b]Consequence management plan for in service recoveries • Although the above table shows no recoveries, it must be taken into consideration that an analysis had been done where it has been found that the following is causing the slow process of recoveries being processed. • The reluctance on the part of the employee to acknowledge the debt and enter into debt agreement, as legislation requires that no deductions may be made from the employees' salary without consent. • The lack of capacity in districts • Staff being threatened --- in this case this is being moved to head office to complete the process.
Resolution 142/2022	Department of Education: Material Misstatements in Annual Performance Report: Predetermined Objectives for Programme 2 – Public Ordinary Schools: Number of Learners Benefiting from School Nutrition Programme	Noting that: - The Auditor-General was unable to obtain sufficient appropriate audit evidence for the achievement of the planned indicators as they were not clearly defined. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on the effectiveness and adequacy of the interventions implemented by the Department to address this audit finding and to ensure the review and validation of the reported performance information.	• A meeting was held with DBE, NSNP, AG and DPME on the 23rd of November 2022. The purpose of the meeting was to resolve the issue raised by AG on NSNP NSOI 2.1 Percentage of learners benefiting from School Nutrition programme. The contentious point was the calculation method and the TID. • The following resolutions were tabled: • The TID would be amended to reflect the inclusion of Grade R as part of the reported output. • In the method of calculation, the average if used, will also be included in the TID. • The TID must state in which quarter the numerator and denominator will be set at. Both the numerator and denominator must be measured in the same quarter. • The TID will be amended in the APP. • The NSNP Responsibility Manager has agreed to effect the relevant recommendations.

Resolution No.	Subject	Details	Response by the department
Resolution 143/2022	Department of Education: Material Misstatements in Annual Performance Report: Predetermined Objectives for Programme 2 – Public Ordinary Schools, Learner Transport	Noting that: - (a) The Auditor-General was unable to obtain sufficient appropriate audit evidence for the achievement of 67163 reported against the planned target of 60000 in the annual performance report, due to the lack of accurate and complete records. (b) In addition, differences were noted between reported achievements and supporting schedules. (c) Due to the material misstatements in the reported performance information of Programme 2, the Auditor-General raised a material finding on the usefulness and reliability of the reported performance information, resulting in a qualified finding on Predetermined Objectives. (d) The department has implemented corrective measures, which include capacity building workshops, training on managing performance information, establishment of quality assurance teams to ensure data integrity and guidance and support to schools on management of performance information and maintaining proper record keeping. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on the effectiveness and adequacy of the interventions implemented by the Department to address this audit finding and to ensure the review and validation of the reported performance information.	• A task team comprising of members from the Learner Transport and EMIS Directorates met at a Provincial Interdepartmental Committee (PIDC) Meeting on 01 June 2022 where EMIS made a presentation on how it could assist with the digitization of the Class Attendance Register to reflect beneficiaries to the learner transport programme. The PIDC comprises Head Office Learner Transport Directorate, 12 District Learner Transport Coordinators, and officials from DOT responsible for learner transport. • On 27 June 2022 the task team met to establish the scope of technical work required to comply with the AG's requirements. • On 03 August 2022 the user specifications requirements were finalised for sourcing of data from benefiting schools on SA-SAMS. • On 02 September 2022 it was agreed that training be conducted for users at school, district and head office by EMIS for the digital capture of data. • HOD issued a circular, informing benefiting schools to avail themselves for participation in the workshops. On 20 September 2022 the workshops started with benefiting schools from different Districts, • On 30 September 2022 the Learner Transport Directorate captured all the hardcopy learner transport data and submitted it electronically to EMIS for capturing on SASAMS for ease of reference regarding benefiting learners from benefiting schools. • A meeting was held with DBE, Learner and AG on the 15th of November 2022. The purpose of the meeting was to resolve the issue raised by AG on the Learner Transport Indicator: Number of Learners benefitting from Learner Transport. The discussion was around the challenges on the measurement of this indicator and the attendance registers not being sufficient as supporting evidence. • Seeing that the policy on learner transport speaks about providing schools' access to learner transport, a proposal was made for the indicator to read as the "Number of schools that are being provided with learner transport". • The Department would still collect data on the number of learners that benefit as part of data collection. • The change in the indicator was noted and endorsed by DBE. • The wording of the indicator has been incorporated into the Department's Annual Performance Plan 2023/2024 which is due in April 2023.
Resolution 144/2022	Department of Education: Compliance with Legislations: Expenditure Management, Unauthorised Expenditure R719,22 million	Noting that: - (a) The department incurred unauthorised expenditure of R719,22 million, as disclosed in the note 9 of the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9:11. (b) The unauthorized expenditure was caused by overspending of the vote or main division within the vote. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] Progress made in the investigations relating to the 2021/22 unauthorised expenditure. [2] The findings and recommendations of completed investigations and steps taken to implement the recommendations, including disciplinary action against officials responsible, and other remedial action, as well as recovery of losses and opening of criminal cases, where applicable, and time frames for implementation. [3] Outcome of the request for condonement or write off.	[1] Progress made in the investigations relating to the 2021/22 unauthorised expenditure. a) The unauthorised expenditure has occurred due to the budget cuts on personnel expenditure. b) In order to reduce the unauthorised expenditure a presentation was made to Mincombud to reduce number of educators by approximately 6112 c) The above was declined thus resulting in an unauthorised expenditure of R 719,22 million although the Department reduced number of Educators from the required number of 90 057 to 87 628 to ensure a teacher in front of the classroom [2] The findings and recommendations of completed investigations and steps taken to implement the recommendations, including disciplinary action against officials responsible, and other remedial action, as well as recovery of losses and opening of criminal cases, where applicable, and time frames for implementation. Not applicable [3] Outcome of the request for condonement or write off. Awaiting SCOPA decision

Resolution No.	Subject	Details	Response by the department
Resolution 145/2022	Department of Education: Material findings on Expenditure Management: Irregular Expenditure of R26,19 million in 2021/22	Noting that: - (a) The department incurred irregular expenditure in an amount of R26,19 million in the 2021/22 financial year, as disclosed in note 26 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulations 9.1.1. (b) The majority of irregular expenditure incurred was caused by non-compliance with supply chain management regulations. (c) The prior year's irregular expenditure was R330,74 million, R5.15 billion is still under investigation. (d) The Auditor-General was unable to find sufficient appropriate audit evidence that disciplinary steps were taken against officials who were responsible for the irregular expenditure and in some instances, investigations were not performed. (e) The department has put in place measures to prevent irregular expenditure. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] Measures implemented to ensure compliance with local content requirements and assurance that the audit finding has been addressed. [2] Progress made in the determination testing of the 2020/21 irregular expenditure and submission to Provincial Treasury for condonation, as well as time frames. [3] The outcomes of the investigations of the 2021/22 irregular expenditure and steps taken to implement the recommendations, including disciplinary action against officials responsible for the irregular expenditure and implementation of other remedial steps, recovery of losses and opening of criminal cases where fraud or other criminal conduct was involved. [4] Progress made the determination testing of the prior years' irregular expenditure and time frames for finalization thereof and submission to Provincial Treasury for condonation. Where investigations have been concluded, the report must include the findings and recommendations as well as steps taken to implement the recommendations and time frames for implementation.	[1] To enforce compliance with local content requirements, measures have been introduced as part of the Bid Specifications Committee [BSC] meeting to ensure that the Chairperson and the secretariat check and verify whether: There are local content requirements for each bid prior to the Bid being finalised and submitted to the Bid Adjudication Committee [BAC] for consideration. Similar measures have been introduced in relation to quotations, the Nominations Committee has a responsibility to check and confirm local content requirements and ensure that such is included as part of the quotation document. [2] Management Plan provided with detailed analysis [3] Management Plan provided with detailed analysis [4] Management Plan provided with detailed analysis
Resolution 146/2022	Department of Education: Material Findings on Expenditure Management: Failure to make payment within 30 days	Noting that: - The department did not ensure that all suppliers were paid within 30 days from date of receipt of invoices. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on steps taken to address this audit finding and whether the steps have been adequate and effective in ensuring compliance with Treasury Regulation 8.2.3.	[1] Ensure that an invoice that is provided by the supplier has the correct date, matches the order issued, and that an EF73 had been signed upon delivery of either the goods or services before it is stamped. Daily [2] Daily Sign and stamp the invoice on the date of receipt which may be a date after the delivery. Daily [3] The EF 73 or invoice must not be accepted or signed or stamped until all the matters are resolved prior to sending to SCM for processing. Within 3 days [4] Send the EF73 and Invoice to the SCM unit for the documents to be batched accordingly. Within 5 days [5] Ensure that all the SCM compliance documents are available on file or attached to the payment voucher prior to sending to Expenditure for processing. Within 5 days [6] Review the BAS report on payments. Monthly [7] Regular monitoring of the Department's cash flow position to ensure that sufficient funds are available on a monthly basis to pay suppliers within 30 days. Weekly

Resolution No.	Subject	Details	Response by the department
Resolution 147/2022	Department of Education: Material Findings on Consequence Management: Fraud not reported	Noting that: - (a) The Auditor- General was unable to obtain appropriate audit evidence that disciplinary steps were taken against officials who had incurred unauthorised, irregular as well as fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. (b) This was because investigations into such expenditure were not performed in some areas. (c) Disciplinary hearings were not held on confirmed cases of misconduct committed by some of the officials, as required by treasury regulation 4.1.1. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on the measures implemented to address this audit finding, including implementation of adequate monitoring controls to ensure compliance and prevent future occurrence.	The departments' unauthorized expenditure is because of the cabinet decision to maintain the staff establishment without providing funding for it. The matter is still under discussion and therefore no disciplinary action against officials can be initiated as there is no fraud. Irregular expenditure is still under investigation and warning letter have been issued where officials were found to be responsible. The determination tests have been performed and there is no fraud discovered. The fruitless and wasteful expenditure relates to amount paid to SARS for late appointments. The department is expecting the reversal of the amount, there is no fraud.

Resolution No.	Subject	Details	Response by the department
Resolution 148/2022	Department of Education: Material Irregularities: Salary Payments to Persons No Longer Employed by the Department	Noting that: - (a) Employees who had left the employment of the department were not removed from the human resources and payroll system in timely manner. (b) This resulted in the department approving and processing their salaries which contravened treasury regulation 8.1.1. (c) Such salaries resulted in material financial loss of R142 million by 31 March 2021, thus the department is likely to result in further losses due to staff debts balance amounting R476.02 million. Furthermore, a provision for debts impairment of R329,27 million (69%) was made against staff debts balance in respect of doubtful debts in 2020/21 financial statements of the department. (d) The Accounting Officer was made aware and turnaround strategies and measures have been implemented to resolve the material irregularities. (e) Workshops have been done within districts, debts collectors appointed, and procurement of the electronic system implemented to track the flow of termination of documents from places of origin (schools) to the point of processing (districts) The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: [1] The effectiveness of measures put in place to address the qualification. [2] The reasons for the failure of the department to recover staff debts timeously. [3] The steps taken to implement consequence management against officials responsible for a) the wrong payments and b) the failure to recover the debts such debts from the alleged employees. [4] Outcome of measures put in place to prevent future occurrence.	[1]A detailed table provided shows that there is an improvement of the reduction of new debts. The decrease of new debts from one quarter to the next is approximately R7 million The effectiveness will be further be measured after the first phase of the consequence management plan is implemented [2] The reasons for the failure of the department to recover staff debts timeously. The reluctance on the part of the employee to acknowledge the debt and enter into debt agreement, as legislation requires that no deductions may be made from the employees' salary without consent. The lack of capacity in districts Staff being threatened --- in this case this is being moved to head office to complete the process. [3] The steps taken to implement consequence management against officials responsible for This has been responded in Resolution 141 b) the failure to recover the debts such debts from the alleged employees. This has been responded in Resolution 141 [4] Outcome of measures put in place to prevent future occurrence. The appointment of a full time project manager internally by the Accounting Officer has been proposed,to ensure effective and efficient monitoring of the process. Where debtors are managed properly, irrecoverable debts will be reduced. The department will review the debt management policy and ensure effective implementation thereof. Contract employees and temporary educators are now controlled in that the predetermined period of appointments are captured, thereby advising Persal of the appointment date and termination date. In cases of early termination of contracts, the notice period must be served. Service terminations will be the responsibility of the principal and the circuit manager to report to the HR component through E- submission or any convenient manner within 24 hours of such termination. The recovery of debts from unclaimed pension benefits will be pursued vigorously. All ex-employee debts that are reflected on the pension exits will be scheduled separately and monitored by the district. It is suggested that a Service Level Agreement is entered into with the respective State Attorneys to manage the referral of debts. These agreements should address the issue of materiality as well as the appointment of agencies to recover debt by either the State Attorney or the agency. Procedures regarding this should be specific and clear as it is a source of controversy when debtors are confronted by separate agencies acting on behalf of the department.

Resolution No.	Subject	Details	Response by the department
Resolution 149/2022	Department of Education: Material Irregularity: Failure to Timeously Deduct and Pay over PAYE to SARS	Noting that: - (a) The department failed to timeously pay over PAYE withheld from employees to SARS from 2017 to 2020, resulting in a material financial loss through penalties and interest of R6.69 million being charged by SARS. (b) The department-initiated processes of developing an electronic system that would assist in timeously alerting the salaries and tax sections immediately of appointments and terminations of educators that take place at any school and any district within the province. (c) The department has on 1 July 2022, appointed a legal tax specialist to further engage SARS on its behalf. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] The detailed findings of the assessment conducted by the department on the causes of this material irregularity, the reasons for concluding that the problem was system related and not due to any act or omission by an official, the detailed recommendations and a detailed report on implementation of the recommendations, including recovery of losses, implementation of consequence management and other remedial action. [2] Steps taken to conduct a final investigation, progress made and the time frame for concluding the investigation. [3] Measures implemented to address this audit finding in the interim and an evaluation of the effectiveness of the measures so implemented, as well as measures implemented to ensure adequate compliance monitoring. [4] The outcomes of the engagements with SARS on the remission of the penalties and interest charged and time frames for concluding these engagements.	[1] The Department has identified the departmental processes of appointing educators as a major contributor to delays for timeously paying educators. Educator are appointed at the beginning of the each academic January and due to remoteness of our schools, delays are experienced in getting the documents to districts for the appointments on PERSAL to be processed. This results in SARS charging penalties and interest for tax not deducted timeously. The departments has initiated an electronic system to speed up the process of appointing these substitute or newly appointed educators on PERSAL. IT and EMIS have been engaged to develop an electronic system that will assist in mitigating in recurrent in future. The recovery of loss is expected after the tax audit has been finalized and the departmental legal team gets a positive outcome form the tax court ruling on the appeal. [2] Steps taken to conduct a final investigation, progress made and the time frame for concluding the investigation. Department Response: The assessment showed that the penalties were as a result from internal processes and therefore no investigations were conducted but the Department is pursuing on systems that will be transparent and will fast track the appointment of educators to avoid delays. [3] Measures implemented to address this audit finding in the interim and an evaluation of the effectiveness of the measures so implemented, as well as measures implemented to ensure adequate compliance monitoring. Department Response: The implementation of a e-submission to curb and reduce or prevent delays in submissions is still in progress. This new system will reduce number of signatories in the system and shorten it to allow the flow of educator's appointments on PERSAL. The Principal at the school will be able to upload all documents on this system and the need to drive to district office for hours will be reduced. This will drastically reduce delays f appointing and terminating of educators on PERSAL. [4] The credit for the penalties and tax amounting to R6.75m will be passed once the current audit has been finalized. The engagement between the two parties (SARS and Departmental Attorneys) is ongoing as SARS has requested that meeting be held and court action be delayed. A virtual meeting was held on the 20th January 2023 between SARS officials, Department Attorneys and Education officials to discuss an amicable way to resolve the issue. SARS requested that the attorneys halt the appeal to afford them an opportunity to listen to the matter to avoid court disputes.

Resolution No.	Subject	Details	Response by the department
Resolution 150/2022	Department of Education: Forensic Investigations	Noting that: - (a) The provincial forensic unit conducted 20 investigations covering a period 1 April 2009 to 31 March 2022. These investigations relate to various allegations of ghost employees, fraud and corruption, supply chain management irregularities, management of school funds, improper human resource appointments, fake qualifications, and payments to educators whose services were not rendered. (b) Of these investigations, 10 were completed and 10 were ongoing at the time of the audit report. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] The nature of the allegations, the amounts involved and the detailed findings and recommendations of the completed investigations, per matter and with reference to the relevant FR number. [2] Steps taken to implement the recommendations and the outcomes thereof, including a report on disciplinary action taken, the sanctions imposed per matter, recovery of losses, details of criminal cases opened, and other remedial action taken, including steps to prevent a recurrence, as well as time frames for concluding all steps.	Monthly liaison with OTP Forensic regarding the implementation of the recommendations in the investigation report. Consultation is made with the State Prosecutors on matter before court. Constantly liaison with the Investigating Officer to update status of the investigations. Regular meeting is done with Employee Relation regarding the status of disciplinary cases.
Resolution 151/2022	Department of Education: Internal Investigations	Noting that: - (a) The internal control unit conducted 77 internal investigations relating to various allegations of mismanagement of school funds, false qualifications, procurement irregularities, duplicate salary payments and invalid payments. (b) Of these 77 investigations, 70 have been completed, whilst seven are ongoing. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] The nature of the allegations, the amounts involved and the detailed findings and recommendations of the completed investigations, per matter. [2] Steps taken to implement the recommendations of the finalized investigations and the outcomes thereof, including a report on disciplinary action taken, the sanctions imposed per matter, recovery of losses, details of criminal cases opened, and other remedial action taken, including steps to prevent a recurrence, as well as time frames for concluding all steps. [3] Progress made in the finalization of the remaining investigations.	Summary of the cases referred to Audit Committee for this quarter- Number of cases and Comments/Challenges detailed on document provided to the committee.

Resolution No.	Subject	Details	Response by the department
Resolution 152/2022	Department of Education: SIU investigations	Noting that: - (a) The SIU investigated in terms of Proclamation No. R23 of 2020 into allegations of irregular procurement by the department in relation to supply, delivery, and installation of 41000 water tanks, suggesting that the department was prejudiced due to this procurement. (b) The nature of the allegations include collusion between officials and service providers, fraud, and overpricing. (c) Apart from making referrals to various law enforcement agencies, the SIU recommended that the department institute disciplinary proceedings for misconduct against the implicated officials. The Committee resolves: - That the Accounting Officer report to the Committee by 31 January 2023 on: - [1] The number of officials implicated, the nature of the allegations of misconduct against each official and the amounts involved, per matter. [2] Steps taken to implement the recommendations of the SIU pertaining to disciplinary action, progress made therein, and the sanctions imposed, as well as time frames for finalization of outstanding disciplinary matters.	Detailed analysis per case provided to the committee.
Resolution 217/2022	Transversal Resolution – Filling of Critical Posts	Noting: That vacancies exist in critical management posts within departments and public entities and the adverse effect this is having on audit findings, particularly on compliance with legislation, internal controls, and financial and performance management. The Committee resolves: That the Accounting Officers and Accounting Authorities of the relevant departments and public entities report to the Committee by 31 January 2023 on progress made in the filling of critical management posts and the time frames for the filling of those posts.	Subsequent to successful engagements with Provincial Treasury, the Department was granted approval by the Premier to fill 10 Senior Management Service, 4 Middle Management Services and 1 Junior Manager. Detailed table was provided.
Resolution 218/2022	Transversal Resolution: Compliance with HRM matters	Noting: The following reports on compliance by SMS members with Human Resources Management (HRM) matters. Department/Entity Department of Education Signing of Performance Agreements 100% Security Vetting 100% Submission of Financial Disclosures 98% Verification of Qualifications 100% The Committee resolves: - That the relevant Accounting Officers and Accounting Authorities report to the Committee by 31 January 2023 on measures taken to ensure full compliance with HRM matters in relations to signing of performance agreements, security vetting, submission of financial disclosure forms and verification of qualifications.	1. If officials fail to comply with relevant regulations, disciplinary proceedings are initiated with a view to correct unacceptable behaviour and to create certainty and consistency in the application of regulated processes. 2. In the previous financial year, the department maintained a 100% record on all but one area (submission of financial disclosure forms). 3. The official who did not comply with the Financial Disclosure Framework was on suspension, hence she could not declare her financial assets and interests during the cycle in question.

Resolution No.	Subject	Details	Response by the department
Resolution 219/2022	Transversal Resolution: Special Investigation Unit	Noting that: In accordance with proclamation R23 of 2020, the SIU provided service to the departments and the municipalities. After the provision of service, the departments and entities are expected to pay the SIU for service rendered. It is however noted that to date most departments have not fulfilled their payments according to the memorandum of understanding signed. The Committee resolves: - That the relevant Accounting Officers and Accounting Authorities report to the Committee by 31 January 2023 on measures taken to ensure full compliance with the obligations agreed upon to pay for the service rendered.	The order is being processed as the Department is awaiting original invoices from the SIU
Resolution 220/2022	Transversal Resolution: Human Resource Management: Vacancies in Senior Management and Critical Positions	Noting that: - (a) Positions in senior management and critical positions were vacant for more than 12 months. (b) Vacant positions in senior management were not advertised within six months. (c) Delays in the filling of critical posts are attributed to the approval process involving Provincial Treasury and the Office of the Premier. The Committee resolves: - That the Accounting Officer and the Accounting Authority report to the Committee by 31 January 2023 on progress made in the filling of senior management positions, critical positions as well as the outcomes of their engagements with Provincial Treasury and the Office of the Premier on the filling of posts and the funding thereof.	This is responded in resolution No 217

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Material uncertainty relating to financial sustainability	**2019/20**	The material uncertainty is noted mainly due to the budget reductions on compensation in the MTEF. The growth of the bank overdraft is due to the unauthorised expenditure of the last 3 years placing further pressure on the department cash flow. **TURNAROUND STRATEGY** The department has written to Treasury regarding the condonation of the unauthorised expenditure. Unfortunately, the committee has confirmed the reduction of the budget being the first charge against the future budget(s) of the Department in terms of section 34(2) of the Public Finance Management Act No.1 of 1999, over a five-year period commencing from the 2024/25 financial year The challenges of cash flow and cash blocking implemented on education is being addressed by national treasury through provincial treasury
Provision for impairment of receivables: staff debts	**2017/18**	Standard operating procedures has been developed and is being implemented to avoid late termination of services of staff exiting the system. Due to financial constraints, the department could not appoint a project manager, however, two executive support officials have been identified for the purpose of performing the same responsibilities that would have been performed by the project manager. In this way, the department will still accomplish the same intended objective in a most cost-effective approach. In addition to this, a lot of debts occur at the District level. To this end, districts have been tasked to assign or designate their HR Deputy Directors to serve as project managers. District workshops have been held with staff responsible for processing staff terminations. Principals and Circuit Managers are continuously encouraged to report service terminations within 24 hours. Head Office is also assisting Districts in monitoring service terminations on PERSAL, reports are forwarded to Districts on monthly basis to check if service terminations are being processed in time. The trend indicates improvement in the turn-around time for capturing of service terminations. An electronic system is being implemented to fast-track the flow of termination documentation from places of origin (schools) to the point of processing (districts). The E – Submission system is being addressed at the Districts and head office to facilitate the documents process flow.

10. INTERNAL CONTROL UNIT

The Internal Control Unit performed a school inspection at Iwahlanga Primary School to verify whether the school financial statements fairly represented the performance at school. This unit also assisted the Financial Control Unit with collecting and filling of vouchers; performed school data audit; co-ordinated and updated audit logs; and conducted follow-up audits on resolved findings in Amajuba and UMzinyathi districts.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

AUDIT COMMITTEE MEMBERS QUALIFICATIONS:

No.	NAME & SURNAME	QUALIFICATIONS	COMMITTEE STRUCTURE	CONTACT DETAILS	CONTRACT DURATION	STATUS
1	Mr Zwile Zulu	MBA	**Chairperson**: PARC **Member**: Eco & G&A	**Address** : 59 Yellowwood Drive, Zimbali, 4488 **Cell** : 082 773 2220 **Email** : zzwile@gmail.com	18 MAY 22 – 31st MAY 25	1st Term
2	Mr Mike Tarr	MSc Agricultural Economics	**Chairperson**: Eco Cluster **Member:** G&A	**Address** : Box 749, Hilton, 3245 **Cell** : 082 568 8246 **Email** : mikeashtontarr@gmail.com	10 May 21 – 31st MAY 24	2nd Term
3	Mr Sibusiso Mthethwa	BCompt (Hon)	**Chairperson**: Social Cluster	**Address** : P O Box 1859, Umhlanga Rocks, 4320 **Cell** : 060 676 0580 **Email** : smthethwa39@yahoo.com	18 MAY 22 – 31st MAY 25	1st Term
4	Ms Sijabulile Makhathini	CA(SA)	**Chairperson**: G&A Cluster **Member**: Eco Cluster	**Address** : P O Box 2207, Esikhawini, 3887 **Cell** : 083 958 5506 **Email** : sija79@gmail.com	18 MAY 22 – 31st MAY 25	1st Term
5	Ms Runganagee Ramphal	CA(SA)	**Member**: Social Cluster	**Address** : 66 Ilchester Avenue, Somerset Park, Umhlanga Rocks, 4319 **Cell** : 082 389 3413 **Email** : pr@aaa-bee.co.za	18 MAY 22 – 31st MAY 25	1st Term
6	Mr Suren Maharaj	CA(SA)	**Member**: Social Cluster	**Address** : 11 Edenburg Terrace, 40 Stiglingh Road, Rivonia, 2196 **Cell** : 083 556 8677 **Email** : surenma@hotmail.com	18 MAY 22 – 31st MAY 25	1st Term

CLUSTER AUDIT AND RISK COMMITTEE MEETINGS: 2022/23

No.	CLUSTERS	CARC MEETING DATES			
		Q1: 2022/23	Q2: 2022/23	Q3: 2022/23	Q4: 2022/23 (NOT YET HELD)
1	Economic Cluster	10 & 11 Aug 2022	07 & 08 Nov 2022	13 & 14 Feb 2023	15 & 16 May 2023
2	Governance and Administration Cluster	12 Aug 2022	10 Nov 2022	02 & 6 Mar 2023	18 May 2023
3	Social Cluster	01,02 & 08 Aug 2022	31 Oct & 01 & 03 Nov 2022	20, 21 & 23 Feb 2023	08 & 09 May 2023

ATTENDANCE TO MEETINGS

#	Audit Committee Members	ATTENDANCE								
		Social Cluster			Economic Cluster			Governance and Administration Cluster		
		Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
1	Mr Zwile Zulu (**PARC Chair**)	√	√ (missed 1 Dept)	√	√	√	√	√	√	√
2	Mr Mike Tarr (**Eco Chair**)	N/A	N/A	N/A	√	√	√	√	√	√
3	Mr Sibusiso Mthethwa (**Social Chair**)	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A
4	Ms Sijabulile Makhathini (**G&A Chair**)	N/A	N/A	N/A	√	√	√	√	√	√
5	Ms Runganagee Ramphal	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A
6	Mr Suren Maharaj	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A

***Notes:**

CARC Sessions per Cluster: Social Cluster – 3 Days, Economic Cluster – 2 Days and Governance Cluster – 1 Day

Not Applicable (N/A), Attended (√), Not Attended (X), Resigned (R)

PARC MEETINGS: 2022/23

No	Committee Members	DATE OF MEETINGS								
		26 & 27 May 22	14 & 15 Jun 2022	27 Jun 2022	28 & 29 Jul 2022	11, 14, 18, 19, 21, 25, 26, 27 & 28 Oct 22	07 Dec 22	5, 6, 8,9, 12 & 13 Dec 2022	24 Jan 2023	2,3,7 & 8 Mar 23
1	Mr Zwile Zulu (PARC Chair)	√	√	√	√	√	√	√	√	√
2	Mr Mike Tarr (Eco Chair)	√	√	√	√	√	√	√	√	√
3	Mr Sibusiso Mthethwa (Social Chair)	√	√	√	√	√	√	√	√	-
4	Ms Sijabulile Makhathini (G&A Chair)	√	√	√	√	√	X	√	√	√
5	Ms Runganagee Ramphal	√	√	√	√	-	√	√	√	-
6	Mr Suren Maharaj	√	1 day only	√	√	-	√	√	√	-

PARC MEETINGS: DATE & PURPOSE OF THE MEETING

DATE OF THE MEETING	PURPOSE OF THE MEETINGS
26 & 27 MAY 2022:	Presentation: DRAFT AFS and APR
14 & 15 JUNE 2022	Induction Session
27 June 2022	Special PARC Meeting: Presentation of PIAS Audit Reports
28 & 29 July 2022	Presentation of Final DRAFT AG Report : PARC, PIAS and Departments
13 September 2022	Meeting with the MEC – NO MEETING DUE TO CHANGE IN LEADERSHIP
11, 14, 18, 19, 21, 25, 26, 27 & 28 Oct 22	SCOPA MEETINGS with Cluster Chairpersons
7th December 2022	Meeting with the MEC – Meeting held on 7th Dec 2022 with New MEC
5, 6, 8,9, 12 & 13 Dec 2022	Special PARC Meeting – Presentation of Draft APP & Budget 2023/24
24 January 2023	Presentation: Mid-Term Expenditure, Draft Operational Plans, Approval of Annual Work Plan, Review of Audit Committee Charter and Schedule of Meetings, Financial Disclosures by PARC
2, 3, 7 & 8 March 2023	SCOPA Follow-Up Hearings

12. AUDIT COMMITTEE REPORT

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

The Audit Committee herewith presents its report for the financial year ended 31 March 2023, as required by Treasury Regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

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

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter, and reports that it has discharged all of its responsibilities as contained therein.

1. Audit Committee Members and Attendance

The PARC and SPCHD CARC consists of the members listed hereunder who have met as reflected below, in line with the approved terms of reference.

#	Name of Member	PARC Meetings Attended	SPCHD CARC Meetings Attended
1.	Mr Z Zulu – **PARC Chairperson**	*5 of 5*	*4 of 4*
2	Mr S Mthethwa – **SPCHD CARC Chairperson**	*4 of 5*	*4 of 4*
3.	Ms R Ramphal	*5 of 5*	*4 of 4*
4.	Mr S Maharaj	*5 of 5*	*4 of 4*
5.	Ms S Makhathini	*5 of 5*	*N/A**
6.	Mr M Tarr	*5 of 5*	*N/A**

**refers to PARC members who did not serve on the SPCHD CARC*

2. The Effectiveness of Internal Control

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

- Supply Chain Management;
- Transfer Payment (Independent schools);
- Performance Information;
- Implementation of Sanitary Dignity Programme
- Receivables – staff debt.

The Committee notes the significant control weaknesses which were identified. The appropriateness of management's planned interventions to improve the overall control environment was considered, however management was advised to implement these remedial actions timeously, to avoid a regression in the audit outcomes.

3. Effectiveness of Internal Audit

PIAS activities were reviewed by the Committee during the PARC and CARC monitoring processes. The Committee evaluated PIAS reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the department.

The PIAS had originally planned to conduct 14 audit assignments for the period under review. Twenty-one (21) audits were completed due to amendments to the annual internal audit plan, as approved by the Audit Committee, to accommodate additional audits on the Flood Disaster processes.

The Committee is satisfied that PIAS performed effectively during the period under review. During the 2023/24 financial year, the Committee will continue to monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the Department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the risk management operational plan.

As at the 2022/23 financial year-end, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of risks identified	21	15	3	0	0	39
Number of agreed actions	78	34	6	0	0	118
No of implemented action plans	47	26	4	0	0	77
% of implemented actions	60%	76%	67%	N/A	N/A	65%

The Committee notes the progress (65%) made by the Department on the implementation of its risk mitigation plans. The Department is urged to ensure the timeous implementation of outstanding risk mitigate plans and to enhance capacity within its risk management function. The Committee also noted progress made by the Department on implementing the revised provincial risk management framework. The Department is urged to comply with all minimum risk management standards contained within the revised framework, including the identification and escalation of transversal risks to the recently established provincial risk management committee for noting and assistance with resolution.

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

The Committee noted the content of quarterly reports in respect of in year management and quarterly performance, prepared and issued by the Accounting Officer of the Department during the year under review, in terms of the PFMA and the Division of Revenue Act. The Committee also noted the significant pressures on the Departments finances and the implications thereof on future expenditure obligations.

Based on the report of the Auditor General, the Committee noted with concern the material misstatements on the reported Performance Information of:

- Programme 2: Public Ordinary Schools - % of learners benefiting from school nutrition programme where the method of calculation for the achievement of planned targets was not clearly defined.
- Programme 6: Infrastructure – number of public schools provided with infrastructure where the auditor general noted discrepancies with the reported achievements.

The management of the Department has been urged to implement the appropriate improvement strategies in order to prevent further regression.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements with the Accounting Officer, Auditor General, and PIAS;
- Reviewed the Auditor General's Audit Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions, where concerns have been noted around the failure of the Department to prepare the Annual Financial Statements in accordance with the prescribed financial reporting framework resulting in material adjustments to the Annual Financial Statements. The Committee also noted the provision for impairment of staff debt amounting to R404,12 million due to doubtful debts.
- Noted the material findings on non-compliance with the selected legislative requirements, relating to irregular expenditure of R1.52 billion that has not been disclosed in the annual financial statements, non-compliance with procurement and contract management requirements, and invoices not paid within 30 days.
- The Committee also noted progress made on the material irregularities relating to the salary payments to employees no longer in the employ of the department; and the interest and penalties paid to the South African Revenue Services on the late payment of PAYE. The Committee will follow-up on these matter throughout the next financial year as part of conducting its oversight duties.

7. Auditor-General's Report

The Committee has met with the Auditor General of South Africa to discuss and evaluate the audit issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs with and accepts the conclusion of the Auditor General's opinion on the Annual Financial Statements of present fairly, in all material respect, the financial position of the department and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

8. Appreciation

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



Mr Z Zulu
Chairperson: Provincial Audit and Risk Committee
04 August 2023

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response** **Yes / No**	**Discussion** (***include a discussion on your response and indicate what measures have been taken to comply***)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	N/A
Developing and implementing a preferential procurement policy?	N/A	The department has developed a Preferential Policy of 2023.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A

PART D:
HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

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

In respect of the 2022/23 financial year the existing educator establishment comprises of 90 057.This includes 2020 posts for the provision of substitute educators, 900 posts for the provision of Grade R educators and 400 posts for small secondary schools. The allocation of posts to the respective schools was effected in accordance with the prescribed Post Provision Norms linked to learner enrolments. Variances in post allocation due to increase or decrease in learner enrolment were addressed through the redeployment of surplus educators. The filling of school based educator posts is currently affected by budget cuts and the Province can only afford to distribute 86 767 in totality. In view thereof, all vacant posts within the post creation pool will be filled.

Approval for the advertisement of critical public service posts at schools and offices was obtained. The following posts have been filled:

- 2 Chief Education specialists
- 12 SMS posts
- 2 Deputy Director posts

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

Movement of surplus educators:

The number of surplus educators that were declared was 1 500. All surpluses have been placed into posts within the PPN and some were placed against vacant SMT posts.

Filling of critical vacant SMT post:

The SMT vacancy list is ready for advertising. The total number being advertised is 1 985. The department is currently busy with consultations and posts will be filled by 1 September 2023.

HR Plan

Reporting on the MTEF HR Plan developed for the period 1 April 2019 to 31 March 2024 takes place annually. The Report provides an update on pertinent information and analysis across the various aspects of HR including age demographics, skills and training, Employee Health and Wellness interventions, job evaluation. Progress on the Action Plan contained in the HR Plan was reported in compliance with the prescribed template and submitted by 31 May 2022 after having been signed off by the HOD and MEC for Education.

Employment Equity.

The Employment Equity Plan for the stipulated 5 year period ranging from period 1 April 2019 to 31 March 2024 was developed. This enabled the Department to focus on the recruitment and development of the under-represented demographics. While emphasis must be placed on the attainment of employment equity of at least 50% in terms of females in SMS posts as well as the achievement of at least 2% of the workforce comprising of persons with disabilities, this Department has fallen short of the prescribed targets. The Employment Equity Report for the year 1 April 2019 to 31 March 2021 which was due by 15 December 2022 has been successfully finalised and submitted electronically to Department of Labour.

Management of Leave

The 2021/22 saw the last year of the 3 year sick leave cycle and the final year with Thandile Health Risk Management. Alexander-Forbes was appointed as the new Health Risk Manager for PILIR for the current sick leave cycle.

The PILIR Annexures have also been revised and issued. Districts have held workshops with school Principals on the revised documents. In addition, Head Office held one-on-one meetings with officials from Districts who are directly responsible for the administering of leave. This took the form of monitoring and training. The reduction of applications for sick leave as well as the reduction of cases of prolonged absence can be attributed to the success of these meetings. Further to this, emphasis was placed on the recovery in respect of Leave without pay for unapproved periods. This contributed significantly to debt management.

Employee Exits

The eradicating of delays in the pension payments had become an area of focus and all methods of monitoring and interventions were pursued. In this regard, the "error listing" schedules were obtained from the Government Pension Administration Agency (GPAA) to ensure that all delays that required urgent attention by the Employer or Employee were addressed and submitted in a manner which allowed for the immediate payments to be effected. The monitoring and follow ups conducted have significantly reduced the number of outstanding pension payments.

The analysis of the exit date as compared to the date it was processed also assisted in a more focussed approach to identifying the gaps in the system and adopting processes to alleviate the problem.

The enforcement of HRM Circular No. 69 of 2020 which allows for the immediate reporting of exits via e mail to identified officials in the District and Head Offices has also assisting in preventing overpayment. In this regard, upon notification received, the freeze salary of the exiting employee with effect from the exit date is mandatory.

The various strategies adopted have, to a large extent, improved the management of employee exits.

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

Develop the skills of employees at all levels:

Whilst the Workplace Skills Plan was approved, financial constraints impeded its effective implementation. Nevertheless, specialised training programs were implemented which aimed at improving the productivity and effectiveness of employees. Moreover, various intervention programs which targeted underperforming schools in improving curriculum management and delivery in specialised subjects were implemented.

Skills Audit Projects

The Department of Education and the Office of the Premier embarked on two skills audits which were aimed to determine the skills gaps of all the employees in the department and in the Provincial Administration in order to develop a training plan for the implementation of relevant skills development interventions. The first Skills Audit Project was conducted by the Office of the Premier (OTP) through Moses Kotane Institutes which had already been completed with the Senior Managers and Middle Managers, the OTP Skills Audit Project could not be completed within the targeted timeframe because there were Junior Managers whom did not comply and fully participate in the exercise and that has caused this project to be considered for extension.

The Second Skills Audit Project was conducted by the Department of Education through the Ilitha Management Consultants which had already been completed with all Senior Managers and all employees attached to head office. The districts were divided into two phases, the first phase was completed with the following districts: Ilembe, Pinetown, Ugu, Umgungundlovu, Umlazi, and Uthukela and the second phase had been recently completed on the 15th April 2022 in the following districts: Umzinyathi, Amajuba, King-Cetshwayo, Zululand, Harry-Gwala, and Umkhanyakude.

The Ilitha Management Consultants provided the comprehensive Skills Audit Report after completion of analyses of the skills level of the employees. The reports from skills audit has been incorporated in the business plan. However due to the current financial constraints, the actual implementation might be impeded. Nevertheless, specialised training programs which are aimed towards improving the productivity levels, efficiency and effectiveness of the employees were implemented. The 2022/2023 Business plan have been developed and forwarded to Head of Department for the approval which included all training programmes to be implemented in the current financial period in order to nurture and enhance the skills of the employees for the improved performance levels which are in line with the targeted departmental performance standards.

Develop and enhance the professional quality and academic performance of managers and educators:

All Senior Managers were provided the developmental opportunity in terms of training or skills programmes, however due to their busy schedule they do not attend the scheduled training programmes.

The implementation reports were received and perused from all the districts which reflected the significance of training of Teachers in all spheres. Furthermore, various Training Programmes which were targeted and planned for all Underperforming Schools in improving Curriculum Management and delivery in specialised subjects were implemented. Numerous workshops for all phases were conducted in order to develop and empower Teachers and other Role Players on various matters relating to Induction of SMTs, SMT Module 1, Leading Change during Uncertain times of Covid 19, Induction of Teachers, Primary School Reading Improvement Plan (PSRIP) , ICT Workshops, Professional Learning Communities(PLCs), Quality Management System (QMS), NTA Advocacy workshops, New Teacher Induction Field Test, Underperforming Schools Support, Female Principal Support Programme, Teacher Attendance, School Management, Professional Conduct as well as Curriculum Management.

The Sub-Directorate: Training did the Competency Assessment for developmental purposes of 12 SMS members. We also trained 363 Interns on BB2E course for 12 Districts.

Deal decisively with issues of fraud, corruption and maladministration:

All disciplinary cases especially cases relating to fraud, corruption and maladministration were monitored on an ongoing basis with a view to ensuring its conclusion within specified time frames.

Improve HR Information Management Systems

Whilst various PERSAL reports are obtained and used for Planning and decision making, there is a need to update the personnel and other related information on the PERSAL system. To this end the system is continually being updated.

- **Employee performance management.**

The Department assessed all eligible employees for the Performance Assessment Cycle 2021/22 in line with the revised performance management frameworks which include:

- Integrated Quality Management System (IQMS) / QMS for School Based Educators;
- Integrated Quality Management System (IQMS) for School Based Education Therapists, Psychologists, and Counsellors.
- Employee Performance Management and Development System (EPMDS) for Public Service Personnel on salary levels 1-12;
- Education Management Service (EMS) Performance Management and Development System (PMDS) for Office-Based Educators and
- Performance Management and Development System (PMDS) for SMS members.

Annual Performance Assessments and moderations took place last year 2022, and thereafter pay progression in respect of all eligible employees was effected for School Based Educators, School Based Education Therapists, Psychologists, Counsellors, Office Based Educators, Public Service Employees SL1-L12 and members of the Senior Management Service (SMS). Performance bonuses were not paid as no budget was appropriated (2021/2022) in line with DPSA Circular No 1 of 2019: Incentive Policy Framework.

In addition, all eligible employees who qualified for Grade Progression in respect of 2021/2022 Financial Year were identified in line with Resolution 3 of 2009 and payments thereof were processed

- **Employee wellness programmes.**

  Various wellness programs were conducted which included the following:

  - Wellness Health Screening conducted by GEMS
  - Retirement planning sessions facilitated by GPAA
  - Participation in the District, Provincial and Inter-Departmental Sporting activities
  - HIV counselling and testing conducted by GEMS
  - Condom distribution

High vacancy rate

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

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
ADMINISTRATION	2 088 047	1 361 956	0,00	0,00	65,20	369,00
PUBLIC ORDINARY SCHOOL EDUCA	49 060 713	44 060 142	0,00	0,00	89,80	352,00
INDEPENDENT SCHOOL SUBS	93 292	0	0,00	0,00	0,00	0,00
PUBLIC SPECIAL SCHOOL EDUC	1 528 832	1 360 748	0,00	0,00	89,00	381,00
EARLY CHILDHOOD DEVELOPMENT	1 950 507	1 275 667	0,00	0,00	65,40	185,00
INFRASTRUCTURE DEVELOPMENT	2 807 115	32 969	0,00	0,00	1,20	634,00
EXAMINATION & EDUCATION REL SERV	3 141 728	2 386 049	0,00	0,00	75,90	25,00
Total as on Financial Systems (BAS)	**60 670 234**	**50 477 531**	**0,00**	**0,00**	**83,20**	**215,00**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	524 821	1,00	2 699	194 450
02 Skilled (Levels 3-5)	2 125 924	4,20	7 868	270 199
03 Highly skilled production (Levels 6-8)	33 048 422	64,90	71 390	462 928
04 Highly skilled supervision (Levels 9-12)	12 023 795	23,60	17 342	693 334
05 Senior management (Levels >= 13)	72 320	0,10	54	1 339 267
10 Contract (Levels 1-2)	114	0,00	1	113 895
11 Contract (Levels 3-5)	3 336	0,00	11	303 266
12 Contract (Levels 6-8)	24 014	0,00	161	149 155
13 Contract (Levels 9-12)	21 123	0,00	30	704 085
14 Contract (Levels >= 13)	4 466	0,00	2	2 232 944
18 Contract Other	63 175	0,10	598	105 644
19 Periodical Remuneration	59 416	0,10	3 174	18 718
20 Abnormal Appointment	2 729 933	5,40	131 197	20 808
TOTAL	**50 700 858**	**99,60**	**234 580**	**216 135**

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
ADMINISTRATION	1 173 662	85,50	46 035	3,40	38 676	2,80	78 736	5,70
PUBLIC ORDINARY SCHOOL EDUCA	37 591 952	84,60	2 597	0,00	1 407 800	3,20	2 454 652	5,50

PUBLIC SPECIAL SCHOOL EDUC	1 143 811	83,40	1 199	0,10	50 110	3,70	95 677	7,00
EARLY CHILDHOOD DEVELOPMENT	1 166 812	90,70	244	0,00	23 957	1,90	43 459	3,40
INFRASTRUCTURE DEVELOPMENT	28 812	86,70	0	0,00	570	1,70	1 158	3,50
EXAMINATION & EDUCATION REL SERV	2 286 410	95,10	20 368	0,80	15 284	0,60	31 925	1,30
TOTAL	**43 391 459**	**85,20**	**70 443**	**0,10**	**1 536 397**	**3,00**	**2 705 606**	**5,30**

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
01 Lower skilled (Levels 1-2)	411 312	58,10	257	0,00	43 791	6,20	40 813	5,80
02 Skilled (Levels 3-5)	1 652 259	50,20	33 859	1,00	137 081	4,20	181 169	5,50
03 Highly skilled production (Levels 6-8)	27 985 051	84,70	20 655	0,10	1 075 898	3,30	1 935 582	5,90
04 Highly skilled supervision (Levels 9-12)	10 289 514	79,00	11 991	0,10	279 102	2,10	546 439	4,20
05 Senior management (Levels >= 13)	66 073	92,80	0	0,00	121	0,20	648	0,90
10 Contract (Levels 1-2)	108	0,00	0	0,00	0	0,00	0	0,00
11 Contract (Levels 3-5)	2 816	19,70	95	0,70	107	0,70	150	1,00
12 Contract (Levels 6-8)	22 075	205,90	1 416	13,20	171	1,60	345	3,20
13 Contract (Levels 9-12)	19 252	143,60	212	1,60	126	0,90	443	3,30
14 Contract (Levels >= 13)	4 202	100,60	0	0,00	0	0,00	17	0,40
18 Contract Other	62 458	155,20	1 959	4,90	0	0,00	0	0,00
19 Periodical Remuneration	61 762	139,00	0	0,00	0	0,00	0	0,00
20 Abnormal Appointment	2 814 575	438,20	0	0,00	0	0,00	0	0,00
TOTAL	**43 391 459**	**85,20**	**70 443**	**0,10**	**1 536 397**	**3,00**	**2 705 606**	**5,30**

3.2 Employment and Vacancies

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

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

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations (see definition in notes below).

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION, Permanent	4441	3156	28,9	752
EARLY CHILDHOOD DEVELOPMENT, Permanent	1688	1538	8,9	4
EXAMINATION & EDUCATION REL SERV, Permanent	1546	958	38,0	6
INFRASTRUCTURE DEVELOPMENT, Permanent	59	52	11,9	0
PUBLIC ORDINARY SCHOOL EDUCA, Permanent	100163	91109	9,0	659
PUBLIC SPECIAL SCHOOL EDUC, Permanent	4027	3396	15,7	17
TOTAL	111924	100209	10,5	1438

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 Lower Skilled (Levels 1-2), Permanent	3393	2699	20,5	0
02 Skilled (Levels 3-5), Permanent	11091	7868	29,1	9
03 Highly Skilled Production (Levels 6-8), Permanent	76939	71390	7,2	607
04 Highly Skilled Supervision (Levels 9-12), Permanent	19574	17342	11,4	31
05 Senior Management (Levels >= 13), Permanent	71	54	23,9	0
09 Other, Permanent	651	651	0,0	631
10 Contract (Levels 1-2), Permanent	1	1	0,0	1
11 Contract (Levels 3-5), Permanent	11	11	0,0	7
12 Contract (Levels 6-8), Permanent	161	161	0,0	145
13 Contract (Levels 9-12), Permanent	30	30	0,0	7
14 Contract (Levels >= 13), Permanent	2	2	0,0	0
TOTAL	**111 924**	**100 209**	**10,5**	**1 438**

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	156	124	20,5	43
AGRICULTURE RELATED, Permanent	9	4	55,6	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS, Permanent	5	4	20,0	0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS, Permanent	2	1	50,0	0
AUXILIARY AND RELATED WORKERS, Permanent	641	543	15,3	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
BOILER AND RELATED OPERATORS, Permanent	9	4	55,6	0
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	222	141	36,5	0
BUS AND HEAVY VEHICLE DRIVERS, Permanent	101	75	25,7	0
CIVIL ENGINEERING TECHNICIANS, Permanent	3	2	33,3	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	3 267	2 574	21,2	1
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	6	5	16,7	0
COMMUNICATION AND INFORMATION RELATED, Permanent	11	11	0,0	0
CONSERVATION LABOURERS, Permanent	3	3	0,0	0
EDUCATIONISTS., Permanent	5	0	100,0	0
ENGINEERING SCIENCES RELATED, Permanent	6	6	0,0	0
ENGINEERS AND RELATED PROFESSIONALS, Permanent	46	40	13,0	0
FARM HANDS AND LABOURERS, Permanent	60	45	25,0	0
FARMING FORESTRY ADVISORS AND FARM MANAGERS, Permanent	2	1	50,0	0
FINANCE AND ECONOMICS RELATED, Permanent	43	33	23,3	0
FINANCIAL AND RELATED PROFESSIONALS, Permanent	61	36	41,0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	311	217	30,2	0
FOOD SERVICES AIDS AND WAITERS, Permanent	134	106	20,9	1
FOOD SERVICES WORKERS, Permanent	2	0	100,0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	1	1	0,0	0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF, Permanent	1	1	0,0	0
HEAD OF DEPARTMENT/ CHIEF EXECUTIVE OFFICER, Permanent	3	3	0,0	0
HEALTH SCIENCES RELATED, Permanent	2	1	50,0	0
HOUSEHOLD AND LAUNDRY WORKERS, Permanent	602	386	35,9	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED, Permanent	16	16	0,0	0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS, Permanent	208	88	57,7	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	55	31	43,6	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
HUMAN RESOURCES CLERKS, Permanent	501	330	34,1	31
HUMAN RESOURCES RELATED, Permanent	127	76	40,2	0
INFORMATION TECHNOLOGY RELATED, Permanent	3	3	0,0	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	2	2	0,0	0
LEGAL RELATED, Permanent	2	2	0,0	0
LIBRARIANS AND RELATED PROFESSIONALS, Permanent	8	3	62,5	0
LIBRARY MAIL AND RELATED CLERKS, Permanent	161	111	31,1	0
LIGHT VEHICLE DRIVERS, Permanent	91	50	45,1	0
LOGISTICAL SUPPORT PERSONNEL, Permanent	2	0	100,0	0
MATERIAL-RECORDING AND TRANSPORT CLERKS, Permanent	63	39	38,1	0
MESSENGERS PORTERS AND DELIVERERS, Permanent	37	25	32,4	0
MOTOR VEHICLE DRIVERS, Permanent	8	8	0,0	2
OCCUPATIONAL THERAPY, Permanent	2	2	0,0	2
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	5 505	3 928	28,6	643
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	88	40	54,5	2
OTHER INFORMATION TECHNOLOGY PERSONNEL., Permanent	57	41	28,1	0
OTHER OCCUPATIONS, Permanent	93 687	88 029	6,0	704
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS, Permanent	5	5	0,0	0
PRINTING AND RELATED MACHINE OPERATORS, Permanent	17	12	29,4	0
PROFESSIONAL NURSE, Permanent	39	22	43,6	0
Rank: DEPARTMENTAL HEAD, Permanent	141	0	100,0	0
Rank: DEPUTY PRINCIPAL, Permanent	6	0	100,0	0
Rank: EDUCATION SPECIALIST DEPUTY CHIEF (OFFICE BASED), Permanent	4	0	100,0	0
Rank: PRINCIPAL P1, Permanent	5	0	100,0	0
Rank: PRINCIPAL P2, Permanent	40	0	100,0	0
Rank: PRINCIPAL P3, Permanent	10	0	100,0	0
Rank: TEACHER, Permanent	1 439	4	99,7	0
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	5	4	20,0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	232	157	32,3	0
SECURITY GUARDS, Permanent	3 465	2 677	22,7	0
SECURITY OFFICERS, Permanent	5	4	20,0	0
SENIOR MANAGERS, Permanent	71	49	31,0	4
SOCIAL SCIENCES RELATED, Permanent	8	7	12,5	3
SOCIAL SCIENCES SUPPLEMENTARY WORKERS, Permanent	1	1	0,0	0
SOCIAL WORK AND RELATED PROFESSIONALS, Permanent	74	65	12,2	0
SPEECH THERAPY AND AUDIOLOGY, Permanent	1	1	0,0	1
STAFF NURSES AND PUPIL NURSES, Permanent	5	3	40,0	0
TRADE LABOURERS, Permanent	13	7	46,2	0
TOTAL	**111 924**	**100 209**	**10,5**	**1 438**

3.3 Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16	1	1	100	0	0
Salary Level 15	4	2	50	2	50
Salary Level 14	14	12	86	2	14
Salary Level 13	54	40	74	14	26
TOTAL	**73**	**55**	**75**	**18**	**25**

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department					
Salary Level 16	1	1	100	0	0
Salary Level 15	4	3	75	1	25
Salary Level 14	14	13	93	1	7
Salary Level 13	54	38	70	16	30
TOTAL	**73**	**55**	**75**	**18**	**25**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department			
Salary Level 16			
Salary Level 15			
Salary Level 14			
Salary Level 13	2	-	2
TOTAL	2	-	2

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within twelve months

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	3 394	0	0	0	0	0	0
Skilled (Levels 3-5)	11 751	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	77 100	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	19 604	0	0	0	0	0	0
Senior Management Service Band A	54	0	0	0	0	0	0
Senior Management Service Band B	14	0	0	0	0	0	0

Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Contracts	2	0	0	0	0	0	0
TOTAL	111 924	0	0	0	0	0	0

N.B.: No jobs were evaluated during the period under review. The Evaluate Job Evaluation System was discontinued in September 2020. DPSA is currently investigating a new Job Evaluation System for the public service. In the absence of a Job Evaluation System, benchmarking and Job Evaluation Models approved by DPSA is currently being utilised for the grading of jobs.

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

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

Employees with a disability	**0**

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

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

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

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

Employees with a disability	0	0	0	0	0

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

3.5 Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	2 851	0	119	4,2
Skilled (Levels3-5)	8 233	53	357	4,3
Highly skilled production (Levels 6-8)	70 763	5 658	5 045	7,1
Highly skilled supervision (Levels 9-12)	17 744	28	1 404	7,9
Senior Management Service Bands A	38	2	1	2,6
Senior Management Service Bands B	11	0	0	0,0
Senior Management Service Bands C	4	0	2	50,0
Senior Management Service Bands D	1	1	1	100,0
Other Permanet	921	792	770	83,6
Contracts	203	265	233	114,8
TOTAL	**100 769**	**6 799**	**7 932**	**7,9**

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	128	46	39	30,5
AGRICULTURE RELATED Permanent	6	0	2	33,3
ARCHITECTS TOWN AND TRAFFIC PLANNERS Permanent	4	0	0	0,0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS Permanent	1	0	0	0,0
AUXILIARY AND RELATED WORKERS Permanent	586	0	33	5,6
BOILER AND RELATED OPERATORS Permanent	5	0	0	0,0
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	150	0	8	5,3
BUS AND HEAVY VEHICLE DRIVERS Permanent	78	0	2	2,6
CIVIL ENGINEERING TECHNICIANS Permanent	2	1	1	50,0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	2729	1	148	5,4
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS) Permanent	5	0	0	0,0
COMMUNICATION AND INFORMATION RELATED Permanent	11	0	0	0,0
CONSERVATION LABOURERS Permanent	3	0	0	0,0
ENGINEERING SCIENCES RELATED Permanent	6	0	0	0,0
ENGINEERS AND RELATED PROFESSIONALS Permanent	40	1	0	0,0
FARM HANDS AND LABOURERS Permanent	46	0	1	2,2
FARMING FORESTRY ADVISORS AND FARM MANAGERS Permanent	1	0	0	0,0
FINANCE AND ECONOMICS RELATED Permanent	34	1	1	2,9

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
FINANCIAL AND RELATED PROFESSIONALS Permanent	36	0	0	0,0
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	219	0	9	4,1
FOOD SERVICES AIDS AND WAITERS Permanent	111	1	6	5,4
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	1	0	0	0,0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF Permanent	1	0	0	0,0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	3	0	0	0,0
HEALTH SCIENCES RELATED Permanent	1	0	0	0,0
HOUSEHOLD AND LAUNDRY WORKERS Permanent	417	0	29	7,0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED Permanent	16	0	0	0,0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS Permanent	91	0	3	3,3
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	33	0	2	6,1
HUMAN RESOURCES CLERKS Permanent	363	36	52	14,3
HUMAN RESOURCES RELATED Permanent	74	1	1	1,4
INFORMATION TECHNOLOGY RELATED Permanent	2	0	0	0,0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	2	0	0	0,0
LEGAL RELATED Permanent	2	0	0	0,0
LIBRARIANS AND RELATED PROFESSIONALS Permanent	3	0	0	0,0
LIBRARY MAIL AND RELATED CLERKS Permanent	120	0	11	9,2
LIGHT VEHICLE DRIVERS Permanent	54	0	4	7,4
LOGISTICAL SUPPORT PERSONNEL Permanent	2	0	1	50,0
MATERIAL-RECORDING AND TRANSPORT CLERKS Permanent	43	0	2	4,7
MESSENGERS PORTERS AND DELIVERERS Permanent	26	0	0	0,0
MOTOR VEHICLE DRIVERS Permanent	9	2	3	33,3
OCCUPATIONAL THERAPY Permanent	1	0	0	0,0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	4 311	908	987	22,9
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	37	3	2	5,4
OTHER INFORMATION TECHNOLOGY PERSONNEL. Permanent	42	0	1	2,4
OTHER OCCUPATIONS Permanent	87 785	5787	6469	7,4
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS Permanent	5	0	0	0,0
PRINTING AND RELATED MACHINE OPERATORS Permanent	12	0	0	0,0
PROFESSIONAL NURSE Permanent	23	0	1	4,3
Rank: TEACHER Permanent	5	0	0	0,0
RISK MANAGEMENT AND SECURITY SERVICES Permanent	4	0	0	0,0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	168	2	9	5,4
SECURITY GUARDS Permanent	2774	0	92	3,3
SECURITY OFFICERS Permanent	5	0	1	20,0
SENIOR MANAGERS Permanent	48	7	7	14,6
SOCIAL SCIENCES RELATED Permanent	6	2	1	16,7

Critical occupation	Number of employees at beginning of period-April 20YY	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
SOCIAL SCIENCES SUPPLEMENTARY WORKERS Permanent	1	0	0	0,0
SOCIAL WORK AND RELATED PROFESSIONALS Permanent	66	0	3	4,5
SPEECH THERAPY AND AUDIOLOGY Permanent	1	0	0	0,0
STAFF NURSES AND PUPIL NURSES Permanent	3	0	0	0,0
TRADE LABOURERS Permanent	8	0	1	12,5
TOTAL	**100 769**	**6 799**	**7 932**	**7,9**

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	404	5,1
Resignation	1 219	15,4
Expiry of contract	4 217	53,2
Discharged due to ill health	75	0,9
Dismissal-misconduct	43	0,5
Dismissal-inefficiency	1	0,0
Retirement	1 969	24,8
Other	4	0,1
TOTAL	7 932	100,0
Total number of employees who left as a % of total employment		7.9

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	128	1	0,8	48	37,5
AGRICULTURE RELATED	6	0	0,0	4	66,7
ARCHITECTS TOWN AND TRAFFIC PLANNERS	4	0	0,0	3	75,0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS	1	0	0,0	1	100,0
AUXILIARY AND RELATED WORKERS	586	0	0,0	495	84,5
BOILER AND RELATED OPERATORS	5	0	0,0	3	60,0
BUILDING AND OTHER PROPERTY CARETAKERS	150	0	0,0	126	84,0
BUS AND HEAVY VEHICLE DRIVERS	78	0	0,0	60	76,9
CIVIL ENGINEERING TECHNICIANS	2	0	0,0	0	0,0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	2 729	1	0,0	2 370	86,8
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	5	0	0,0	3	60,0
COMMUNICATION AND INFORMATION RELATED	11	0	0,0	5	45,5
CONSERVATION LABOURERS	3	0	0,0	3	100,0
ENGINEERING SCIENCES RELATED	6	0	0,0	5	83,3
ENGINEERS AND RELATED PROFESSIONALS	40	0	0,0	38	95,0

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
FARM HANDS AND LABOURERS	46	0	0,0	43	93,5
FARMING FORESTRY ADVISORS AND FARM MANAGERS	1	0	0,0	1	100,0
FINANCE AND ECONOMICS RELATED	34	0	0,0	22	64,7
FINANCIAL AND RELATED PROFESSIONALS	36	0	0,0	18	50,0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	219	0	0,0	168	76,7
FOOD SERVICES AIDS AND WAITERS	111	1	0,9	87	78,4
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	1	0	0,0	1	100,0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	1	0	0,0	0	0,0
HEAD OF DEPARTMENT/ CHIEF EXECUTIVE OFFICER	3	0	0,0	0	0,0
HEALTH SCIENCES RELATED	1	0	0,0	0	0,0
HOUSEHOLD AND LAUNDRY WORKERS	417	0	0,0	298	71,5
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	16	0	0,0	12	75,0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	91	0	0,0	65	71,4
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	33	0	0,0	20	60,6
HUMAN RESOURCES CLERKS	363	0	0,0	200	55,1
HUMAN RESOURCES RELATED	74	1	1,4	56	75,7
INFORMATION TECHNOLOGY RELATED	2	0	0,0	3	150,0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	2	0	0,0	1	50,0
LEGAL RELATED	2	0	0,0	1	50,0
LIBRARIANS AND RELATED PROFESSIONALS	3	0	0,0	0	0,0
LIBRARY MAIL AND RELATED CLERKS	120	0	0,0	35	29,2
LIGHT VEHICLE DRIVERS	54	0	0,0	41	75,9
LOGISTICAL SUPPORT PERSONNEL	2	0	0,0	0	0,0
MATERIAL-RECORDING AND TRANSPORT CLERKS	43	0	0,0	19	44,2
MESSENGERS PORTERS AND DELIVERERS	26	0	0,0	19	73,1
MOTOR VEHICLE DRIVERS	9	0	0,0	6	66,7
OCCUPATIONAL THERAPY	1	0	0,0	1	100,0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	4 311	3	0,1	2812	65,2
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	37	2	5,4	25	67,6

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
OTHER INFORMATION TECHNOLOGY PERSONNEL.	42	0	0,0	30	71,4
OTHER OCCUPATIONS	87 785	1 980	2,3	77 641	88,4
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	5	0	0,0	3	60,0
PRINTING AND RELATED MACHINE OPERATORS	12	0	0,0	8	66,7
PROFESSIONAL NURSE	23	0	0,0	13	56,5
Rank: TEACHER	5	0	0,0	0	0,0
RISK MANAGEMENT AND SECURITY SERVICES	4	0	0,0	3	75,0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	168	0	0,0	94	56,0
SECURITY GUARDS	2 774	1	0,0	2 506	90,3
SECURITY OFFICERS	5	0	0,0	3	60,0
SENIOR MANAGERS	48	0	0,0	26	54,2
SOCIAL SCIENCES RELATED	6	0	0,0	1	16,7
SOCIAL SCIENCES SUPPLEMENTARY WORKERS	1	0	0,0	1	100,0
SOCIAL WORK AND RELATED PROFESSIONALS	66	0	0,0	3	4,5
SPEECH THERAPY AND AUDIOLOGY	1	0	0,0	0	0,0
STAFF NURSES AND PUPIL NURSES	3	0	0,0	1	33,3
TRADE LABOURERS	8	0	0,0	6	75,0
TOTAL	**100 769**	**1 990**	**2,0**	**87 457**	**86,8**

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	2 851	0	0,0	2 485	87,2
Skilled (Levels3-5)	8 233	3	0,0	7 013	85,2
Highly skilled production (Levels 6-8)	70 763	991	1,4	61 971	87,6
Highly skilled supervision (Levels 9-12)	17 744	996	5,6	15 929	89,8
Senior Management (Level 13-16)	54	0	0,0	26	48,1
Other Permanent	921	0	0,0	2	0,2
Contracts	203	0	0,0	31	86,2
TOTAL	**100 769**	**1 990**	**2,0**	**87 457**	**86,8**

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	33	-	3	-	19	-	1	-	56
Professionals	22 685	157	1 750	382	5 078	538	5 758	1 735	88 083
Technicians and associate professionals	198	-	16	2	473	6	34	7	736
Clerks	1 106	3	133	4	3 056	41	327	117	4 787
Service and sales workers	2 454	4	13	1	304	3	7	6	2 792
Craft and related trades workers	4	-	-	-	1	-	-	-	5
Plant and machine operators and assemblers	100	2	38	1	8	-	-	-	149
Elementary occupations	1 366	11	54	11	2 004	20	57	25	3 548
Other	20	-	1	1	28	-	2	1	53
TOTAL	**27 966**	**177**	**2 008**	**402**	**60 971**	**608**	**6 186**	**1 891**	**100 209**
Employees with disabilities	**8**	**1**	**5**	**-**	**20**	**1**	**4**	**2**	**41**

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	1	-	1	-	-	-	4
Senior Management	31	-	2	-	18	-	1	-	52
Professionally qualified and experienced specialists and mid-management	6 153	87	937	173	7 905	141	1 520	424	17340
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	16 609	72	908	213	47 417	410	4 415	1 346	71390
Semi-skilled and discretionary decision making	3 865	13	124	9	3 472	46	223	116	7868
Unskilled and defined decision making	1 016	5	34	6	1 604	10	22	2	2699
Other	222	-	1	1	419	1	5	2	651
Contracts	68	-	1	-	135	-	-	1	205
TOTAL	**27 966**	**177**	**2 008**	**402**	**60 971**	**608**	**6 186**	**1 891**	**100 209**

Table 3.6.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	-	-	-	-	2	-	-	-	2
Professionally qualified and experienced specialists and mid-management	17	-	1	-	10	-	-	-	28
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1 397	6	94	23	3 542	42	439	115	5 658
Semi-skilled and discretionary decision making	21	1	2	-	25	1	3	-	53
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
Other	258	-	-	-	525	1	5	3	792
Contracts	83	-	-	-	181	-	-	1	265
TOTAL	**1 776**	**7**	**97**	**23**	**4 286**	**44**	**447**	**119**	**6 799**
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									
Senior Management	17	-	-	-	8	-	1	-	26
Professionally qualified and experienced specialists and mid-management	5 802	88	958	169	7 743	148	1 589	428	16 925
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	14 333	61	724	170	42 506	354	3 677	1 137	62 962
Semi-skilled and discretionary decision making	3 488	12	94	7	3 091	36	189	99	7 016
Unskilled and defined decision making	932	5	29	6	1 485	8	18	2	2 485
Other	-	-	-	-	2	-	-	-	2
Contracts	8	-	-	-	23	-	-	-	31
TOTAL	**24 580**	**166**	**1 805**	**352**	**54 858**	**546**	**5 474**	**1 666**	**89 447**
Employees with disabilities	**7**	**1**	**3**	**0**	**16**	**1**	**4**	**1**	**33**

Table 3.6.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	-	-	-	1	-	-	-	3
Senior Management	-	-	1	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management	330	8	142	14	627	22	204	57	1 404
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1 142	4	84	27	3 316	27	303	142	5 045
Semi-skilled and discretionary decision making	169	1	6	-	153	4	12	12	357
Unskilled and defined decision making	43	-	1	-	71	1	2	1	119
Other	257	-	2	1	503	1	4	2	770
Contracts	76	-	-	-	156	-	1	-	233
TOTAL	**2 019**	**13**	**236**	**42**	**4 827**	**55**	**526**	**214**	**7 932**
Employees with Disabilities	**-**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**1**

Table 3.6.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Demotion	1	0	0	0	0	0	0	0	1
Dismissal	4	0	1	0	1	0	0	0	6
Final written warning	19	0	1	0	13	0	2	1	36
Fine	9	1	3	0	6	0	1	0	20
Not guilty	2	0	0	0	1	0	0	0	3
Suspended without pay	13	0	1	0	9	0	2	1	26
Written warning	0	0	0	0	0	0	0	0	0
TOTAL	**48**	**1**	**6**	**0**	**30**	**0**	**5**	**2**	**92**

Table 3.6.7 Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	1	-	-	-	-	-	-	-	1
Professionals	868	5	5	-	371	5	6	-	1 260
Technicians and Associate Professionals	-	-	-	-	-	-	-	-	-
Clerks	138	17	-	-	170	8	-	-	333
Service and Sales Workers	-	-	-	-	-	-	-	-	-
Skilled Agriculture and Fishery Workers	-	-	-	-	-	-	-	-	-
Craft and related Trades Workers	-	-	-	-	-	-	-	-	-
Plant and Machine Operators and Assemblers	-	-	-	-	-	-	-	-	-
Elementary Occupations	-	-	-	-	-	-	-	-	-
Employees with disabilities	-	-	-	-	-	-	-	-	-
TOTAL	1 007	22	5	-	541	13	6	-	1 594
Employees with disabilities									

3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				
Salary Level 16	1	1	1	100%
Salary Level 15	4	4	3	75%
Salary Level 14	14	12	10	83%
Salary Level 13	54	39	36	92%
TOTAL	**73**	**56**	**50**	**89%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
4 Suspensions
2 Retirements

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons
N/A

3.8 Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Female	-	60 949	0,00	0,00	0,00
Male	1	27 956	0,00	21,86	21 865,00
Asian					
Female	-	6 182	0,00	0,00	0,00
Male	-	2 003	0,00	0,00	0,00
Coloured					
Female	-	607	0,00	0,00	0,00
Male	-	176	0,00	0,00	0,00
White					
Female	-	1 889	0,00	0,00	0,00

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
Male	-	402	0,00	0,00	0,00
Employees with Disability	-	41	0,00	0,00	0,00
TOTAL	**1**	**100 205**	**0,00**	**21,86**	**21 865,00**

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	-	2 699	0,00	0,00	0,00	
Skilled (level 3-5)	-	7 868	0,00	0,00	0,00	
Highly skilled production (level 6-8)	-	71 390	0,00	0,00	0,00	
Highly skilled supervision (level 9-12)	1	17 338	0,00	21,86	21 865,00	
Other	-	651	0,00	0,00	0,00	
Contracts	-	203	0,00	0,00	0,00	
TOTAL	**1**	**100 149**	**0,00**	**21,86**	**21 865,00**	

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	-	217	0,00	0,00	0,00
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	-	16	0,00	0,00	0,00
HUMAN RESOURCES CLERKS	-	330	0,00	0,00	0,00
SECURITY OFFICERS	-	4	0,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS	-	386	0,00	0,00	0,00
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	-	1	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS	-	25	0,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	1	31	3,20	21,86	21 865,00
RISK MANAGEMENT AND SECURITY SERVICES	-	4	0,00	0,00	0,00
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	-	5	0,00	0,00	0,00
SOCIAL SCIENCES RELATED	-	7	0,00	0,00	0,00
BOILER AND RELATED OPERATORS	-	4	0,00	0,00	0,00
FINANCE AND ECONOMICS RELATED	-	33	0,00	0,00	0,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	-	3 928	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	-	88	0,00	0,00	0,00
AUXILIARY AND RELATED WORKERS	-	543	0,00	0,00	0,00
OTHER OCCUPATIONS	-	88 025	0,00	0,00	0,00
LEGAL RELATED	-	2	0,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS	-	36	0,00	0,00	0,00
BUILDING AND OTHER PROPERTY CARETAKERS	-	141	0,00	0,00	0,00
OCCUPATIONAL THERAPY	-	2	0,00	0,00	0,00
Rank: TEACHER	-	4	0,00	0,00	0,00
ARCHITECTS TOWN AND TRAFFIC PLANNERS	-	4	0,00	0,00	0,00
SOCIAL SCIENCES SUPPLEMENTARY WORKERS	-	1	0,00	0,00	0,00
ADMINISTRATIVE RELATED	-	124	0,00	0,00	0,00
COMMUNICATION AND INFORMATION RELATED	-	11	0,00	0,00	0,00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	-	157	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	-	2 574	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS	-	111	0,00	0,00	0,00
HUMAN RESOURCES RELATED	-	76	0,00	0,00	0,00
PRINTING AND RELATED MACHINE OPERATORS	-	12	0,00	0,00	0,00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	-	3	0,00	0,00	0,00
TRADE LABOURERS	-	7	0,00	0,00	0,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	-	2	0,00	0,00	0,00
SOCIAL WORK AND RELATED PROFESSIONALS	-	65	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	-	1	0,00	0,00	0,00
CIVIL ENGINEERING TECHNICIANS	-	2	0,00	0,00	0,00
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS	-	1	0,00	0,00	0,00
MATERIAL-RECORDING AND TRANSPORT CLERKS	-	39	0,00	0,00	0,00
FARM HANDS AND LABOURERS	-	45	0,00	0,00	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	-	40	0,00	0,00	0,00
PROFESSIONAL NURSE	-	22	0,00	0,00	0,00
BUS AND HEAVY VEHICLE DRIVERS	-	75	0,00	0,00	0,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
SENIOR MANAGERS	-	49	0,00	0,00	0,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS	-	1	0,00	0,00	0,00
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	-	5	0,00	0,00	0,00
SPEECH THERAPY AND AUDIOLOGY	-	1	0,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS	-	40	0,00	0,00	0,00
OTHER INFORMATION TECHNOLOGY PERSONNEL.	-	41	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS	-	50	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED	-	6	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS	-	8	0,00	0,00	0,00
SECURITY GUARDS	-	2 677	0,00	0,00	0,00
HEALTH SCIENCES RELATED	-	1	0,00	0,00	0,00
FOOD SERVICES AIDS AND WAITERS	-	106	0,00	0,00	0,00
CONSERVATION LABOURERS	-	3	0,00	0,00	0,00
LIBRARIANS AND RELATED PROFESSIONALS	-	3	0,00	0,00	0,00
INFORMATION TECHNOLOGY RELATED	-	3	0,00	0,00	0,00
AGRICULTURE RELATED	-	4	0,00	0,00	0,00
STAFF NURSES AND PUPIL NURSES	-	3	0,00	0,00	0,00
TOTAL	**1**	**100 205**	**0,00**	**21,86**	**21 865,00**

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	-	40	0,00	0,00	0,00	0,00
Band B	-	12	0,00	0,00	0,00	0,00
Band C	-	2	0,00	0,00	0,00	0,00
Band D	-	2	0,00	0,00	0,00	0,00
TOTAL	**-**	**56**	**0,00**	**0,00**	**0,00**	**0,00**

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Lev 1-2)	-	0,00	-	0,00	-	0,00
Skilled (Lev 3-5)	4	8,20	5	9,40	1	25,00
Highly skilled production (Lev. 6-8)	36	73,50	34	64,20	- 2	- 50,00
Highly skilled supervision (Lev. 9-12)	1	2,00	1	1,90	-	0,00
Contract (level 9-12)	-	-	-	-	-	-
Contract (level 13-16)	-	-	-	-	-	-
Other	8	16,30	13	24,50	5	125,00
Total	**49**	100,00	**53**	**100,00**	**4,00**	**100,00**

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	-	0,00	-	0,00	-	0,00
Elementary occupations	-	0,00	-	0,00	-	0,00
Other occupations	48	98,00	52	98,10	4	100,00
Professionals and managers	-	0,00	-	0,00	-	0,00
Technicians and associated professionals	1	2,00	1	1,90	-	0,00
TOTAL	**49**	**100,00**	**53**	**100,00**	**4**	**100,00**

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	7 927	81,8	1 146	2,3	7	4 715,00
Skilled (levels 3-5)	23 381	81,8	3 400	7,0	7	20 797,00
Highly skilled production (levels 6-8)	248 303	82,0	35 292	72,3	7	405 455,00
Highly skilled supervision (levels 9 -12)	61 754	82,7	8 632	17,7	7	151 317,00

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Top and Senior management (levels 13-16)	139	92,8	14	0,0	10	685,00
Other contracts	926	58,3	277	0,6	3	260,00
Contracts	324	61,7	86	0,2	4	278,00
TOTAL	**342 754**	**82,0**	**48 847**	**100,0**	**7**	**583 505,00**

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	955	100,0	17	1,2	56	575,00
Skilled (Levels 3-5)	1 552	100,0	35	2,4	44	1 347,00
Highly skilled production (Levels 6-8)	57 372	100,0	1 080	75,2	53	94 797,00
Highly skilled supervision (Levels 9-12)	18 181	99,9	304	21,2	60	44 185,00
Senior management (Levels 13-16)	15	100,0	1	0,1	15	73,00
TOTAL	**78 075**	**100,0**	**1 437**	**100,0**	**54**	**140 978,00**

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

Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	8 010	734	11
Skilled Levels 3-5)	46 766	2 845	16
Highly skilled production (Levels 6-8)	16 661	997	17
Highly skilled supervision(Levels 9-12)	24 450	1 596	15
Senior management (Levels 13-16)	639	43	15
Contracts	2 373	217	11
Other	7 498	841	9
TOTAL	**106 396**	**7 273**	**15**

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Lower skilled (Levels 1-2)	-	-	-	4
Skilled Levels 3-5)	64	11	6	46

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Highly skilled production (Levels 6-8)	694	199	3	41
Highly skilled supervision(Levels 9-12)	1 931	422	5	53
Senior management (Levels 13-16)	-	-	-	68
TOTAL	**2689**	**632**	**4**	**47**

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

Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle			
Capped leave payouts on termination of service for 2022/23			
Current leave payout on termination of service for 2022/23			
TOTAL			

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Mr VB Maphumulo : Acting Director: HRD
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		Employee Health and Wellness has 14 Practitioners. 12 are based Districts and 2 Practitioners are based at Head Office.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	√		Employee Health and Wellness sub-directorate provides the following programmes: Wellness Health Screening, EH&W Advocacy, Trauma Debriefing, Financial Literacy Workshops, Retirement Sessions, HIV&AIDS, TB and STI Awareness Workshops and Eye Screening, Teacher Wellbeing Seminars, GBV Workshops and Wellness Days.
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.	√		Mrs Simelane -OHS, Ms Mchunu - EH&W, Ms Goba - EH&W, Ms N Lekoba - SADTU and Mrs Khumalo - CTU-ATU
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		HIV&AIDS, TB and STI 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.	√		HIV&AIDS and TB Policy, conduct educational awareness workshop

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	√		815 employee participated in Wellness Health Screening: HCT pre counselled 309
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		Evaluation Forms, submit to DPSA quarterly , Annual Systems Monitoring Tools reports, reports quarterly to OTP, Monitoring and Evaluation Directorate and ELRC Chamber

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
Total number of Collective agreements	**None**

Total number of Collective agreements	**None**

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Demotion	1	1,1
Dismissal	6	6,5
Final written warning	36	39,1
Fine	20	21,7
Not guilty	3	3,3
Suspended without pay	26	28,3
Written warning	0	0
TOTAL	**92**	**100**

Total number of Disciplinary hearings finalised	**None**

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
ABSENCE WITHOUT PERMISSION(EDU)	17	5,8
ABSENT FROM WORK WITHOUT REASON OR PERMISSION	3	1
ASSAULT/ATTEMPTS OR THREATENS TO ASSAULT A PERSON	6	2
CONDUCT SELF IN IMPROPER/UNACCEPTABLE MANNER	26	8,8
DISCRIMINATES AGAINST OTHERS	2	0,7
DISRESPECT/ABUSIVE OR INSOLENT BEHAVIOUR	7	2,4
FAILS TO CARRY OUT ORDER OR INSTRUCTION	14	4,8
FAILS TO COMPLY WITH OR CONTRAVENES AN ACT	0	0
FAILURE TO FOLLOW/DISREGARD FOR SECURITY MEASURES	0	0
IMPROPER/UNACCEPTABLE CONDUCT(EDU)	50	17
INCITES OTHERS TO UNPROCEDURAL/UNLAWFUL CONDUCT	0	0
INCITES PERSONNEL TO UNLAWFUL CONDUCT(EDU)	0	0
INTIMIDATES/VICTIMISE OTHERS	4	1,4
MISMANAGES FINANCES OF STATE(EDU)	17	5,8
MISUSE POSITION TO PREJUDICE INTERESTS(EDU)	5	1,7
PERFORMS POORLY FOR REASONS OTHER THAN INCAPACITY	0	0
POSSESSES OR WRONGFULLY USES PROPERTY OF STATE	4	1,4
PREJUDICES ADMIN/DISCIPLINE OF STATE(EDU)	5	1,7
PREJUDICES ADMINISTRATION OF ORGANISATION OR DEPT	0	0
REMUNERATIVE WORK OUTSIDE THE DEPT WITHOUT APPROVA	97	33
SERIOUSLY ASSAULTING LEARNER EMPLOYEE(EDU)	0	0
SEXUAL ASSAULT-LEARNER EMPLOYEE(EDU)	14	4,8
SEXUAL HARASSMENT	9	3,1
THEFT BRIBERY FRAUD ACT OF CORRUPTION(EDU)	5	1,7
UNDER INFLUENCE OF HABIT-FORMING/STUPEFYING DRUG	4	1,4

WILLFULLY OR NEGLIGENTLY MISMANAGES FINANCES	3	1
TOTAL	**294**	**100**

Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	267	94.7
Number of grievances not resolved	15	5.3
Total number of grievances lodged	**282**	**100**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld		
Number of disputes dismissed		
Total number of disputes lodged		

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	
Number of people whose suspension exceeded 30 days	
Average number of days suspended	
Cost of suspension(R'000)	

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	18	-	6	-	8
	Male	37	-	8	1	9
Professionals	Female	63 029	-	50 001	568	50 569
	Male	24 979	-	16 700	12 004	28 704
Technicians and associate professionals	Female	68	-	45	11	-
	Male	37	-	21	9	30
Clerks	Female	3 258	-	2 673	51	2 724
	Male	1 064	-	763	72	835
Service and sales workers	Female	255	-	102	-	102
	Male	2 577	-	749	-	749
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	2 641	-	-	-	-
	Male	1 791	-	-	-	-

Sub Total	Female	69 269	-	52 827	630	53 403
	Male	30 485	-	18 241	12 086	30 327
TOTAL		**99 754**	**-**	**71 068**	**12 716**	**83 730**

Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	18	-	-	-	-
	Male	37	-	-	1	1
Professionals	Female	63 029	-	81	810	891
	Male	24 979	-	68	301	437
Technicians and associate professionals	Female	68	-	-	-	-
	Male	37	-	-	-	-
Clerks	Female	3 258	-	35	126	161
	Male	1 064	-	23	81	104
Service and sales workers	Female	255	-	-	-	-
	Male	2 577	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	2 641	-	-	-	-
	Male	1 791	-	-	-	-
Sub Total	Female	69 269	-	116	936	1 052
	Male	30 485	-	91	383	542
TOTAL		**99 754**	**-**	**207**	**1 319**	**1 594**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	-	-
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
TOTAL	-	-

3.15 Utilisation of Consultants

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

(a) The rendering of expert advice;

(b) The drafting of proposals for the execution of specific tasks; and

(c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Various		261	R812 p.hr
Travelling costs		261	R5.294 p. km
Total cost of consultants		261	R 1 785 119 000

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

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2022 and 31 March 2023

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

PART E:
PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening Balance	5 151 757	8 483 515
Add: irregular expediture confirmed	1 519 244	26 188
Less: irregular expediture condoned	-	(3 357 946)
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	**6 671 001**	**5 151 757**

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	5 151 757	5 125 569
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	5 908
Irregular expenditure for the current year	1 519 244	20 280
TOTAL	**6 671 001**	**5 151 757**

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description[1]	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	6 671 001	5 151 757
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
TOTAL	**6 671 001**	**5 151 757**

1. Group similar items
2. Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

c) Details of current and previous year irregular expenditure condoned

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure condoned	-	(3 357 946)
TOTAL	**-**	**(3 357 946)**

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
TOTAL	**-**	**-**

e) Details of current and previous year irregular expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure recovered	-	-
TOTAL	**-**	**-**

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure written off	-	-
TOTAL	**-**	**-**

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
TOTAL

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)

Description	2022/2023	2021/2022
	R'000	R'000
TOTAL		

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	192 277	191 831
Add: Fruitless and wasteful expenditure confirmed	7 558	446
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	**199 835**	**192 277**

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	192 277	191 831
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	1	21
Fruitless and wasteful expenditure for the current year	7 557	425
TOTAL	**199 835**	**192 277**

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description[2]	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	199 835	192 277
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
TOTAL[3]	**199 835**	**192 277**

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
TOTAL	**-**	**-**

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
TOTAL	**-**	**-**

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
TOTAL

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	**973 165**	**739 810**
Add: unauthorised expenditure confirmed	4 080	719 217
Less: unauthorised expenditure approved with funding	(11 864)	(485 862)
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off[4]	-	-
Closing balance	**965 381**	**973 165**

3. Group similar items
4. Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

Reconciling notes

Description	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	961 301	253 948
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	4 080	719 217
TOTAL	**965 381**	**973 165**

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description[5]	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment	965 381	973 165
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
TOTAL[6]	**965 381**	**973 165**

Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/2023	2021/2022
	R'000	R'000
Theft		
Other material losses		
Less: Recovered		
Less: Not recovered and written off		
Total		

5. This amount may only be written off against available savings
6. Group similar items
7. Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

b) Details of other material losses

Nature of other material losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
TOTAL		

c) Other material losses recovered

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
TOTAL		

d) Other material losses written off

Nature of losses	2022/2023	2021/2022
	R'000	R'000
(Group major categories, but list material items)		
TOTAL		

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received		
Invoices paid within 30 days or agreed period		
Invoices paid after 30 days or agreed period		
Invoices older than 30 days or agreed period (unpaid and without dispute)		
Invoices older than 30 days or agreed period (unpaid and in dispute)		

Include reasons for the late and or non-payment of invoices, including reasons that the invoices are in dispute, where applicable.

3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
N/A	N/A	N/A	N/A	N/A
TOTAL				

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Catering at Anton Lembede	Abaholi	Variation	Var01/000121.22	R6 485 951.70	R0	R972 892.76
TOTAL						R972 892.76



PART F:
FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 5: Department of Education

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Education set out on pages 136 to 180, which comprise the appropriation statement, statement of financial position as at 31 March 2023, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2023 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2022 (Act No.5 of 2022) (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material uncertainty relating to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. As stated in note 14 to the financial statements, the department's financial health is unfavourable due to; a continuous increase in staff debts caused by overpayments, budget reductions, the negative impact of the Covid-19 pandemic and the resultant spending on personnel protective equipment (PPE) which continues to place further pressure on the finances of the department. These conditions indicate that a material uncertainty exists that may cast significant doubt on the ability of the department to settle future expenditure obligations.

Emphasis of matter

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

Provision for impairment of receivables: staff debts

9. As disclosed in notes 10.2 and 10.4 to the financial statements, the department had a staff debt balance of R532,59 million (2022: R493,24 million), made up of current and former staff members. Furthermore, a provision for debt impairment of R404,12 million (2022: R355,31 million) was made against the staff debt balance in respect of doubtful debts. This provision was mainly due to past employee debts that had been outstanding for three or more years.

Other matters

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

National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework

11. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 30 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of Department of Education. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees.

12. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited supplementary schedules

13. The supplementary information set out on pages 181 to 192 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 on them.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and 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.

15. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

18. In accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA)and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report**.** The accounting officer is responsible for the preparation of the annual performance report.

19. I selected the following programme presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected a programme that measures the department's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2 - Public ordinary school	39	To provide public ordinary education from Grade 1 to 12, in accordance with the South African Schools Act and White Paper 6 on inclusive education. (E-learning is also included)
Programme 5 - Early childhood development	43	To provide Early Childhood Education (ECD) at the Grade R and pre-grade R in accordance with White Paper 5 (E-learning is also included)
Programme 6 - Infrastructure development	44	To provide and maintain school infrastructure facilities through infrastructure programmes in support of teaching and learning at schools.

20. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives.
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements.

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

23. The material findings on the performance information of the selected programmes are as follows:

Programme 2 – Public ordinary schools

NSOI 2.1: Percentage of learners benefiting from school nutrition programme

24. The method of calculation for achieving the planned indicator was not clearly defined.

Programme 6 – Infrastructure development

SOI 601: Number of public schools provided with water infrastructure

25. An achievement of 300 was reported against a target of 300. However, the audit evidence did not support this achievement. In addition, I identified material differences between the actual and reported achievements. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

SOI 602: Number of public schools provided with electricity infrastructure

26. An achievement of 70 was reported against a target of 70. However, the audit evidence did not support this achievement. In addition, a number of projects relating to electricity repairs and maintenance in schools were incorrectly reported as electricity infrastructure. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

SOI 603: Number of public schools supplied with sanitation facilities

27. An achievement of 300 was reported against a target of 300. However, the audit evidence did not support this achievement. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

SOI 605: Number of schools where scheduled maintenance projects were completed

28. An achievement of 500 was reported against a target of 500. However, the audit evidence did not support this achievement. In addition, a number of schools were duplicated in the schedule supporting the achievement submitted for audit. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

29. I draw attention to the matters below.

Achievement of planned targets

30. The annual performance report includes information on reported achievements against planned targets and provides explanations for the over and under-achievements. This information should be considered in the context of the material findings on the reported performance information.

31. The department plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

Key service delivery indicators not achieved	Planned target	Reported achievement
Programme 2 : Public ordinary schools *Targets achieved: 62.5%* *Budget spent: 99.7%*		
SOI 202: Number of learners in public ordinary schools benefiting from the "No Fee	2 120 847	2 118 615
SOI 204: Percentage of learners in schools that are funded at a minimum level.	100%	0%
NSOI 2.2: Percentage of core LTSMs delivered to public ordinary schools by day one of the school year, as ordered.	100%	94%
Programme 5: Early childhood development *Targets achieved: 25%* *Budget spent: 98%*		
NSOI 5.1: Number of Grade R practitioners employed in public ordinary schools	5 207	5 168
NSOI 5.2: Number of fully registered ECD centres.	3 380	3 362
NSOI 5.3: Number of children accessing registered ECD centres.	145 200	140 967
Programme 6: Infrastructure development *Targets achieved: 87.5%* *Budget spent: 100%*		
SOI 604: Number of schools provided with new or additional boarding facilities.	1	0

Reasons for the underachievement of targets are included in the annual performance report on pages 39 to 45.

Material misstatements

32. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 2 - public ordinary schools and programme 6 - infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

33. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

34. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

35. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

36. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

37. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1,52 billion, as disclosed in note 25 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with supply chain management regulations.

38. Some payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Consequence management

39. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred unauthorised, irregular as well as fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into such expenditure were not performed.

Procurement and contract management

40. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22.
41. Some of the quotations were not awarded in an economical manner and/or the prices of the goods or services were not reasonable as required by PFMA 38(1) (b) and PFMA 45(b).
42. Some of the quotations were accepted from prospective suppliers who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by Treasury Regulation 16A8.4 and Par 7.2 of NTI 03 of 2021/22.
43. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1 and paragraph 3.3.1 of NTI 02 of 2021/22.
44. I was unable to obtain sufficient appropriate audit evidence that the deviations and procurement by other means were provided in the SCM policy and/or are in line with the circumstances provided in the SCM policy under which the procurement can occur as required by PFMA instruction note no.3 of 2021/22 par.4.3 and 4.4 (c).
45. Some of the tenders which failed to achieve the minimum qualifying score for functionality criteria were not disqualified as unacceptable in accordance with 2017 Preferential Regulation 5(6). This non-compliance was identified in the procurement processes for the National School Nutrition Programme (NSNP).
46. Some of the contracts and quotations were awarded to bidders based on pre-qualification criteria that differed from those stipulated in the original invitation for bidding and quotations, in contravention of the 2017 Preferential Procurement Regulation 4(1) and 4(2). This non-compliance was identified in the procurement processes for the NSNP.
47. The preference point system was not applied in some of the procurement of goods and services as required by section 2(a) of the PPPFA and Treasury Regulation 16A6.3 (b).
48. Some of the quotations were awarded to bidders based on preference points that were not allocated and/or calculated in accordance with the requirements of the PPPFA and Preferential Procurement Regulation 2017.
49. Some of the quotations were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017.
50. Some of the bid documentation/ invitation to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2).
51. Some of the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content in accordance with paragraph 3.4 of National Treasury Instruction Note 4 of 2015/2016.
52. Some of the commodities designated for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5).
53. Some of the construction contracts were awarded to contractors that were not registered with the Construction Industry Development Board and/or did not qualify for the contract in accordance with section 18(1) of the CIDB Act and Construction Industry Development Board Regulations 17 and 25(7A).
54. Some of the IT related goods and services, classified as mandatory, were not procured through SITA as required by Treasury Regulation 16A6.3 (e) and section 7(3) of the SITA Act.
55. I was unable to obtain sufficient appropriate audit evidence that all extensions or modifications to contracts were approved by a properly delegated official as required by section 44 of the PFMA and Treasury Regulations 8.2.1 and 8.2.2.
56. I was unable to obtain sufficient appropriate audit evidence that persons in service of the department who had a private or business interest in contracts awarded by the department disclosed such interest, as required by Treasury Regulation 16A8.4 and the Public Service Regulations 18(1) and (2).

57. I was unable to obtain sufficient appropriate audit evidence that persons in service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department disclosed such interest, as required by Treasury Regulation 16A8.4.

58. I was unable to obtain sufficient appropriate audit evidence that persons in service of other state institutions who had a private or business interest in contracts awarded by the department did not participate in the process relating to that contract as required by Treasury Regulation 16A8.4.

Other information in the annual report

59. The accounting officer is responsible for the other information. The other information comprises the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

60. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

61. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

62. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

63. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

64. The matters reported below are limited to the significant internal control deficiencies that resulted in material findings on the annual performance report and the material findings on compliance with legislation included in this report.

65. Leadership did not implement effective review and monitoring controls to ensure accurate performance reporting. In addition adequate oversight of compliance with applicable legislation was not exercised, which resulted in material findings on performance information and non-compliance with key legislation.

66. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support performance reporting. In this regard, management did not prepare regular, accurate and complete performance reports that are supported and evidenced by reliable information.

Material irregularities

67. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Material irregularities in progress

68. I identified a material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the response from the accounting officer. This material irregularity will be included in next year's auditor's report.

Status of previously reported material irregularities

Penalties and interest paid to the South African Revenue Services (SARS) on the late payment of Pay As You Earn (PAYE)

69. The department submitted its employee tax reconciliation assessments and paid the PAYE tax withheld from employees dating back to 2017 during the year ended 31 March 2020, in contravention of paragraph 2(1)(a) of the Fourth Schedule of the Income Tax Act. The non-compliance resulted in a material financial loss, through penalties and interest of R6,69 million being charged by SARS.

70. The accounting officer was notified of the material irregularity on 11 December 2020 and was invited to make a written submission on the actions taken and that will be taken to address the matter.

71. The following actions have been taken to resolve the material irregularity:
    - The development of an electronic system that would assist in timeously alerting the salaries and tax sections immediately of appointments and terminations of educators that takes place at any school and any district within the province is underway.
    - Tax expert has been appointed by the department and is engaging with SARS on behalf of the department in order to get the interest and penalties reversed.
72. I will follow up on the implementation of the planned actions during my next audit.

Salary payments to persons no longer employed by the department

73. Employees who had left the employment of the department were not removed from the human resources and payroll systems in a timely manner. This resulted in the department approving and processing salary payments to persons who were no longer in the employment of the department in contravention of treasury regulation 8.1.1.
74. Salary payments to persons no longer employed by the departments has resulted in a material financial loss of R142,49 million by 31 March 2021 for the department and is likely to result in further material financial losses for the department as the department had a staff debt balance of R476,02 million, made up of current and former staff members. Furthermore, a provision for debt impairment of R329,27 million (69%) was made against the staff debt balance in respect of doubtful debts in the 2020-21 financial statements of the department.
75. The accounting officer was notified of the material irregularity on 30 September 2021 and was invited to make a written submission on the actions taken and that will be taken to address the matter.
76. The following actions have been taken to resolve the material irregularity:
    - The development of an electronic system that would assist in timeously alerting the salaries and tax sections immediately of appointments and terminations of educators that takes place at any school and any district within the province is underway.
    - The Department has appointed Debt Collectors as well as implements its Debt Management Policy to recover these financial losses.
77. I will follow up on the implementation of the planned actions during my next audit.

Other reports

78. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

79. The provincial forensic unit conducted 20 investigations covering the period 1 April 2009 to 31 March 2022. These investigations relate to various allegations of ghost employees, fraud and corruption, supply chain management irregularities, mismanagement of school funds, improper human resource appointments, fake qualifications, and payments to educators for services were not rendered. Of these investigations, 13 had been completed whilst seven are ongoing at the date of this report. The implementation of recommendations of completed investigations were in progress at the date of this report.

Auditor-General

Pietermaritzburg

31 July 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	DoRA 11(6)(a) DoRA 12(5) DoRA 16(1) DoRA 16(3) DoRA 16(3)(a)(i) DoRA 16(3)(a)(ii)(bb)
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)

Legislation	Sections or regulations
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
SITA ACT	Section 7(3) Section 7(6)(b) Section 20(1)(a)(I)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a);4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)

Legislation	Sections or regulations
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)
Employment of Educators Act	Section 33 (1)

2. ANNUAL FINANCIAL STATEMENTS

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Report of the Accounting Officer for the year ended 31 March 2023

1. Overview of the financial results of the department

1.1 Departmental Receipts

The department collected R115.180 million which exceeded the revenue budget of R105.306 million. The net over-collection of R9.874 million is explained as follows:

- Sale of goods and services other than capital assets over-collected at R75.241 million against a budget of R61.221 million. Revenue from this category relates to tender fees, parking rentals, commission on PERSAL deductions such as insurance and garnishees, re-marking of exam papers and re-issuing of certificates, etc. The over-collection relates to higher than anticipated rentals from officials occupying state houses, and the department received more applications than anticipated for re-marking of exam papers and re-issuing certificates.
- Interest, dividends and rent on land shows a revenue collection of R8.871 million against a budget of R466 000. This high collection relates to interest recovered from staff debts. The high collection was mainly due to staff debts that were interest-bearing being written off. These debts were approved for write-off in 2020/21 and were reflected in the annual financial statements (AFS) as thefts and losses. Due to the volume and timeframe, these debts were written off in 2021/22 but, as some of these debts were very old, the BAS system gave a database error. The department logged calls with National Treasury to activate these debts and the debts were then written off in the first quarter of 2022/23. These debts were posted programmatically to revenue from the Debt Receivable Interest Account. It must be noted that this is not real revenue collected but a book entry.
- Sales of capital assets shows a revenue collection of R3.379 million. This item was not budgeted for and relates to the auctioning off of obsolete state vehicles.
- The over-collection was offset to an extent by an under-collection against Transactions in financial assets and liabilities which reflects a collection of R27.689 million against a budget of R43.619 million. Revenue collected against this category relates to recoveries from prior years' expenditure such as staff debts, which are difficult to accurately budget for due to their unpredictable nature. The under-collection was in respect of out-of-service debt which is difficult to recover.

1.2 Discussion

The main appropriation of the Department of Education was R57.481 billion in 2022/23. During the year the department's budget was adjusted by R3.189 billion. This was due to the following:

- R53.914 million was approved by National Treasury in respect of the National School Nutrition Programme (NSNP) grant and increased Programme 2: Public Ordinary School Education against Goods and Services. This relates to committed funds for payment of feeding that was undertaken in March 2022, as invoices are only paid in the following month once services have been rendered. KZN Commitment No. 48 of 2022/23 has reference.
- R38.804 million was approved by National Treasury in respect of the Early Childhood Development (ECD) grant, which is related to the Presidential Youth Employment Initiative (PYEI). It is noted that the related commitments were incurred by the Department of Social Development (DSD), but the rollover has been allocated to DOE because the ECD function was shifted to DOE, effective from 1 April 2022. This is because all commitments from 2021/22 to be honoured in 2022/23 will be allocated to DOE. KZN Commitment No. 49 of 2022/23 has reference.
- R3 million was allocated in respect of a donation received from Tsogo Sun, specifically allocated for the repair of four schools, namely Amandlakhe Primary School in eThekwini, Ongane Combined School in Zululand, Lukhasa Secondary School in iLembe and Emgangeni Secondary School in eThekwini, which were damaged during the April 2022 flood disaster. KZN Commitment No. 44 of 2022/23 has reference.
- R1.587 billion was allocated for the carry-through costs of the 2021 wage agreement, to departments showing budget pressures in this regard. It should be noted that each Vote received a slightly lower allocation than requested, in line with the funding available. KZN Commitment No. 51 of 2022/23 has reference.
- R1.170 billion was allocated for the provisional 3 per cent increase in salaries for all levels of employees, in line with the pronouncement made by the Minister of Finance in his MTBPS speech. Unfortunately, the amount that the departments calculated the cost implications at, exceeded the amount allocated to the province by National Treasury. As such, each department received a slightly lower allocation than requested. KZN Commitment No. 52 of 2022/23 has reference.

- R95.063 million was allocated as an addition to the Education Infrastructure grant, being funds received from National Treasury towards the April 2022 flood response, in particular for the reconstruction and rehabilitation of schools damaged by floods and KZN Commitment No. 54 of 2022/23 has reference.

- R160 thousand upward adjustment was allocated to the funds received for the 2021 wage agreement carry through costs. KZN Commitment No. 56 of 2022/23 has reference.

- R240.925 million was approved in the Second Adjustments Appropriation Bill as the Provincial Executive Council determined that the vote had shown consistent pressures throughout the year. KZN Commitment No. 64 of 2022/23 has reference.

1.2.1. Virements and Shifting of funds

1.2.1.1 Virements

The table below reflects the major final virements that were undertaken by the department, approval has been granted by Provincial Treasury.

Appropriation per economic classification	2022/23						
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget
	R'000	R'000	R'000	R'000	R'000	R'000	%
Current payments	**55 994 912**	**36 582**	**(97 477)**	**55 934 017**	**55 649 346**	**284 671**	**99,5%**
Compensation of employees	49 903 862	-	626 917	50 530 779	50 477 531	53 248	99,9%
Goods and services	6 091 050	36 582	(731 109)	5 396 523	5 165 100	231 423	95,7%
Interest and rent on land	-	-	6 715	6 715	6 715	-	100,0%
Transfers and subsidies	**2 390 060**	**-**	**57 586**	**2 447 646**	**2 403 636**	**44 010**	**98,2%**
Provinces and municipalities	5 581	-	-	5 581	1 838	3 743	32,9%
Departmental agencies and accounts	50 000	-	5 000	55 000	55 000	-	100,0%
Non-profit institutions	2 175 498	-	(14 713)	2 160 785	2 120 518	40 267	98,1%
Households	158 981	-	67 299	226 280	226 280	-	100,0%
Payments for capital assets	**2 285 262**	**(36 582)**	**39 857**	**2 288 537**	**2 288 537**	**-**	**100,0%**
Buildings and other fixed structures	2 259 178	(36 582)	-	2 222 596	2 222 596	-	100,0%
Machinery and equipment	26 084	-	39 857	65 941	65 941	-	100,0%
Software and other intangible assets	-	-	-	-	-	-	-
Payment for financial assets	**-**	**-**	**34**	**34**	**34**	**-**	**100,0%**
	60 670 234	**-**	**-**	**60 670 234**	**60 341 553**	**328 681**	**99,5%**

1.2.1.2. Shifts

The amount of R36.582 million was shifted from *Buildings and other fixed structures* to *Goods and Services* to align the budget to expenditure incurred relating to the desludging of pit latrines which was erroneously allocated. The purpose of these funds remains unchanged; therefore, this decrease in capital does not require Legislature approval.

1.3. Programme Expenditure

The table below reflects the budget after adjustment was R60.670 billion and the expenditure of R60.342 billion, showing an underspend of R328.681 million which is 0.5 per cent of the budget. This was against Programmes 2, 3, 5 and 7.

Appropriation per programme	2022/23						
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%
Programme							
1. ADMINISTRATION	2 224 887	-	(136 840)	2 088 047	2 088 047	-	100,0%
2. PUBLIC ORDINARY SCHOOL EDUCATION	48 892 417	-	168 296	49 060 713	48 923 595	137 118	99,7%
3. INDEPENDENT SCHOOL SUBSIDIES	93 292	-	-	93 292	91 829	1 463	98,4%
4. PUBLIC SPECIAL SCHOOL EDUCATION	1 556 471	-	(27 639)	1 528 832	1 528 832	-	100,0%
5. EARLY CHILDHOOD DEVELOPMENT	1 940 217	-	10 290	1 950 507	1 911 703	38 804	98,0%
6. INFRASTRUCTURE DEVELOPMENT	2 786 015	-	21 100	2 807 115	2 807 115	-	100,0%
7. EXAMINATION AND EDUCATION RELATED SERVICES	3 176 935	-	(35 207)	3 141 728	2 990 432	151 296	95,2%
Programme sub total	**60 670 234**	**-**	**-**	**60 670 234**	**60 341 553**	**328 681**	**99,5%**

Programme 1: Administration was fully spent at 100.0 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was overspent by R3.743 million. This was mainly attributed to pressures on compensation relating to budget reductions and insufficient funding provided for wage agreement.*
- *Goods and services were fully spent.*
- *Interest on rent and land was R55 thousand and relates to late payments on Telkom and municipal accounts.*
- *Transfers and subsidies to: Provinces and municipalities underspent by R3.743 million. This relates to the payment of licenses for motor vehicles which was over-budgeted for due to enforced cost-cutting resulting in non-procurement of replacement fleet vehicles.*

- *Transfers and subsidies to: Households was fully spent mainly ascribed to staff exit costs.*
- *Buildings and other fixed structures were fully spent and relates to urgent repairs in administrative buildings in head office and district offices.*
- *Machinery and equipment were fully spent.*
- *Payment for financial assets relates to debts that were written off.*

Programme 2: Public Ordinary School Education was underspent by R137.118 million at 99.7 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was overspent by R4.076 million which was largely due to pressures against this category as a result of the underfunded wage agreement.*
- *Goods and services were under spent by R141.194 million mainly against NSNP grant feeding scheme in respect of March invoices for feeding of learners that was undertaken for which a roll-over has been requested.*
- *Interest on rent and land was R6.649 million and relates to late payments on Telkom and municipal accounts and domestic accounts for schools that have defaulted on their municipal accounts.*
- *Transfers and subsidies to: Non-profit institutions was fully spent.*
- *Transfers and subsidies to: Households was fully spent and relates to staff exit costs.*
- *Machinery and equipment were fully spent for vehicles and other tools of trade relating to the NSNP grant.*

Programme 3: Independent Schools Subsidies was under spent by R1.463 million at 98.4 per cent of the Final Appropriation, as a result of schools could not have their allocations paid prior to year-end due to strike action and electricity disconnections within the administrative buildings. Rollover will be requested for this funding to be paid in the new financial year.

Programme 4: Public Special School Education was fully spent at 100.0 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was fully spent in respect of costs relating to the salaries for Specialist educators and Therapists in special schools.*
- *Goods and services were fully spent and includes costs relating to LTSM, Travel and subsistence, training and development for both special schools and the LSPID grant.*
- *Transfers and subsidies to: Non-profit institutions was fully spent and relates to transfers to LSEN schools that are compliant with financial requirements.*
- *Transfers and subsidies to: Households was fully spent and relates to staff exit costs.*
- *Machinery and equipment were fully spent for the procurement of tools of trade for the LSPID grant officials.*

Programme 5: Early Childhood Development was underspent by R38.804 million at 98.0 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was fully spent for the compensation of early childhood phase educators and practitioners.*
- *Goods and services were fully spent and relates to the procurement of LTSM in order to ensure coverage in all Grade R centres and public schools, including the purchase of textbooks, stationery and core materials for the development of fine and gross motor skills and fantasy play.*
- *Transfers and subsidies to: Non-profit institutions was underspent by R38.804 million as a result of the non-implementation of the stimulus package rollover due to insufficient source documentation being received to make payments which could have resulted in an audit qualification if processed without the necessary supporting documentation.*
- *Transfers and subsidies to: Households was fully spent in relation to staff exit costs.*

Programme 6: Infrastructure Development was fully spent at 100.0 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was under spent by R1.382 million as a result of two vacant posts which are still in the process of being filled for the payment of officials under the EIG grant. This funding offset overspend against Goods and Services.*
- *Goods and services were overspent by R1.382 million and includes costs relating to management fees which forms part of the capital project. Furthermore, costs relating to travel and subsistence, procurement of furniture for newly completed schools, property payments and outsourced contractors are included here.*
- *Buildings and other fixed structures was fully spent and relates to the payment of invoices upon receipt, for completed projects.*

- *Machinery and Equipment was fully spent and relates to tools of trade for EIG officials.*

Programme 7: Examination and Education Related Services was under spent by R151.296 million at 95.2 per cent of the Final Appropriation. The main expenditure movements in this Programme were as follows:

- *Compensation of employees was under spent by R59.685 million mainly attributed to the Presidential Employment Youth Initiative (PYEI) where unavoidable challenges were incurred by the department with the implementation of Phase 4 including Strike Action where districts were denied access to buildings for a period of a week; electricity services were discontinued for three districts for the whole month of March as a result of schools defaulting on their accounts. Electricity and network challenges causing five districts having to work offsite. Furthermore, PERSAL went down for maintenance and a tax run.*
- *Goods and Services was underspent by R91.611 million largely due procurement delays in the finalization of training and data procurement for the PYEI and funding set aside for personnel and labour not being spent due to the challenges mentioned above.*
- *Interest and Rent on Land was at R11 thousand and relates to interest paid on overdue Telkom and municipal accounts for Education Centres.*
- *Transfers and subsidies to: Departmental agencies and accounts was fully spent and relates to costs paid to Education Training and Development (ETD) SETA for services rendered.*
- *Transfers and subsidies to: Households was fully spent in respect of staff exit costs.*
- *Machinery and equipment were fully spent for the procurement of tools of trade for the PYEI and Examinations.*

1.3.1 Compensation of employees

The table below reflects the employee numbers during the year. Due to the implementation of budget reductions, the budget was insufficient to fully cover the approved post establishment of 107 433 and 99 307 additional to establishment. The fixed establishment posts were therefore revised to 103 415 critical vacant posts that need to be filled within the limitations caused by the budget cuts. The priority being to ensure that educator posts are not reduced as that would have a direct negative impact on teaching and learning, which is the core business of the Department. With regard to support posts, priority was given to those positions that directly support or manage schools, in line with the resolutions taken by the Provincial Executive Council. It should be noted that the headcount fluctuates in-year due to various reasons ranging from the appointment of temporary or substitute educators based on need.

	2022/23													
Fixed Establishment	**Post Approved**	**Post Revised**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
Personnel numbers														
Programme 1	2 694	2 592	2 514	2 501	2 492	2 481	2 482	2 472	2 460	2 457	2 452	2 435	2 429	2 423
Programme 2	**98 741**	**94 983**	**91 274**	**91 795**	**92 195**	**92 218**	**92 406**	**92 443**	**92 451**	**92 837**	**92 842**	**91 145**	**90 807**	**91 089**
Programme 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Programme 4	**3 136**	**3 017**	**3 382**	**3 395**	**3 412**	**3 409**	**3 404**	**3 410**	**3 411**	**3 435**	**3 438**	**3 383**	**3 384**	**3 396**
Programme 5	1 660	1 597	1 467	1 471	1 475	1 536	1 543	1 540	1 540	1 547	1 543	1 535	1 535	1 537
Programme 6	**51**	**51**	**50**	**50**	**50**	**51**	**51**	**51**	**51**	**51**	**51**	**50**	**52**	**52**
Programme 7	1 221	1 175	1 065	1 062	1 058	989	984	977	976	973	971	967	964	955
TOTAL	107 503	103 415	99 752	100 274	100 682	100 684	100 870	100 893	100 889	101 300	101 297	99 515	99 171	99 452

	2022/23													
Head Counts	**Post Approved**	**Post Revised**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
EDUC	90 057	89 156	86 206	86 794	87 253	87 307	87 552	87 628	87 681	88 132	88 162	86 480	86 202	86 536
SPEC	**2 049**	**1 190**	**1 103**	**1 097**	**1 095**	**1 088**	**1 083**	**1 077**	**1 074**	**1 070**	**1 069**	**1 061**	**1 055**	**1 044**
PS	15 207	12 879	12 263	12 205	12 157	12 113	12 056	12 009	11 958	11 918	11 886	11 796	11 738	11 697
THERAPISTS	**190**	**190**	**180**	**178**	**177**	**176**	**179**	**179**	**176**	**180**	**180**	**178**	**176**	**175**
TOTAL	107 503	103 415	99 752	100 274	100 682	100 684	100 870	100 893	100 889	101 300	101 297	99 515	99 171	99 452
OTHER ES (INTERNS,SCHOOL SAFETY, ETC)	**23 926**	**23 926**	**13 229**	**20 696**	**22 051**	**22 955**	**22 852**	**22 585**	**22 603**	**22 801**	**22 445**	**22 372**	**21 828**	**21 700**
OTHER ES - PEI	58 500	58 500	955	52 745	56 739	56 824	56 555	214	74	30	24	20	16	33 233
OTHER COND GRANTS	**16 881**	**16 881**	**14 815**	**15 162**	**15 552**	**16 258**	**17 207**	**16 814**	**17 084**	**17 034**	**16 976**	**16 974**	**16 808**	**16 771**
TOTAL	99 307	99 307	28 999	88 603	94 342	96 037	96 614	39 613	39 761	39 865	39 445	39 366	38 652	71 704
GRAND TOTAL	206 810	202 722	128 751	188 877	195 024	196 721	197 484	140 506	140 650	141 165	140 742	138 881	137 823	171 156

1.3.2. Conditional Grants

Conditional Grants	2022/23						
Programme Classification	Main Appropriation	Adjusted Appropriation	Final Appropriation	Total Expenditure	% Spend	(Over)/Under Expenditure	% Over (-) / Under Spend
	R'000	R'000	R'000	R'000	%	R'000	%
Education Infrastructure Grant	2 387 952	2 483 015	2 483 015	2 483 015	100,0%	-	0,0%
HIV and AIDS (Life Skills Education) Grant	61 183	61 183	61 183	61 176	100,0%	7	0,0%
Learners with Profound Intellectual Disabilities Grant	34 423	34 423	34 423	34 423	100,0%	-	0,0%
Maths, Science and Technology Grant	70 244	70 244	70 244	70 244	100,0%	-	0,0%
National School Nutrition Programme Grant	1 952 777	2 006 691	2 006 691	1 865 496	93,0%	141 195	7,0%
EPWP Integrated Grant for Provinces	2 193	2 193	2 193	2 193	100,0%	-	0,0%
EPWP Soc Sect Incentive Grant	30 508	30 508	30 508	30 505	100,0%	3	0,0%
Early Childhood Development Grant	174 344	226 007	226 007	187 203	82,8%	38 804	17,2%
Total	**4 713 624**	**4 914 264**	**4 914 264**	**4 734 255**	**96,3%**	**180 009**	**3,7%**

The Education Infrastructure Grant (EIG) was fully spent at 100 percent. The department implemented various projects that are still under construction in relation to the new schools programme, such as the JG Zuma in Pinetown District, Ekucabangeni Secondary School in the uMzinyathi District, Musa Special School in the Zululand District, and Meadowsweet Combined School in the uThukela District, among others. Furthermore, the department undertook various upgrades and additions in schools, such as the Menzi Secondary School in uMlazi, Lloyds Primary School in the iLembe District, Dingukwazi Secondary School in the Zululand District, as well as the Marianhill Primary School in Pinetown, among others. These projects are still under construction and are targeted to be completed in 2023/24. In addition, the department provided mobile classrooms, electrification of schools, as well as various maintenance programmes. The department received additional funding of R95.063 million towards the April 2022 flood response, with these funds allocated to this grant in Programme 6 against Goods and services. These funds were utilised for the reconstruction and rehabilitation of 356 schools damaged by floods, such as Luhana Primary School in the Harry Gwala District, Bongimfundo Primary School in the iLembe District, Wyebank Secondary School in Pinetown, as well as Margate Middle School in the Ugu District, among others. The department indicated that, of the 356 schools damaged by floods, 148 were completed by year-end, 16 are under reconstruction, 172 are at tender stage and 20 schools are at the design development stage. This funding was fully spent at year-end.

- The HIV and AIDS (Life-Skills Education) grant was fully spent at 100 per cent. The expenditure relates to the payment of salaries for learner support agents who serve as a first line of support for vulnerable learners infected and affected by HIV and AIDS, and four Assistant Directors who co-ordinate the programme at a provincial level. It further relates to travel and subsistence costs, advocacy and social mobilisation on Department of Basic Education (DBE) National Policy on HIV, TB and STIs, as well as monitoring and evaluation of the grant and other grant administrative tasks. In addition to the monthly ongoing payment of salaries, the funds were spent on various other programmes and activities, such as the procurement of My Life My Future psychosocial support resources, My Life My Future learner camps which aim to address learner pregnancy, substance abuse, bullying, and other social ills, training of officials, learner support agents, life orientation educators and peer educators on Comprehensive Sexuality Education to address new HIV infections and learner sexual abuse, among others.
- The Learners with Profound Intellectual Disability (LPID) grant was fully spent at 100 per cent. The expenditure relates to the payment of salaries for Specialists appointed against the grant, implementation of learning programmes for special care centres, conducting therapeutic assessments and interventions, travel and subsistence costs for monitoring of various DSD special care centres, as well as the purchase of assistive devices (go talk communication device, wheelchairs, etc.).
- The Maths, Science and Technology (MST) grant was fully spent at 100 per cent. The expenditure relates mainly to the purchase of learning support material to be distributed to schools, training of Educators on the MST curriculum, strengthening the use of online learning platforms by both teachers and learners, etc. In the prior year, the department successfully managed to avert slow spending on the MST grant by making use of a Managing Agent in the supply and deployment of ICT resources, together with science equipment and consumable supplies. Two Cuban Mathematics Specialists were deployed to the province by DBE and arrived at the beginning of February 2022. The Specialists are currently hosted by the MST and ICT Directorate to assist the Curriculum Management Subject Advisory components to support Mathematics teaching and material development. It was agreed with DBE that the Specialists, while working in the province, will

remain on the PERSAL system of the DBE and that the province will process reimbursement through the inter-departmental transfer of funds. The installation of ICT resources and delivery of science equipment and related consumable supplies were completed during the June 2022 holidays to minimise disruption of teaching and the interference of sharing teaching spaces with learners in schools.

- The NSNP grant was at 93.0 per cent spent, and this includes a roll-over of R53.914 million for commitments from 2021/22. The grant reflects under-spending of R141.195 million mainly in respect of March 2023 feeding invoices since they are received at the end of the month and were paid the following month after verification of services provided. Spending includes training of Food Handlers on food safety and hygiene, as well as feeding of learners, etc. In 2022/23, 5 446 schools benefitted from the NSNP, with 2 445 466 learners targeted to benefit from nutritious meals. The programme introduced a new funding approach due to budgetary constraints. The new approach resulted in conducting a cook-up process to establish the most cost-effective quantities required for cooking in bulk. It was established that raw quantities for 95 learners are enough to feed 100 learners when cooked. The survey and cook-up process was conducted for small (below 100 learners), medium (above 500 but below 1 000 learners), and large schools (above 1 000 learners). The results were found to be the same. This meant that all learners were provided for, but the raw quantities were reduced after the survey and cook-up results showed that the department can feed more learners with less raw quantities when implementing the new cook-up approach. The department has submitted a request to rollover these unspent funds to 2023/24.
- The EPWP Integrated Grant for Provinces was fully spent at 100 per cent. Expenditure relates to an accelerated programme which targets the cleaning of school gardens, grounds and ablution facilities through labour intensive methods utilising unemployed youth and indigent women. This included the Zululand, uMgungundlovu, King Cetshwayo, uMkhanyakude, uThukela, uMzinyathi and Harry Gwala Districts .
- The Social Sector EPWP Incentive Grant for Provinces was fully spent at 100 per cent. The allocation relates to the payment of stipends to Chief Food Handlers in the feeding scheme. Subsequent to the under-expenditure reported in the first quarter, a turnaround strategy was implemented whereby approval was solicited and obtained from the transferring authority to cater for training and provision of protective clothing to the Food Handlers. The ETD SETA conducted the training on 29 September 2022 and provided the necessary protective clothing.
- The ECD grant reflects an under-spending of R38.804 million, at 82.8 per cent spent against the Final Appropriation, and this includes a roll-over of R38.804 million for commitments from 2021/22. The under-spending was in respect of the non-implementation of the PYEI roll-over due to lack of proper documentation to effect payments. In this regard, the roll over related to the PYEI to provide support to ECD related workers across the country impacted by the Covid-19 lockdown to supplement their income. The related commitments were incurred by DSD, but the roll-over was allocated to DOE because the ECD function was shifted to DOE, effective from 1 April 2022. As such, all commitments from 2021/22 to be honoured in 2022/23 were allocated to DOE but without proper documentation and therefore the department could not process any payments to avoid non-compliance with laws and regulations, as well as audit qualification. As such, the department has not submitted a request to roll-over these unspent funds to 2023/24, but will surrender the R38.804 million back to National Treasury.

1.4. Unauthorised, irregular and fruitless expenditure

- Unauthorised expenditure amounted to R4.080 million for the 2022/23 financial year.
- The amount of R141.195 million is to be surrendered in Programme 2 relating to March invoices for the National School Nutrition Programme that will only be paid in April 2022 for which a rollover has been requested. R1.463 million is to be surrendered in Programme 3 due to underspending on the transfers to independent schools that could not be paid prior to year-end, due to outstanding documentation and unavoidable service delivery disruptions that occurred within districts towards year-end. R151.289 million relating to the Presidential Youth Employment Initiative due to various challenges at the commencement of Phase 4, including strike action, discontinuation of electricity services in administrative buildings due to non-payment by schools. As of the end of March 2023, only 33 233 of the anticipated 58 504 appointments were made. A rollover has been requested to fund the payables arising in the new financial year.
- Irregular expenditure for the year amounts to R1.519 billion as disclosed in Note 25 largely due to not following supply chain management processes.

- The department's fruitless and wasteful expenditure for the year amounts to R7.558 million as disclosed in Note 25. The bulk of this expenditure arises from interest incurred in settlement of legal debts as well as late payment of domestic accounts.

1.5. Public-Private Partnerships

Due to the unavailability of funds, the project would not continue over the MTEF period.

1.6. Discontinued activities/activities to be discontinued.

There were no discontinued activities during the year. However, enforced cost-cutting measures were implemented to limit projected overspending due to pressures on the compensation budget and staff exit costs.

1.7. New or proposed activities

There were no new activities to report.

1.8. Supply Chain Management

The Department has reviewed its Supply Chain Management (SCM) Policy to align it to the new PPPFA Regulations as gazetted by National Treasury. All affected Officials have been workshopped on the new policy and all SCM Processes and procedures have also been revised accordingly. All bids and quotations are now advertised in line with the new policy.

Supply Chain Management Delegations have also been reviewed. As such, the threshold value for quotations have been increased from R500 000.00 to below R1 000 000.00 in line with directives from National Treasury. This has enabled the Department to empower its District Office by increasing their SCM Delegations from R300 000.00 to R500 000.00, this will go a long way in facilitating quicker and more efficient turnaround time in their procurement of Goods and Services.

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

- Donations of R3 million were received in cash, and approximately R25 million in the form of textbooks and furniture.

1.10. Exemptions and deviations received from National Treasury

No deviations or exemptions were received from National Treasury.

1.11. Events after the reporting date

- The NSNP tender was evaluated and awarded in the 2022-23 financial year.
- The order was issued on 1st April 2023 to a supplier for bulk procurement of dry goods and fresh produce. Subsequently the supplier opted out on 28th April 2023 due to non-delivery of the conditions of the SLA. An emergency procurement for 11months was approved by the accounting officer.
- Also, to be noted is the reconciliation of interest on schools' debts being paid to the Municipalities by the Department and to be recovered from their norms and standards.



MR GN NGCOBO

HEAD OF DEPARTMENT: EDUCATION

Appropriation per programme									
	2022/23							2021/22	
•	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	2 224 887	-	(136 840)	2 088 047	2 088 047	-	100,0%	2 026 287	1 998 936
2. Public Ordinary School Education	48 892 417	-	168 296	49 060 713	48 923 595	137 118	99,7%	46 735 858	47 366 520
3. Independent School Subsidies	93 292	-	-	93 292	91 829	1 463	98,4%	95 799	91 828
4. Public Special School Education	1 556 471	-	(27 639)	1 528 832	1 528 832	-	100,0%	1 466 510	1 462 881
5. Early Childhood Development	1 940 217	-	10 290	1 950 507	1 911 703	38 804	98,0%	1 328 130	1 362 771
6. Infrastructure Development	2 786 015	-	21 100	2 807 115	2 807 115	-	100,0%	2 853 995	2 732 919
7. Examination And Education Related Services	3 176 935	-	(35 207)	3 141 728	2 990 432	151 296	95,2%	3 131 728	3 020 832
TOTAL (carried forward)	**60 670 234**	**-**	**-**	**60 670 234**	**60 341 553**	**328 681**	**99,5%**	**57 638 307**	**58 036 687**

	2022/23				2021/22	
	Final Budget	Actual Expenditure			Final Budget	Actual Expenditure
	R'000	R'000			R'000	R'000
TOTAL (brought forward)	**60 670 234**	**60 341 553**			**57 638 307**	**58 036 687**
Reconciliation with statement of financial performance						
ADD						
Departmental receipts	115 180				171 266	
NRF Receipts	-				-	
Aid assistance	-				-	
Actual amounts per statement of financial performance (total revenue)	**60 785 414**				**57 809 573**	
ADD						
Aid assistance		-				-
Prior year unauthorised expenditure approved without funding		-				-
Actual amounts per statement of financial performance (total expenditure)		**60 341 553**				**58 036 687**

Appropriation per economic classification									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**55 994 912**	**36 582**	**(97 477)**	**55 934 017**	**55 649 346**	**284 671**	**99,5%**	**53 148 845**	**53 638 948**
Compensation of employees	49 903 862	-	626 917	50 530 779	50 477 531	53 248	99,9%	48 197 191	48 813 534
Goods and services	6 091 050	36 582	(731 109)	5 396 523	5 165 100	231 423	95,7%	4 951 480	4 825 237
Interest and rent on land	-	-	6 715	6 715	6 715	-	100,0%	174	177
Transfers and subsidies	**2 390 060**	**-**	**57 586**	**2 447 646**	**2 403 636**	**44 010**	**98,2%**	**2 130 655**	**2 188 105**
Provinces and municipalities	5 581	-	-	5 581	1 838	3 743	32,9%	4 028	4 028
Departmental agencies and accounts	50 000	-	5 000	55 000	55 000	-	100,0%	40 000	40 000
Non-profit institutions	2 175 498	-	(14 713)	2 160 785	2 120 518	40 267	98,1%	1 923 507	1 915 254
Households	158 981	-	67 299	226 280	226 280	-	100,0%	163 120	228 823
Payments for capital assets	**2 285 262**	**(36 582)**	**39 857**	**2 288 537**	**2 288 537**	**-**	**100,0%**	**2 358 807**	**2 209 634**
Buildings and other fixed structures	2 259 178	(36 582)	-	2 222 596	2 222 596	-	100,0%	2 284 878	2 163 802
Machinery and equipment	26 084	-	39 857	65 941	65 941	-	100,0%	68 929	45 832
Software and other intangible assets	-	-	-	-	-	-	-	5 000	-
Payment for financial assets	**-**	**-**	**34**	**34**	**34**	**-**	**100,0%**	**-**	**-**
	60 670 234	**-**	**-**	**60 670 234**	**60 341 553**	**328 681**	**99,5%**	**57 638 307**	**58 036 687**

Programme 1: ADMINISTRATION									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	27 033	-	(3 929)	23 104	23 104	-	100,0%	20 288	19 145
1.2 Corporate Services	1 322 876	-	(81 377)	1 241 499	1 241 499	-	100,0%	1 192 210	1 173 112
1.3 Education Management	796 985	-	(21 077)	775 908	775 908	-	100,0%	775 457	771 315
1.4 Human Resource Development	14 277	-	(5 714)	8 563	8 563	-	100,0%	1 023	1 023
1.5 Education Management Information System (EMIS)	63 716	-	(24 743)	38 973	38 973	-	100,0%	37 309	34 341
Total for sub programmes	**2 224 887**	**-**	**(136 840)**	**2 088 047**	**2 088 047**	**-**	**100,0%**	**2 026 287**	**1 998 936**
Economic classification									
Current payments	**2 161 121**	**-**	**(168 197)**	**1 992 924**	**1 996 667**	**(3 743)**	**100,2%**	**1 965 303**	**1 961 451**
Compensation of employees	1 327 935	-	30 278	1 358 213	1 361 956	(3 743)	100,3%	1 322 869	1 320 060
Goods and services	833 186	-	(198 530)	634 656	634 656	-	100,0%	642 265	641 222
Interest and rent on land	-	-	55	55	55	-	100,0%	169	169
Transfers and subsidies	**40 217**	**-**	**(8 218)**	**31 999**	**28 256**	**3 743**	**88,3%**	**25 145**	**25 145**
Provinces and municipalities	5 581	-	-	5 581	1 838	3 743	32,9%	4 028	4 028
Households	34 636	-	(8 218)	26 418	26 418	-	100,0%	21 117	21 117
Payments for capital assets	**23 549**	**-**	**39 541**	**63 090**	**63 090**	**-**	**100,0%**	**35 839**	**12 340**
Buildings and other fixed structures	50	-	(25)	25	25	-	100,0%	461	461
Machinery and equipment	23 499	-	39 566	63 065	63 065	-	100,0%	30 378	11 879
Software and other intangible assets	-	-	-	-	-	-	-	5 000	-
Payment for financial assets	**-**	**-**	**34**	**34**	**34**	**-**	**100,0%**	**-**	**-**
Total	**2 224 887**	**-**	**(136 840)**	**2 088 047**	**2 088 047**	**-**	**100,0%**	**2 026 287**	**1 998 936**

Programme 2: PUBLIC ORDINARY SCHOOL EDUCATION									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Public Primary Level	26 886 630	-	56 085	26 942 715	26 942 715	-	100,0%	26 271 723	26 306 125
1.2 Public Secondary Level	19 632 561	-	159 959	19 792 520	19 796 600	(4 080)	100,0%	18 301 666	18 948 689
1.3 Human Resource Development	227 682	-	(48 581)	179 101	179 101	-	100,0%	62 845	65 920
1.4 School Sport, Culture and Media Services	35 908	-	833	36 741	36 741	-	100,0%	15 840	15 915
1.5 National School Nutrition Programme Grant	2 006 691	-	-	2 006 691	1 865 496	141 195	93,0%	1 985 276	1 931 362
1.6 EPWP Integrated Grant for Provinces	2 193	-	-	2 193	2 193	-	100,0%	2 110	2 110
1.7 Social Sector EPWP Incentive Grant for Provinces Grant	30 508	-	-	30 508	30 505	3	100,0%	28 543	28 543
1.8 Maths, Science and Technology Grant	70 244	-	-	70 244	70 244	-	100,0%	67 855	67 856
Total for sub programmes	**48 892 417**	**-**	**168 296**	**49 060 713**	**48 923 595**	**137 118**	**99,7%**	**46 735 858**	**47 366 520**
Economic classification									
Current payments	**47 427 758**	**-**	**80 322**	**47 508 080**	**47 370 962**	**137 118**	**99,7%**	**45 146 239**	**45 715 777**
Compensation of employees	43 435 903	-	620 163	44 056 066	44 060 142	(4 076)	100,0%	42 074 875	42 694 204
Goods and services	3 991 855	-	(546 490)	3 445 365	3 304 171	141 194	95,9%	3 071 359	3 021 568
Interest and rent on land	-	-	6 649	6 649	6 649	-	100,0%	5	5
Transfers and subsidies	**1 462 977**	**-**	**87 974**	**1 550 951**	**1 550 951**	**-**	**100,0%**	**1 584 250**	**1 649 513**
Non-profit institutions	1 350 164	-	16 934	1 367 098	1 367 098	-	100,0%	1 455 577	1 455 137
Households	112 813	-	71 040	183 853	183 853	-	100,0%	128 673	194 376
Payments for capital assets	**1 682**	**-**	**-**	**1 682**	**1 682**	**-**	**100,0%**	**5 369**	**1 230**
Machinery and equipment	1 682	-	-	1 682	1 682	-	100,0%	5 369	1 230
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**48 892 417**	**-**	**168 296**	**49 060 713**	**48 923 595**	**137 118**	**99,7%**	**46 735 858**	**47 366 520**

Programme 3: INDEPENDENT SCHOOL SUBSIDIES									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Primary Level	57 803	-	(1 078)	56 725	55 262	1 463	97,4%	59 980	57 214
1.2 Secondary Level	35 489	-	1 078	36 567	36 567	-	100,0%	35 819	34 614
Total for sub programmes	**93 292**	**-**	**-**	**93 292**	**91 829**	**1 463**	**98,4%**	**95 799**	**91 828**
Economic classification									
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers and subsidies	**93 292**	**-**	**-**	**93 292**	**91 829**	**1 463**	**98,4%**	**95 799**	**91 828**
Non-profit institutions	93 292	-	-	93 292	91 829	1 463	98,4%	95 799	91 828
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**93 292**	**-**	**-**	**93 292**	**91 829**	**1 463**	**98,4%**	**95 799**	**91 828**

Programme 4: PUBLIC SPECIAL SCHOOL EDUCATION									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Schools	1 514 970	-	(22 829)	1 492 141	1 492 141	-	100,0%	1 433 918	1 430 289
1.2 Human Resource Development	7 078	-	(4 810)	2 268	2 268	-	100,0%	16	16
1.3 Learners with profound Intellectual Disabilities Grant	34 423	-	-	34 423	34 423	-	100,0%	32 576	32 576
Total for sub programmes	**1 556 471**	**-**	**(27 639)**	**1 528 832**	**1 528 832**	**-**	**100,0%**	**1 466 510**	**1 462 881**
Economic classification									
Current payments	**1 402 293**	**-**	**(25 619)**	**1 376 674**	**1 376 674**	**-**	**100,0%**	**1 287 728**	**1 287 728**
Compensation of employees	1 373 053	-	(12 305)	1 360 748	1 360 748	-	100,0%	1 272 517	1 272 517
Goods and services	29 240	-	(13 314)	15 926	15 926	-	100,0%	15 211	15 211
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**154 178**	**-**	**(2 147)**	**152 031**	**152 031**	**-**	**100,0%**	**147 219**	**143 590**
Non-profit institutions	148 686	-	17	148 703	148 703	-	100,0%	143 130	139 501
Households	5 492	-	(2 164)	3 328	3 328	-	100,0%	4 089	4 089
Payments for capital assets	**-**	**-**	**127**	**127**	**127**	**-**	**100,0%**	**31 563**	**31 563**
Machinery and equipment	-	-	127	127	127	-	100,0%	31 563	31 563
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**1 556 471**	**-**	**(27 639)**	**1 528 832**	**1 528 832**	**-**	**100,0%**	**1 466 510**	**1 462 881**

Programme 5: EARLY CHILDHOOD DEVELOPMENT									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Grade R in Public Schools	1 225 974	-	63 948	1 289 922	1 289 922	-	100,0%	1 222 613	1 257 254
1.2 Grade R in Early Childhood Development Centres	71 255	-	8 427	79 682	79 682	-	100,0%	82 813	82 813
1.3 Pre-Grade R in Early Childhood Development Centres	409 339	-	(54 443)	354 896	354 896	-	100,0%	22 447	22 447
1.4 Human Resource Development	7 642	-	(7 642)	-	-	-	-	257	257
1.5 Early Childhood Development Grant	226 007	-	-	226 007	187 203	38 804	82,8%	-	-
Total for sub programmes	**1 940 217**	**-**	**10 290**	**1 950 507**	**1 911 703**	**38 804**	**98,0%**	**1 328 130**	**1 362 771**
Economic classification									
Current payments	**1 355 434**	**-**	**42 984**	**1 398 418**	**1 398 418**	**-**	**100,0%**	**1 299 692**	**1 334 546**
Compensation of employees	1 200 075	-	75 592	1 275 667	1 275 667	-	100,0%	1 183 719	1 218 573
Goods and services	155 359	-	(32 608)	122 751	122 751	-	100,0%	115 973	115 973
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**584 783**	**-**	**(32 694)**	**552 089**	**513 285**	**38 804**	**93,0%**	**28 438**	**28 225**
Non-profit institutions	583 356	-	(32 356)	551 000	512 196	38 804	93,0%	27 284	27 071
Households	1 427	-	(338)	1 089	1 089	-	100,0%	1 154	1 154
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**1 940 217**	**-**	**10 290**	**1 950 507**	**1 911 703**	**38 804**	**98,0%**	**1 328 130**	**1 362 771**

Programme 6: INFRASTRUCTURE DEVELOPMENT										
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Administration	88 306	-	(47 505)	40 801	40 801	-	100,0%	36 832	36 832
1.2 Public Ordinary Schools	2 461 892	-	246 570	2 708 462	2 708 462	-	100,0%	2 816 984	2 695 908
1.3 Special Schools	196 803	-	(183 417)	13 386	13 386	-	100,0%	179	179
1.4 Early Childhood Development	39 014	-	5 452	44 466	44 466	-	100,0%	-	-
Total for sub programmes	**2 786 015**	**-**	**21 100**	**2 807 115**	**2 807 115**	**-**	**100,0%**	**2 853 995**	**2 732 919**
Economic classification									
Current payments	**526 887**	**36 582**	**20 997**	**584 466**	**584 466**	**-**	**100,0%**	**569 395**	**569 395**
Compensation of employees	34 351	-	-	34 351	32 969	1 382	96,0%	30 747	30 747
Goods and services	492 536	36 582	20 997	550 115	551 497	(1 382)	100,3%	538 648	538 648
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for capital assets	**2 259 128**	**(36 582)**	**103**	**2 222 649**	**2 222 649**	**-**	**100,0%**	**2 284 600**	**2 163 524**
Buildings and other fixed structures	2 259 128	(36 582)	25	2 222 571	2 222 571	-	100,0%	2 284 417	2 163 341
Machinery and equipment	-	-	78	78	78	-	100,0%	183	183
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**2 786 015**	**-**	**21 100**	**2 807 115**	**2 807 115**	**-**	**100,0%**	**2 853 995**	**2 732 919**

Programme 7: EXAMINATION AND EDUCATION RELATED SERVICES									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
7.1 Payments to Seta	50 000	-	5 000	55 000	55 000	-	100,0%	40 000	40 000
7.2 Professional Services	632 701	-	4 214	636 915	636 915	-	100,0%	629 180	641 982
7.3 External Examinations	953 289	-	(44 421)	908 868	908 868	-	100,0%	860 928	867 731
7.4 Conditional Grants	61 183	-	-	61 183	61 176	7	100,0%	61 450	61 450
7.5 Special Projects	1 479 762	-	-	1 479 762	1 328 473	151 289	89,8%	1 540 170	1 409 669
Total for sub programmes	**3 176 935**	**-**	**(35 207)**	**3 141 728**	**2 990 432**	**151 296**	**95,2%**	**3 131 728**	**3 020 832**
Economic classification									
Current payments	**3 121 419**	**-**	**(47 964)**	**3 073 455**	**2 922 159**	**151 296**	**95,1%**	**2 880 488**	**2 770 051**
Compensation of employees	2 532 545	-	(86 811)	2 445 734	2 386 049	59 685	97,6%	2 312 464	2 277 433
Goods and services	588 874	-	38 836	627 710	536 099	91 611	85,4%	568 024	492 615
Interest and rent on land	-	-	11	11	11	-	100,0%	-	3
Transfers and subsidies	**54 613**	**-**	**12 671**	**67 284**	**67 284**	**-**	**100,0%**	**249 804**	**249 804**
Departmental agencies and accounts	50 000	-	5 000	55 000	55 000	-	100,0%	40 000	40 000
Non-profit institutions	-	-	692	692	692	-	100,0%	201 717	201 717
Households	4 613	-	6 979	11 592	11 592	-	100,0%	8 087	8 087
Payments for capital assets	**903**	**-**	**86**	**989**	**989**	**-**	**100,0%**	**1 436**	**977**
Machinery and equipment	903	-	86	989	989	-	100,0%	1 436	977
Total	**3 176 935**	**-**	**(35 207)**	**3 141 728**	**2 990 432**	**151 296**	**95,2%**	**3 131 728**	**3 020 832**

Notes to the Appropriation Statements for the year ended 31 March 2023

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 and Annexure 1 (A-C) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
1.Administration	2 088 047	2 088 047	-	0%
2. Public Ordinary School Education	49 060 713	48 923 595	137 118	0%
3.Independent School Subsidies	93 292	91 829	1 463	2%
Underspend relates to schools that close in-year, or those that may have their compliance revoked due to the school failing to meet this criteria over the four quarters. 6 schools not paid final quarter prior to year-end for which, a rollover will be requested.				
4.Public Special School Education	1 528 832	1 528 832	-	0%
5.Early Childhood Development	1 950 507	1 911 703	38 804	2%
The non-implementation of the DSD stimulus rollover package was due to insufficient source documentation being received to make payments which could have resulted in an audit qualification. If this was processed without the necessary supporting documentation.				
6.Infrastructure Development	2 807 115	2 807 115	-	0%
7.Examinations and Education Related Services	3 141 728	2 990 432	151 296	5%
Challenges at the commencement of Phase 4, including strike action where the strikers denied officials access to buildings for a week. Furthermore, electricity services were discontinued in the uMlazi, Pinetown and uMkhanyakude District for the whole month of March 2023 and this resulted in network challenges. This necessitated that these districts work off site, among other reasons. The department's inability to source a suitable service provider to implement the training plan. This resulted in the tender to implement the training plan being re-advertised and the process was not finalised by year-end.				

4.2 Per economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current expenditure	**55 934 017**	**55 649 346**	**284 671**	**1%**
Compensation of employees	50 530 779	50 477 531	53 248	0%
Goods and services	5 396 523	5 165 100	231 423	4%
Underspend on NSNP due to March 2023 invoices to being received and PYEI project not being fully spent.				
Interest and rent on land	6 715	6 715	-	0%
Transfers and subsidies	**2 447 646**	**2 403 636**	**44 010**	**2%**
Provinces and municipalities	5 581	1 838	3 743	67%

Notes to the Appropriation Statements for the year ended 31 March 2023

Underspend due to reduced number of vehicles being procured, as a result of enforced cost cutting. This is because of pressures against compensation of employees.				
Departmental agencies and accounts	55 000	55 000	-	0%
Non-profit institutions	2 160 785	2 120 518	40 267	2%
Underspend due to reductions in learners numbers, non-compliant Independent Schools and non-implementation of DSD stimulus package as a result of lack of supporting documents being provided from the transferring department.				
Households	226 280	226 280	-	0%
Payments for capital assets	**2 288 537**	**2 288 537**	**-**	**0%**
Buildings and other fixed structures	2 222 596	2 222 596	-	0%
Machinery and equipment	65 941	65 941	-	0%
Payments for financial assets	**34**	**34**	**-**	**0%**

4.3 Per conditional grant

	Final Appropriation	Actual Expediture	Variance	Variance as a % of Final Appropriation
	R'000		R'000	%
1.National School Nutrition Programme (NSNP)	2 006 691	1 865 496	141 195	7%
2.EPWP Integrated Grant for Provinces	2 193	2 193	-	0%
3.Social Sector EPWP Incentive Grant For Provinces Grant	30 508	30 505	3	0%
4.Maths, Science and Technology Grant (MST)	70 244	70 244	-	0%
5.Learners With Profound Intellectual Disabilities (LPID)	34 423	34 423	-	0%
6.Early Childhood Development Grant (ECD)	226 007	187 203	38 804	17%
7.HIV and Aids (Life-Skills Education) Grants (HIV/Aids)	61 183	61 176	7	0%
8.Education Infrastructure Grant (EIG)	2 483 015	2 483 015	-	0%

"National School Nutrition Programme"- *under spend relates to outstanding March 2023 invoices and a rollover has been requested.* *"**Social Sector EPWP"** - Grant was fully spent. "**EPWP Integrated Grant for Provinces"** - Grant was fully spent.* ***"Maths, Science & Technology"*** *- Grant was fully spent. "**Learners with Profound Intellectual Disabilities**" - Grant was fully spent.* ***"Early Childhood Development Grant"*** *- non implementation of DSD stimulus package.* ***"HIV and Aids"*** *- Grant was fully spent. "**Education Infrastructure Grant"** - Grant was fully spent.*

Statement of Financial Performance for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
REVENUE			
Annual appropriation	*1*	60 670 234	57 638 307
Departmental revenue	*2*	115 180	171 266
TOTAL REVENUE		**60 785 414**	**57 809 573**
EXPENDITURE			
Current expenditure		**55 649 346**	**53 638 948**
Compensation of employees	*4*	50 477 531	48 813 534
Goods and services	*5*	5 165 100	4 825 237
Interest and rent on land	*6*	6 715	177
Transfers and subsidies		**2 403 636**	**2 188 105**
Transfers and subsidies	*8*	2 403 636	2 188 105
Expenditure for capital assets		**2 288 537**	**2 209 634**
Tangible assets	*9*	2 288 537	2 209 634
Unauthorised expenditure approved without funding		**-**	**-**
Payments for financial assets	*7*	**34**	-
TOTAL EXPENDITURE		**60 341 553**	**58 036 687**
SURPLUS/(DEFICIT) FOR THE YEAR		**443 861**	**(227 114)**

Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		**328 681**	**(398 380)**
Annual appropriation		148 672	(452 294)
Conditional grants		180 009	53 914
Departmental revenue and NRF receipts	*13*	115 180	171 266
SURPLUS/(DEFICIT) FOR THE YEAR		**443 861**	**(227 114)**

Statement of Financial Position as at 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
ASSETS			
Current assets		**59 148**	**63 116**
Cash and cash equivalents		-	-
Prepayments and advances		-	-
Receivables	*10*	59 148	63 116
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-current assets		**605 478**	**581 151**
Investments	*11*	2 061	1 992
Prepayments and advances		-	-
Receivables	*10*	603 417	579 159
Loans		-	-
TOTAL ASSETS		**664 626**	**644 267**
LIABILITIES			
Current liabilities		**1 365 827**	**1 368 755**
Voted funds to be surrendered to the Revenue Fund	*12*	332 764	320 839
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*13*	25 379	32 536
Bank overdraft	*14*	955 278	965 247
Payables	*15*	52 406	50 133
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-current liabilities			
Payables	*16*	2 066	1 995
TOTAL LIABILITIES		**1 367 893**	**1 370 750**
NET LIABILITIES		**(703 267)**	**(726 483)**

		2022/23	2021/22
	Note	R'000	R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		262 114	246 682
Retained funds		-	-
Revaluation reserves		-	-
Unauthorised expenditure		(965 381)	(973 165)
TOTAL		**(703 267)**	**(726 483)**

Statement of Changes in Net Assets as at 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
Capitalisation reserves			
Opening balance		-	-
Transfers			
Movement in equity		-	-
Movement in operational funds		-	-
Other movements		-	-
Closing balance		**-**	**-**
Recoverable revenue			
Opening balance		246 682	305 968
Transfers:		**15 432**	**(59 286)**
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental revenue)		-	(59 286)
Debts raised		15 432	-
Closing balance		**262 114**	**246 682**
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/ Legislatures ONLY)		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		**-**	**-**
Revaluation reserve			
Opening balance		-	-
Revaluation adjustment (Human Settlements departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		**-**	**-**
Unauthorised expenditure			
Opening balance		(973 165)	(739 810)
Unauthorised expenditure - current year		**(4 080)**	**(719 217)**
Relating to overspending of the vote or main division within the vote		(4 080)	(719 217)
Incurred not in accordance with the purpose of the vote or main division		-	-
Less: Amounts approved by Parliament/Legislature with funding		11 864	485 862
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current		-	-
Capital		-	-
Transfers and subsidies		-	-
Less: Amounts recoverable		-	-
Less: Amounts written off		-	-
Closing Balance		**(965 381)**	**(973 165)**
TOTAL		**(703 267)**	**(726 483)**

Cash Flow Statement for the year ended 31 March 2023

		2022/23	2021/22
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**60 782 035**	**57 809 573**
Annual appropriation funds received	*1.1*	60 670 234	57 638 307
Departmental revenue received	*2*	102 930	120 157
Interest received	*2.2*	8 871	51 109
Net (increase)/decrease in net working capital		6 241	(222 189)
Surrendered to Revenue Fund		(443 173)	(297 887)
Surrendered to RDP Fund/Donor		-	-
Current payments		(55 642 631)	(52 919 554)
Interest paid	*6*	(6 715)	(177)
Payments for financial assets		(34)	-
Transfers and subsidies paid		(2 403 636)	(2 188 105)
Net cash flow available from operating activities	*17*	**2 292 087**	**2 181 661**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	*9*	(2 288 537)	(2 209 634)
Proceeds from sale of capital assets	*2.3*	3 379	-
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		(69)	(51)
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	*10*	(24 258)	(41 040)
Net cash flow available from investing activities		**(2 309 485)**	**(2 250 725)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		27 296	(59 286)
Increase/(decrease) in non-current payables		71	51
Net cash flows from financing activities		**27 367**	**(59 235)**
Net increase/(decrease) in cash and cash equivalents		9 969	(128 299)
Cash and cash equivalents at beginning of period		(965 247)	(836 948)
Unrealised gains and losses within cash and cash equivalents		-	-
Cash and cash equivalents at end of period	*18*	**(955 278)**	**(965 247)**

Accounting Policies for the year ended 31 March 2023

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

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

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

1. Presentation of the Financial Statements

1.1. Basis of preparation

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

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

1.2. Going concern

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

1.3. Presentation currency

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

1.4. Rounding

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

1.5. Comparative figures

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

1.6. Errors

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

1.7. Comparative figures - Appropriation Statement

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

2. Revenue

2.1. Appropriated funds

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

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

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

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

2.2. Departmental revenue

Departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the Statement of Financial Position.

2.2.1. Sales of goods and services other than capital assets

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

2.2.2. Interest, dividends and rent on land

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

2.2.3. Sale of capital assets

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

2.2.4.Financial transactions in assets and liabilities

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

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

Forex gains are recognised on payment of funds.

2.2.5. Transfers received (including gifts, donations, and sponsorships)

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

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

2.2.6. Aid assistance

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

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

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

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

3. Expenditure

3.1. Compensation of employees

3.1.1. Short-term employee benefits

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

Accounting Policies for the year ended 31 March 2023

3.6. Unauthorised expenditure

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

When discovered unauthorised expenditure is recognised in the Statement of Changes to Net Assets and the notes to the financial statements when confirmed. Unauthorised expenditure incurred in the current year.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

- Unauthorised expenditure is recognised in the Statement of Changes in Net Assets until such time as the expenditure is either:
- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the Statement of Financial Performance; or
- transferred to receivables for recovery.

3.7. Fruitless and wasteful expenditure

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

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

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

- Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:
- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

3.8. Irregular expenditure

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

- Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:
- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

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 affected 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 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.

Accounting Policies for the year ended 31 March 2023

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 losses 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. This would be inventory held in the form of materials or supplies that are to be consumed or distributed in the rendering of services.

The cost formula used to measure inventory is “First In First Out (FIFO)”.

4.8. Contingent assets

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

4.9. Capital assets

4.9.1. Movable assets

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

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

Repairs and maintenance are expensed as current “goods and services” in the Statement of Financial Performance.

4.9.2. Immovable assets

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

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as “expenditure for capital asset”. Completed projects before final completion and handover to Department of Public Works

is disclosed in the notes. On final completion and handover, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national Department of Public Works.

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

4.9.3. Intangible assets

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

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

5. Liabilities

5.1. Voted funds to be surrendered to the Revenue Fund

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

5.2. Departmental revenue to be surrendered to the Revenue Fund

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

5.3. Bank overdraft

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

5.4. Payables

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

5.5. Contingent liabilities

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

5.6. Commitments

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

5.7. Accruals

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

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

Accounting Policies for the year ended 31 March 2023

5.8. Payables not recognised

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

5.9. Employee benefits

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

5.10. Lease commitments

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

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

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

5.11. Provisions

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

6. Accrued departmental revenue

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

7. Net assets

7.2. 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.

7.3. Recoverable revenue

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

8. Related party transactions

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

9. Key management personnel

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

10. Principal-Agent

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

Notes to the Annual Financial Statements for the year ended 31 March 2023

1. Annual Appropriation

1.1. Annual Appropriation

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

	2022/23			2021/22		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
1. Administration	2 088 047	2 088 047	-	2 026 287	2 026 287	-
2. Public Ordinary School Education	49 060 713	49 060 713	-	46 735 858	46 735 858	-
3. Independent School Subsidies	93 292	93 292	-	95 799	95 799	-
4. Public Special School Education	1 528 832	1 528 832	-	1 466 510	1 466 510	-
5. Early Childhood Development	1 950 507	1 950 507	-	1 328 130	1 328 130	-
6. Infrastructure Development	2 807 115	2 807 115	-	2 853 995	2 853 995	-
7. Examination And Education Related Services	3 141 728	3 141 728	-	3 131 728	3 131 728	-
Total	**60 670 234**	**60 670 234**	**-**	**57 638 307**	**57 638 307**	**-**

1.2. Conditional grants

		2022/23	2021/22
	Note	**R'000**	**R'000**
Total grants received	*35*	4 914 264	4 503 424
Provincial grants included in total grants received		2 483 015	2 325 614

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

2. Departmental revenue

		2022/23	2021/22
	Note	**R'000**	**R'000**
Sales of goods and services other than capital assets	*2.1*	75 241	61 557
Interest, dividends and rent on land	*2.2*	8 871	51 109
Sales of capital assets	*2.3*	3 379	-
Transactions in financial assets and liabilities	*2.4*	27 689	58 600
Transfer received		-	-
Total revenue collected		**115 180**	**171 266**
Less: Own revenue included in appropriation	*13*	-	-
Total		**115 180**	**171 266**

2.1. Sales of goods and services other than capital assets

		2022/23	2021/22
	Note	**R'000**	**R'000**
Sales of goods and services produced by the department		**75 241**	**61 557**
Sales by market establishment		1 351	1 456
Other sales		73 890	60 101
Sales of scrap, waste and other used current goods		-	-
Total	*2*	**75 241**	**61 557**

Notes to the Annual Financial Statements for the year ended 31 March 2023

2.2. Interest, dividends and rent on land

		2022/23	2021/22
	Note	R'000	R'000
Interest		8 871	51 109
Dividends		-	-
Rent on land		-	-
Total	*2*	**8 871**	**51 109**

2.3. Sales of capital assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		**3 379**	**-**
Buildings and other fixed structures		-	-
Machinery and equipment		3 379	-
Heritage assets		-	-
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Total	*2*	**3 379**	**-**

2.4. Transactions in financial assets and liabilities

		2022/23	2021/22
	Note	R'000	R'000
Receivables		14 515	30 449
Other receipts including Recoverable Revenue		13 174	28 151
Total	*2*	**27 689**	**58 600**

3. Aid Assistance

3.1. Donations received in kind (not included in the main note)

		2022/23	2021/22
	Note	R'000	R'000
Donation of schools furniture as a result of the April 2022 flood disaster		19 132	-
Donation of school workbooks as a result of the April 2022 flood disaster		5 817	-
Donation of textbooks from various publishers as a result of the April 2022 flood disaster.		1 009	-
Total		**25 958**	**-**

These donations received in cash and kind is as a result of the April 2022 flood disaster that occurred in the Province.

4. Compensation of employees

4.1. Analysis of balance

		2022/23	2021/22
	Note	R'000	R'000
Basic salary		33 850 592	32 776 134
Performance award		25 411	25 765
Service based		84 260	70 274
Compensative/circumstantial		609 875	606 658
Periodic payments		7 915	7 472
Other non-pensionable allowances		8 813 406	8 523 041
Total		**43 391 459**	**42 009 344**

Notes to the Annual Financial Statements for the year ended 31 March 2023

4.2. Social contributions

		2022/23	2021/22
Employer contributions	*Note*	**R'000**	**R'000**
Pension		4 344 399	4 201 300
Medical		2 705 606	2 568 085
UIF		22 244	23 734
Bargaining council		3 057	2 996
Official unions and associations		10 732	8 075
Insurance		34	-
Total		**7 086 072**	**6 804 190**
Total compensation of employees		**50 477 531**	**48 813 534**
Average number of employees		100 398	101 142

5. Goods and services

		2022/23	2021/22
	Note	**R'000**	**R'000**
Administrative fees		10 534	7 032
Advertising		1 030	960
Minor assets	*5.1*	424	1 412
Bursaries (employees)		1 198	698
Catering		95 957	68 628
Communication		32 992	36 967
Computer services	*5.2*	87 069	55 776
Consultants: Business and advisory services		172 087	198 950
Legal services		20 917	30 420
Contractors		45 663	48 656
Agency and support / outsourced services		1 546 452	1 645 156
Entertainment		11	4
Audit cost - external	*5.3*	20 317	15 357
Fleet services		58 045	47 840
Inventories	*5.4*	1 110 087	1 049 976
Consumables	*5.5*	123 542	264 099
Operating leases		110 488	180 050
Property payments	*5.6*	1 081 669	680 903
Rental and hiring		12 055	816
Transport provided as part of the departmental activities		15 230	11 569
Travel and subsistence	*5.7*	310 460	260 849
Venues and facilities		22 640	16 700
Training and development		16 298	17 285
Other operating expenditure	*5.8*	269 935	185 134
Total		**5 165 100**	**4 825 237**

5.1. Minor assets

		2022/23	2021/22
	Note	**R'000**	**R'000**
Tangible capital assets		**424**	**1 412**
Buildings and other fixed structures		-	-
Biological assets		-	-
Heritage assets		-	-
Machinery and equipment		424	1 412
Land and subsoil assets		-	-
Specialised military assets		-	-
Total	*5*	**424**	**1 412**

Notes to the Annual Financial Statements for the year ended 31 March 2023

5.2. Computer services

		2022/23	2021/22
	Note	R'000	R'000
SITA computer services		70 347	41 452
External computer service providers		16 722	14 324
Total	*5*	**87 069**	**55 776**

5.3. Audit cost - external

		2022/23	2021/22
	Note	R'000	R'000
Regularity audits		20 317	15 357
Performance audits		-	-
Investigations		-	-
Environmental audits		-	-
Computer audits		-	-
Total	*5*	**20 317**	**15 357**

5.4. Inventories

		2022/23	2021/22
	Note	R'000	R'000
Clothing material and accessories		405	427
Food and food supplies		78	31
Fuel, oil and gas		1 712	496
Learning, teaching and support material		712 632	664 120
Materials and supplies		342	308
Other supplies	*5.4.1*	394 918	384 594
Total	*5*	**1 110 087**	**1 049 976**

5.4.1. Other supplies

		2022/23	2021/22
	Note	R'000	R'000
Assets for distribution		**393 460**	**384 062**
Machinery and equipment		-	-
School furniture		393 460	384 062
Sports and recreation		-	-
Library material		-	-
Other assets for distribution		-	-
Other		1 458	532
Total	*5.4*	**394 918**	**384 594**

5.5. Consumables

		2022/23	2021/22
	Note	R'000	R'000
Consumable supplies		**92 170**	**240 916**
Uniform and clothing		904	348
Household supplies		85 757	161 722
Building material and supplies		611	628
Communication accessories		-	-
IT consumables		-	-
Other consumables		4 898	78 218
Stationery, printing and office supplies		31 372	23 183
Total	*5*	**123 542**	**264 099**

Notes to the Annual Financial Statements for the year ended 31 March 2023

5.6. Property payments

		2022/23	2021/22
	Note	R'000	R'000
Municipal services		397 926	86 073
Property management fees		-	-
Property maintenance and repairs		480 185	402 103
Other		203 558	192 727
Total	*5*	**1 081 669**	**680 903**

5.7. Travel and subsistence

		2022/23	2021/22
	Note	R'000	R'000
Local		309 945	260 195
Foreign		515	654
Total	*5*	**310 460**	**260 849**

5.8. Other operating expenditure

		2022/23	2021/22
	Note	R'000	R'000
Professional bodies, membership and subscription fees		273	286
Resettlement costs		1 477	1 908
Other		268 185	182 940
Total	*5*	**269 935**	**185 134**

6. Interest and rent on land

	Note	2022/23 R'000	2021/22 R'000
Interest paid		6 715	177
Rent on land		-	-
Total		**6 715**	**177**

7. Payments for financial assets

		2022/23	2021/22
	Note	R'000	R'000
Debts written off	*7.1*	34	-
Total		**34**	**-**

7.1. Debts written off

		2022/23	2021/22
Nature of debts written off	*Note*	R'000	R'000
Other debt written off			
Debts written by Legal Services for deceased cases (various districts)		34	-
Total debt written off	*7*	**34**	**-**

8. Transfers and subsidies

		2022/23	2021/22
	Note	R'000	R'000
Provinces and municipalities	36	1 838	4 028
Departmental agencies and accounts	*Annex 1A*	55 000	40 000
Non-profit institutions	*Annex 1B*	2 120 518	1 915 254
Households	*Annex 1C*	226 280	228 823
Total		**2 403 636**	**2 188 105**

Notes to the Annual Financial Statements for the year ended 31 March 2023

9. Expenditure for capital assets

		2022/23	2021/22
	Note	R'000	R'000
Tangible capital assets		**2 288 537**	**2 209 634**
Buildings and other fixed structures	*31*	2 222 596	2 163 802
Heritage assets		-	-
Machinery and equipment	*29*	65 941	45 832
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Total		**2 288 537**	**2 209 634**

9.1. Analysis of funds utilised to acquire capital assets - Current year

	2022/23		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	**2 288 537**	**-**	**2 288 537**
Buildings and other fixed structures	2 222 596	-	**2 222 596**
Heritage assets	-	-	**-**
Machinery and equipment	65 941	-	**65 941**
Specialised military assets	-	-	**-**
Land and subsoil assets	-	-	**-**
Biological assets	-	-	**-**
Total	**2 288 537**	**-**	**2 288 537**

9.2. Analysis of funds utilised to acquire capital assets - Prior year

	2021/22		
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible capital assets	**2 209 634**	**-**	**2 209 634**
Buildings and other fixed structures	2 163 802	-	**2 163 802**
Heritage assets	-	-	**-**
Machinery and equipment	45 832	-	**45 832**
Specialised military assets	-	-	**-**
Land and subsoil assets	-	-	**-**
Biological assets	-	-	**-**
Total	**2 209 634**	**-**	**2 209 634**

10. Receivables

		2022/23			2021/22		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	*10.1*	2 536	6 817	**9 353**	2 655	24 935	**27 590**
Staff debt	*10.2*	47 355	491 989	**539 344**	47 513	452 847	**500 360**
Other receivables	*10.3*	9 257	104 611	**113 868**	12 948	101 377	**114 325**
Total		**59 148**	**603 417**	**662 565**	**63 116**	**579 159**	**642 275**

10.1 Claims recoverable

		2022/23	2021/22
	Note	R'000	R'000
National departments		1 526	1 856
Provincial departments		7 827	25 734
Total	*10*	**9 353**	**27 590**

Notes to the Annual Financial Statements for the year ended 31 March 2023

10.2. Staff debt

		2022/23	2021/22
	Note	R'000	R'000
Staff Debt Account		532 585	493 239
Salary: Tax Debt		6 759	7 121
Total	*10*	**539 344**	**500 360**

10.3. Other receivables

		2022/23	2021/22
	Note	R'000	R'000
Fruitless and wasteful expenditure		19 924	19 924
Advances to Public Corporations and Private Enterprises		1 095	1 095
Debt Account: Supplier Debtors		2 595	2 023
Official Union Debt		69 563	69 563
Sal:Deduction Disall Acc:ca		329	388
Sal:Reversal Control:ca		11 309	17 163
Sal:Compliant Loan Deductions:cl		3	3
Sal:Finance Other Institution:cl		65	65
Sal:Housing:cl		17	17
Sal:Insurance Deductions:cl		1 559	1 400
Sal:Official Unions:cl		266	245
Sal:Pension Fund:cl		3 642	2 194
Online Travel Control Account		3 501	245
Total	*10*	**113 868**	**114 325**

10.4. Impairment of receivables

		2022/23	2021/22
	Note	R'000	R'000
Estimate of impairment of receivables		404 119	355 310
Total		**404 119**	**355 310**

Staff debts pertaining to ex-employees that is outstanding for three or more years.

11. Investments

		2022/23	2021/22
Non-current	*Note*	R'000	R'000
Securities other than shares			
Investments at cost			
JMNA Hershensohnn Fund		268	263
Robert Acutt Scholarship Fund		251	246
FL Johnsson Scholarship Fund		126	123
Harry Escombe Scholarship Fund		189	185
HA Koch Scholarship Fund		1 131	1 080
Jean Miller Memorial Prize Fund		96	95
Total non-current investments		**2 061**	**1 992**

		2022/23	2021/22
Analysis of non-current investments	*Note*	R'000	R'000
Opening balance		1 992	1 941
Additions in cash		69	51
Disposals for cash		-	-
Non-cash movements		-	-
Closing balance		**2 061**	**1 992**

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 2022/23 financial year end the trusts earned R 70 780-33 (R 1 001 645 - from 2006/7 to 2021/22). The credit in respect of the interest is posted to the Payables-non-current - Note 16.

12. Voted funds to be surrendered to the Revenue Fund

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		320 839	150 903
Prior period error		-	-
As restated		**320 839**	**150 903**
Transferred from statement of financial performance (as restated)		328 681	(398 380)
Add: Unauthorised expenditure for the current year		4 080	719 217
Voted funds not requested/not received	*1.1*	-	-
Transferred to retained revenue to defray excess expenditure *(Parliament/ Legislatures)*		-	-
Conditional grants surrendered by the provincial department		-	
Paid during the year		(320 836)	(150 901)
Closing balance		**332 764**	**320 839**

The above closing balance consists of a 180 009 ('000) rand value to be surrendered to National Departments for unspent conditional grants and a 152 755 ('000) rand value to be surrendered to the Provincial Revenue Fund. Included in the amount to be surrendered to the Provincial Revenue Fund is 4 080 ('000) rand value for unauthorised expenditure that is added back for programme 2 to ensure that no grant underspend is used to compensate for voted funds pressures.

12.1. Reconciliation on unspent conditional grants

		2022/23	2021/22
	Note	R'000	R'000
Total conditional grants received	*1.2*	4 914 264	4 503 424
Total conditional grants spent		(4 734 255)	(4 449 510)
Unspent conditional grants to be surrendered		**180 009**	**53 914**
Less: Paid to the Provincial Revenue Fund by Provincial department		-	**(41 777)**
Approved for rollover		-	(41 777)
Not approved for rollover		-	-
Add: Received from provincial revenue fund by national department	*12*	-	-
Due by the Provincial Revenue Fund		**180 009**	**12 137**

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		32 536	8 256
Prior period error		-	-
As restated		**32 536**	**8 256**
Transferred from statement of financial performance (as restated)		115 180	171 266
Own revenue included in appropriation		-	-
Transfer from aid assistance	*3*	-	-
Transferred to voted funds to defray excess expenditure *(Parliament/Legislatures)*		-	-
Paid during the year		(122 337)	(146 986)
Closing balance		**25 379**	**32 536**

14. Bank overdraft

		2022/23	2021/22
	Note	R'000	R'000
Consolidated Paymaster General account		955 278	965 247
Fund requisition account		-	-
Overdraft with commercial banks (Local)		-	-
Overdraft with commercial banks (Foreign)		-	-
Total		**955 278**	**965 247**

The department's financial health is unfavourable, the bank overdraft has decreased to the rand value of R9 969 ('000) (1%). A continuous increase in staff debts due to overpayments. The department's financial situation was affected by the outbreak of Covid-19 pandemic, where some funds were reprioritised toward the procurement of personnel protective equipments such as face masks, gloves, hand sanitisers and cleaning equipment to ensure the safety of officials in head office, various district offices, teachers, and learners at schools. Furthermore, the additional funding pressure included leasing of chemical toilets, provision of water to schools, and appointment of temporary educators to assist with replacing those with comorbidities to ensure continuation of teaching and learning at school. Further, budget cuts have been implemented, which has also added to the pressure. These conditions, if not addressed and monitored with proper controls and budget processes, will result in material uncertainty that may cast significant doubt on the ability of the department to meet its future expenditure obligations.

15. Payables - current

		2022/23	2021/22
	Note	R'000	R'000
Clearing accounts	*15.1*	37 154	36 549
Other payables	*15.2*	15 252	13 584
Total		**52 406**	**50 133**

15.1. Clearing accounts

		2022/23	2021/22
Description	*Note*	R'000	R'000
Sal:ACB recalls		10 760	11 056
Sal: Bargaining council		15	60
Sal: Finance institution study loans		820	821
Sal:Garnishee order		215	281
Sal: Income tax		19 075	16 623
Sal: Medical aid		4 958	7 686
Sal: UIF		1 311	22
Total	*15*	**37 154**	**36 549**

15.2. Other payables

		2022/23	2021/22
Description	*Note*	R'000	R'000
Sal: Pension Debt Account		2 895	2 444
Sal: GEHS refund control		12 357	11 140
Total	*15*	**15 252**	**13 584**

16. Payables - non-current

		2022/23				2021/22
		One to two years	Two to three years	Older than three years	Total	Total
	Note	R'000	R'000	R'000	R'000	R'000
Amounts owing to other entities		-	-	-	-	-
Advances received		-	-	-	-	-
Other payables	*16.1*	122	39	1 905	2 066	1 995
Total		**122**	**39**	**1 905**	**2 066**	**1 995**

16.1. Other payables

		2022/23	2021/22
Description	*Note*	**R'000**	**R'000**
JMNA Hershensohnn Fund		272	266
Robert Acutt Scholarship Fund		251	246
FL Johnsson Scholarship Fund		127	123
Harry Escombe Scholarship Fund		189	185
HA Koch Scholarship Fund		1 130	1 079
Jean Miller Memorial Prize Fund		96	95
Umkomaas War Memorial Fund		1	1
Total	*16*	**2 066**	**1 995**

17. Net cash flow available from operating activities

		2022/23	2021/22
	Note	**R'000**	**R'000**
Net surplus/(deficit) as per Statement of Financial Performance		443 861	(227 114)
Add back non cash/cash movements not deemed operating activities		**1 848 226**	**2 408 775**
(Increase)/decrease in receivables		3 968	13 382
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		-	485 862
Increase/(decrease) in payables – current		2 273	(2 216)
Proceeds from sale of capital assets		(3 379)	-
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		2 288 537	2 209 634
Surrenders to Revenue Fund		(443 173)	(297 887)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		-	-
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generating		**2 292 087**	**2 181 661**

18. Reconciliation of cash and cash equivalents for cash flow purposes

		2022/23	2021/22
	Note	**R'000**	**R'000**
Consolidated Paymaster General account		(955 278)	(965 247)
Fund requisition account		-	-
Cash receipts		-	-
Disbursements		-	-
Cash on hand		-	-
Total		**(955 278)**	**(965 247)**

19. Contingent liabilities and contingent assets

19.1. Contingent liabilities

			2022/23	2021/22
Liable to	**Nature**	*Note*	**R'000**	**R'000**
Housing loan guarantees	Employees	*Annex 2A*	1 147	1 147
Other guarantees		*Annex 2A*	-	-
Claims against the department		*Annex 2B*	1 431 718	1 176 371
Intergovernmental payables		*Annex 4*	124 242	107 208
Total			**1 557 107**	**1 284 726**

"Housing loan guarantees" reside with financial institutions and the uncertainty of when the department becomes liable.

"Claims against the department" are those claims made by third parties, where there is an uncertainty around the settlement amount.

"Intergovernmental payables (unconfirmed balances)" are balances that the department cannot confirm at date of reporting.

"Other" this category of amount that is uncertain, is disclosed separately, if it does not form a part of those listed above.

19.2. Contingent assets

		2022/23	2021/22
Nature of contingent asset	*Note*	**R'000**	**R'000**
Termination Ex-employees (Without Reversals) and Frozen cases		3 387	3 923
Legal claims on behalf of the department		545	545
Transfers to other Departments		5 938	6 035
Disputed payments Ilembe Enterprises/NSNP		6 304	6 304
Total		**16 174**	**16 807**

20. Capital commitments

		2022/23	2021/22
	Note	**R'000**	**R'000**
Buildings and other fixed structures		5 439 025	3 783 100
Machinery and equipment		194	22 245
Specialised military assets		-	-
Land and subsoil assets		-	-
Biological assets		-	-
Intangible assets		-	-
Total		**5 439 219**	**3 805 345**

Capital commitments amounting to R5 564 144('000) is per the Infrastructure Reporting Template developed internally by the department. This amount is inclusive of infrastructure accruals.

21. Accruals and payables not recognised

21.1. Accruals

			2022/23		2021/22
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	*Note*	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		336 505	29 064	**365 569**	207 536
Interest and rent on land		-	-	**-**	-
Transfers and subsidies		33 177	2 537	**35 714**	-
Capital assets		79 692	-	**79 692**	48 987
Other		-	-	**-**	17 519
Total		**449 374**	**31 601**	**480 975**	**274 042**

		2022/23	2021/22
Listed by programme level	*Note*	**R'000**	**R'000**
Administration		122 716	52 081
Public ordinary school education		186 121	124 295
Public special school education		2 854	4 334
Early childhood development		35 134	260
Infrastructure development		114 057	56 130
Examination and education related services		20 093	36 942
Total		**480 975**	**274 042**

Notes to the Annual Financial Statements for the year ended 31 March 2023

21.2. Payables not recognised

			2022/23		2021/22
		30 Days	30+ Days	Total	Total
Listed by economic classification	*Note*	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		249 308	178 972	**428 280**	145 059
Interest and rent on land		-	-	**-**	-
Transfers and subsidies		2 019	344	**2 363**	5 790
Capital assets		23 940	24 261	**48 201**	71 009
Other		114 922	-	**114 922**	17 917
Total		**390 189**	**203 577**	**593 766**	**239 775**

		2022/23	2021/22
Listed by programme level	*Note*	**R'000**	**R'000**
Administration		190 532	75 310
Public ordinary school education		106 710	101 173
Independent school subsidies		17	-
Public special school education		60	173
Early childhood development		2 674	523
Infrastructure development		201 391	61 206
Examination and education related services		92 382	1 390
Total		**593 766**	**239 775**

		2022/23	2021/22
Included in the above totals are the following:	*Note*	**R'000**	**R'000**
Confirmed balances with other departments	*Annex 4*	95 967	76 639
Confirmed balances with other government entities		-	-
Total		**95 967**	**76 639**

22. Employee benefits

		2022/23	2021/22
	Note	**R'000**	**R'000**
Leave entitlement		169 466	159 682
Service bonus		1 463 018	1 404 334
Performance awards		-	-
Capped leave		1 798 906	1 963 234
Other		78 459	76 825
Total		**3 509 849**	**3 604 075**

The leave entitlement and capped leave balances as disclosed above are the net of negative balances. The negative balances amount is R 405 140-17, relating to 87 cases.

23. Lease commitments

23.1. Operating leases

2022/23					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year	-	4 630	32 970	8 217	**45 817**
Later than 1 year and not later than 5 years	-	18 542	57 408	5 980	**81 930**
Later than 5 years	-	-	-	-	**-**
Total lease commitments	**-**	**23 172**	**90 378**	**14 197**	**127 747**

2021/22					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	4 567	37 487	8 951	**51 005**
Later than 1 year and not later than 5 years	-	18 290	78 895	5 541	**102 726**
Later than 5 years	-	-	-	-	**-**
Total lease commitments	**-**	**22 857**	**116 382**	**14 492**	**153 731**

Generally, the lease commitments of the Department relate to leased buildings whose period may be between a period of one to ten years. The other category relates to the leasing of machinery whose period is less than or equal to three years. The final category relates to the renting of public schools on private land which are termed Section 14 agreements per the South African Schools Act of 1996. These agreements are in perpetuity; however, the disclosure is made up of five years. The department has no renewal or purchase options. There are no lease restrictions.

23.2. Finance leases **

2022/23					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**-**	**-**

2021/22					
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	24	24
Later than 1 year and not later than 5 years	-	-	-	18	18
Later than 5 years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**42**	**42**

24. Accrued departmental revenue

		2022/23	2021/22
	Note	R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets		-	-
Fines, penalties and forfeits		-	-
Interest, dividends and rent on land		7 417	7 417
Sales of capital assets		-	-
Transactions in financial assets and liabilities		-	-
Transfers received		-	-
Other		21 092	21 092
Total		**28 509**	**28 509**

These are funds due to the department for LTSM discounts and interest from Managing Agents.

24.1. Analysis of accrued departmental revenue

		2022/23	2021/22
	Note	R'000	R'000
Opening balance		28 509	28 509
Less: amounts received		-	-
Less: services received in lieu of cash		-	-
Add: amounts recorded		-	-
Less: amounts written off/reversed as irrecoverable		-	-
Less: amounts transferred to receivables for recovery		-	-
Other (*Specify)*		-	-
Closing balance		**28 509**	**28 509**

25. Unauthorised, Irregular and Fruitless and wasteful expenditure

		2022/23	2021/22
	Note	R'000	R'000
Unauthorised expenditure		4 080	719 217
Irregular expenditure		1 519 244	26 188
Fruitless and wasteful expenditure		7 558	446
Total		**1 530 882**	**745 851**

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.

26. Related party transactions

The Department is involved in the KwaZulu-Natal Education Development Trust. This trust is operated in conjunction with major donors in the private sector. The Department exercises significant influence over the activities of the trust as majority of the Trustees are officials of the Department of Education. No voted funds were transferred to the trust during the 2022/23 financial period. No funds were received from the Flemish Government on behalf of the trust for the 2022/23 financial period, as a result no funds are credited to the KwaZulu-Natal Education Development Trust. The Department acts as an agent in respect of the receipt of these funds.

27. Key management personnel

		2022/23	2021/22
		R'000	R'000
Political office bearers		2 030	1 978
Officials:		-	-
Level 15 to 16		6 210	7 547
Level 14		16 692	16 387
Family members of key management personnel		11 602	8 094
Total		**36 534**	**34 006**

28. Provisions

		2022/23	2021/22
	Note	R'000	R'000
Provision 1 - S14 Schools Unsigned Leases		591	591
Provision 2 - Retentions for Infrastructure Projects (Capital)		110 936	120 276
Provision 3 - Legal Services to be paid to third parties.		23 641	23 139
Total		**135 168**	**144 006**

Notes to the Annual Financial Statements for the year ended 31 March 2023

28.1. Reconciliation of movement in provisions – 2022/2023

		2022/23			
		Provision 1	Provision 2	Provision 3	Total provisions
		R'000	R'000	R'000	R'000
Opening balance		591	120 276	23 139	**144 006**
Increase in provision		-	-	502	**502**
Settlement of provision		-	(9 340)	-	**(9 340)**
Unused amount reversed		-	-	-	**-**
Reimbursement expected from third party		-	-	-	**-**
Change in provision due to change in estimation of inputs		-	-	-	**-**
Closing balance		**591**	**110 936**	**23 641**	**135 168**

Reconciliation of movement in provisions – 2021/2022

		2021/22			
		Provision 1	Provision 2	Provision 3	Total provisions
		R'000	R'000	R'000	R'000
Opening balance		591	92 453	22 488	**115 532**
Increase in provision		-	27 823	651	**28 474**
Settlement of provision		-	-	-	**-**
Unused amount reversed		-	-	-	**-**
Reimbursement expected from third party		-	-	-	**-**
Change in provision due to change in estimation of inputs		-	-	-	**-**
Closing balance		**591**	**120 276**	**23 139**	**144 006**

Provision 1 - S14 Schools Unsigned Leases - these leases may become recoverable if the landlords claim the rental.

Provision 2 - Retentions for Infrastructure Projects (Capital) - amounts due to contractors on final completion of projects.

Provision 3 - Legal Services to be paid to third parties - this is amounts to be paid to third parties where the department acts as a mediator.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
MACHINERY AND EQUIPMENT	**510 316**	-	**66 358**	**16 676**	**559 998**
Transport assets	334 308	-	2 328	14 486	322 150
Computer equipment	125 339	-	61 439	2 011	184 767
Furniture and office equipment	44 067	-	911	152	44 826
Other machinery and equipment	6 602	-	1 680	27	8 255
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-
BIOLOGICAL ASSETS	-	-	-	-	-
Biological assets	-	-	-	-	-
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**510 316**	**-**	**66 358**	**16 676**	**559 998**

Notes to the Annual Financial Statements for the year ended 31 March 2023

1. Finance lease asset cost from prior year included in additions to the amount of R 417 ('000) rand value. Also included is the current amount of R 241 ('000) rand value.

29.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

2021/22					
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**460 644**	**-**	**49 806**	**134**	**510 316**
Transport assets	295 983	-	38 325	-	**334 308**
Computer equipment	118 909	-	6 556	126	**125 339**
Furniture and office equipment	41 628	-	2 439	-	**44 067**
Other machinery and equipment	4 124	-	2 486	8	**6 602**
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**460 644**	**-**	**49 806**	**134**	**510 316**

29.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	64 861	-	**64 861**
Value adjustments	-	-	-	-	-	**-**
Additions	-	-	-	424	-	**424**
Disposals	-	-	-	454	-	**454**
Total Minor assets	**-**	**-**	**-**	**64 831**	**-**	**64 831**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	40 430	-	**40 430**
Number of minor assets at cost	-	-	-	36 551	-	**36 551**
Total number of minor assets	**-**	**-**	**-**	**76 981**	**-**	**76 981**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	63 514	-	**63 514**
Prior period error	-	-	-	-	-	**-**
Additions	-	-	-	1 412	-	**1 412**
Disposals	-	-	-	65	-	**65**
Total Minor assets	**-**	**-**	**-**	**64 861**	**-**	**64 861**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	40 881	-	**40 881**
Number of minor assets at cost	-	-	-	36 721	-	**36 721**
Total number of minor assets	**-**	**-**	**-**	**77 602**	**-**	**77 602**

Notes to the Annual Financial Statements for the year ended 31 March 2023

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	25 421	-	-	**25 421**
MASTHEADS AND PUBLISHING TITLES				
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS				
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS				
SERVICES AND OPERATING RIGHTS				
TOTAL INTANGIBLE CAPITAL ASSETS	**25 421**	**-**	**-**	**25 421**

30.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	25 421	-	-	-	**25 421**
MASTHEADS AND PUBLISHING TITLES					
PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS					
RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS					
SERVICES AND OPERATING RIGHTS					
TOTAL INTANGIBLE CAPITAL ASSETS	**25 421**	**-**	**-**	**-**	**25 421**

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	2022/23			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**16 181 120**	**1 683 349**	**-**	**17 864 469**
Dwellings	-			-
Non-residential buildings	16 181 120	1 683 349	-	17 864 469
Other fixed structures	-	-	-	-
HERITAGE ASSETS	-	-	-	-
Heritage assets	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**16 181 120**	**1 683 349**	**-**	**17 864 469**

31.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**13 807 222**	**-**	**2 373 898**	**-**	**16 181 120**
Dwellings	-		-	-	-
Non-residential buildings	13 807 222	-	2 373 898	-	16 181 120
Other fixed structures	-	-	-	-	-
HERITAGE ASSETS	-	-	-	-	-
Heritage assets	-	-	-	-	-
LAND AND SUBSOIL ASSETS	-	-	-	-	-
Land	-	-	-	-	-
Mineral and similar non-regenerative resources	-	-	-	-	-
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**13 807 222**	**-**	**2 373 898**	**-**	**16 181 120**

31.2. Immovable tangible capital assets: Capital Work-in-progress
CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

		2022/23			
		Opening Balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2023
	Note Annex 7	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-
Buildings and other fixed structures		2 649 457	2 222 596	1 739 294	3 132 759
Land and subsoil assets		-	-	-	-
Total		**2 649 457**	**2 222 596**	**1 739 294**	**3 132 759**

Included in the WIP amount of R3 132 759 ('000) above, are the terminated projects to the value of R55 945 ('000). These projects were terminated due to various reasons being: poor performance by contractors and consultants, conflict among joint venture partners, litigation of the contracted companies, cash flow challenges, disputes between main business contractors and subcontractors, community unrest, negative interference by business forums, under-estimation of project costs by contractors and poor workmanship.

Payables not recognised relating to Capital WIP		2022/23	2021/22
	Note	R'000	R'000
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress		126 758	93 353
Total		**126 758**	**93 353**

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

		2021/22				
		Opening Balance 1 April 2021	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2022
	Note	R'000	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-	-
Buildings and other fixed structures		2 905 022	-	2 163 802	2 419 367	2 649 457
Land and subsoil assets		-	-	-	-	-
Total		**2 905 022**	**-**	**2 163 802**	**2 419 367**	**2 649 457**

32. Principal-agent arrangements

32.1. Department acting as the principal

		2022/23	2021/22
	Note	R'000	R'000
COEGA		21 188	14 724
IDT		42 749	44 842
Ethekwini Water		4 845	6 389
Umhlathuze Water		-	-
DBSA		24 613	23 366
Total		**93 395**	**89 321**

The Agents listed above are contracted to the Department of Education to manage and facilitate capital and maintenance projects on its behalf. The amounts stated above are the management fees paid to these Implementing Agents.

33. Inventories

33.1. Inventories for the year ended 31 March 2023

		LTSM - Inventory	Departmental Consumables (incl. PPE)	Total
		R'000	R'000	R'000
Opening balance		5 453	20 289	**25 742**
Add/(Less): Adjustments to prior year balances		-	(2)	**(2)**
Add: Additions/Purchases - Cash		983 030	47 323	**1 030 353**
Add: Additions/Purchases - Non-cash		-	472	**472**
(Less): Disposals		-	(384)	**(384)**
(Less): Issues		(930 571)	(51 024)	**(981 595)**
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	3 385	**3 385**
Add/(Less): Adjustments		-	-	-
Closing balance		**57 912**	**20 059**	**77 971**

Inventories for the year ended 31 March 2022

		LTSM - Inventory	Departmental Consumables (incl. PPE)	Total
		R'000	R'000	R'000
Opening balance		21 358	30 397	**51 755**
Add/(Less): Adjustments to prior year balances		-	407	**407**
Add: Additions/Purchases - Cash		722 960	173 185	**896 145**
Add: Additions/Purchases - Non-cash		-	324	**324**
(Less): Disposals		-	-	**-**
(Less): Issues		(738 865)	(185 880)	**(924 745)**
Add/(Less): Received current, not paid (Paid current year, received prior year)		-	-	**-**
Add/(Less): Adjustments		-	1 856	**1 856**
Closing balance		**5 453**	**20 289**	**25 742**

34. Transfer of functions and mergers

34.1. Transfer of functions

1. *The memorandum of agreement (MOA) dated was concluded between the HODs and MECs of the KZN Department of Social Development (DSD) (transferring Department) and the KZN Department of Education (receiving Department). The MOA referred to the transfer of functions at a National level reciprocated at a Provincial level. The MOA seeks to give effect to the intention to transfer the function. It refers to the relocation of ECD functions in terms of Chapter 5 and Chapter 6 and Sections 306, 307 and 308 of the Children's Act No.38 of 2005 from the Department of Social Development to the Department of Education. It also refers to the date of effect being 01 April 2022.*
   The MOA refers to the signed Proclamation.
   The Proclamation giving effect to the Sections of the Children's Act aforementioned was signed by the President on 27 June 2021 and Gazetted on 30th June 2021. At a Provincial level, the Proclamation was signed by the Premier on 18th August 2021 and published in the Provincial Gazette on 31 August 2021. (A copy of the Memorandum of Agreement, Presidential Proclamation and Provincial Proclamation is attached herewith for your ease of reference).
2. *At a National level, the transfer of functions was from the Department of Social Development to the Department of Basic Education. At a Provincial level, the transfer was between KZN Department of Social Development and KZN Department of Education.*
3. *The following functions were transferred:*
   The re-allocation of ECD functions from the KZNDSD to the KZNDOE shall consist of the following provision of the Children's Act, 2005 (Act No.38 of 2005) ("the Children's Act"):

(a) *Chapter 5 of the Children's Act and all amendments thereto, in respect of only partial care facilities that provide early childhood development services as defined in Section 91(2) and early childhood development programmes as defined in Section 91(3) of the Children's Act.*
(b) *Chapter 6 of the Children's Act, and all amendments thereto; and*
(c) *Sections 306, 307 and 308 of the Children's Act, and all amendments thereto, in respect of early childhood development services and early childhood development programmes insofar as they relate to the Minister of Social Development, from such Minister to the Minister of Basic Education, with effect from 01 April 2022.*

4. *Transfer was effective as of 01 April 2022. Kindly refer to the attached Proclamations and Memorandum of Agreement referring to the effective date of transfer.*
5. *DOE received 287 assets including 3 vehicles at a value of R7 266 491.13 from DSD as a result of the ECD function shift. It must be noted that not all assets were received by DOE from the approved list of 298 Assets. The outstanding balance is in dispute and will be finalised in the current year to ensure completeness of the transfer process.*
6. *The assets will be distinguished between the school and departmental assets before adoption on the hardcat register once all assets have been received.*
7. *Immovable assets for ECD Centres would be the responsibility of Department of Public Works.*

34.1.1. Notes

		Balance before transfer date	Functions (transferred) / received	Functions (transferred) / received	Functions (transferred) / received	Balance after transfer date
			DSD - KZN	Dept name *(Specify)*	Dept name *(Specify)*	
	Note	R'000	R'000	R'000	R'000	R'000
Contingent liabilities		-	-	-	-	-
Contingent assets		-	-	-	-	-
Accruals		-	38 804	-	-	38 804
Payables not recognised		-	-	-	-	-
Employee benefits		-	-	-	-	-
Lease commitments - Operating leases		-	-	-	-	-
Lease commitments - Finance leases		-	-	-	-	-
Lease commitments - Operating lease revenue		-	-	-	-	-
Accrued departmental revenue		-	-	-	-	-
Impairment		-	-	-	-	-
Provisions		-	-	-	-	-
Movable tangible capital assets		-	-	-	-	-
Immovable tangible capital assets		-	-	-	-	-
Intangible capital assets		-	-	-	-	-

The ECD grant reflects an under-spending of R38.804 million, related to a roll-over of R38.804 million for 2021/22. The under-spending was in respect of the non-implementation of the PYEI roll-over due to lack of proper documentation received to effect payments. The related commitments were incurred by DSD, but the roll-over was allocated to DOE because the ECD function was shifted to DOE, effective from 1 April 2022. As such, all commitments from 2021/22 to be honoured in 2022/23 were allocated to DOE but without proper documentation and therefore the department could not process any payments to avoid non-compliance with laws and regulations, as well as audit qualification. As such, the department has not submitted a request to roll-over these unspent funds to 2023/24 but will surrender the R38.804 million back to National Treasury.

35. Statement of conditional grants received

	2022/23									2021/22	
	GRANT ALLOCATION					SPENT					
	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under- / (Over-spending)	% of available funds spent by department	Division of Revenue Act / Provincial grants	Amount spent by department
Name of grant	**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 School Nutrition Programme	1 964 914	41 777	-	-	**2 006 691**	2 006 691	1 865 496	141 195	93%	1 985 276	1 931 362
EPWP Integrated Grant for Provinces	2 193	-	-	-	**2 193**	2 193	2 193	-	100%	2 110	2 110
EPWP Social Sector Incentive Grant for Provinces	30 508	-	-	-	**30 508**	30 508	30 505	3	100%	28 543	28 543
Maths, Science and Technology Grant	70 244	-	-	-	**70 244**	70 244	70 244	-	100%	67 855	67 855
Learners with Profound Intellectual Disabilities grant	34 423	-	-	-	**34 423**	34 423	34 423	-	100%	32 576	32 576
Early Childhood Development grant	226 007	-	-	-	**226 007**	226 007	187 203	38 804	83%	-	-
National Department of Education - HIV/AIDS	61 183	-	-	-	**61 183**	61 183	61 176	7	100%	61 450	61 450
Provincial Grants:											
Education Infrastructure Grant	2 387 952	-	-	95 063	**2 483 015**	2 483 015	2 483 015	-	100%	2 325 614	2 325 614
TOTAL	**4 777 424**	**41 777**	**-**	**95 063**	**4 914 264**	**4 914 264**	**4 734 255**	**180 009**		**4 503 424**	**4 449 510**

"National School Nutrition Programme"- under spend relates to outstanding March 2023 invoices and a rollover has been requested. "Social Sector EPWP" - Grant was fully spent. "EPWP Integrated Grant for Provinces" - Grant was fully spent. "Maths, Science & Technology" - Grant was fully spent. "Learners with Profound Intellectual Disabilities" - Grant was fully spent. "Early Childhood Development Grant" - non implementation of DSD stimulus package. "HIV and Aids" - Grant was fully spent. "Education Infrastructure Grant" - Grant was fully spent.

36. Statement of conditional grants and transfers paid to provincial departments and municipalities

	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
	DORA and other transfers	Roll overs	Adjust-ments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
Name of provincial department	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
KwaZulu-Natal Department of Transport	5 581	-	-	**5 581**	1 838	-	-	4 028	4 028
TOTAL	**5 581**	**-**	**-**	**5 581**	**1 838**	**-**	**-**	**4 028**	**4 028**

37. Broad Based Black Economic Empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

38. COVID 19 Response expenditure

		2022/23	2021/22
	Note	R'000	R'000
Compensation of employees		154 809	148 802
Goods and services		39 590	214 689
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total	*Annex 7*	**194 399**	**363 491**

Annexures to the Annual Financial Statements for the year ended 31 March 2023

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	2022/23						2021/22	
	TRANSFER ALLOCATION				TRANSFER			
Departmental Agency or Account	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EDTP SETA	55 000	-	-	**55 000**	55 000	100%	40 000	40 000
TOTAL	**55 000**	**-**	**-**	**55 000**	**55 000**		**40 000**	**40 000**

ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Non-profit institutions	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Public Ordinary School Education	1 367 098	-	-	**1 367 098**	1 367 098	100%	-	-
Independent Schools	93 292	-	-	**93 292**	91 829	98%	-	-
Public Special School Education	148 703	-	-	**148 703**	148 703	100%	-	-
Early Childhood Development	551 000	-	-	**551 000**	512 196	93%	-	-
Examination and Education Related Services	692	-	-	**692**	692	100%	-	-
TOTAL	**2 160 785**	**-**	**-**	**2 160 785**	**2 120 518**		**-**	**-**

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Employees	226 280	-	-	**226 280**	226 280	100%	-	-
TOTAL	**226 280**	**-**	**-**	**226 280**	**226 280**		**-**	**-**

Annexures to the Annual Financial Statements for the year ended 31 March 2023

ANNEXURE 1D
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2022/23 R'000	2021/22 R'000
Received in cash			
Tsogo Sun	Donation received for the repair of four schools damaged during the April 2022 flood disaster. This was done through the MTEF 2022/23.	3 000	-
Subtotal		**3 000**	-
Received in kind			
Department of Forestry & Fisheries	Donation of schools furniture as a result of the April 2022 flood disaster	19 132	-
Department of Basic Education	Donation of school workbooks as a result of the April 2022 flood disaster	5 817	-
Various Publishers	Donation of textbooks from various publishers as a result of the April 2022 flood disaster.	1 009	-
Subtotal		**25 958**	**-**
TOTAL		**28 958**	**-**

These donations received in cash and kind is as a result of the April 2022 flood disaster that occurred in the Province.

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2023 - LOCAL

Guarantor institution	Guarantee in respect of Housing	Original guaranteed capital amount	Opening balance 1 April 2022	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2023	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2023
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank		-	676	-	-	-	**676**	-	-
FNB		-	44	-	-	-	**44**	-	-
ABSA		-	401	-	-	-	**401**	-	-
Ithala Limited		-	26	-	-	-	**26**	-	-
TOTAL		**-**	**1 147**	**-**	**-**	**-**	**1 147**	**-**	**-**

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal Claims	1 176 371	255 347	-	-	**1 431 718**
TOTAL	**1 176 371**	**255 347**	**-**	**-**	**1 431 718**

ANNEXURE 3
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Gauteng Department of Education	-	-	2 665	2 891	**2 665**	**2 891**	-	-
Mpumalanga Department of Education	-	-	1 273	1 374	**1 273**	**1 374**	-	-
Eastern Cape Department of Education	-	-	422	81	**422**	**81**	-	-
KZN Agriculture	-	-	99	99	**99**	**99**	-	-
KZN Department of Social Development	-	-	693	694	**693**	**694**	-	-
KZN Arts & Culture	-	-	744	743	**744**	**743**	-	-
Free State Department of Education	-	-	39	1 498	**39**	**1 498**	-	-
KZN Department of Transport	-	-	-	16 335	**-**	**16 335**	-	-
Western Cape Department of Education	-	-	131	204	**131**	**204**	-	-
National Higher Education & Training	-	-	1 363	1 480	**1 363**	**1 480**	-	-
National Department of Correctional Services	-	-	89	300	**89**	**300**	-	-
North West Department of Education	-	-	688	484	**688**	**484**	-	-
Northern Cape Department of Education	-	-	71	71	**71**	**71**	-	-
KZN Safety and Security	-	-	163	163	**163**	**163**	-	-
Limpopo Department of Education	-	-	839	1 097	**839**	**1 097**	-	-
National Water Affairs	-	-	56	56	**56**	**56**	-	-
KZN Public Works	-	-	18	-	**18**	**-**	-	-
National Department of Justice	-	-	-	20	**-**	**20**	-	-
TOTAL	**-**	**-**	**9 353**	**27 590**	**9 353**	**27 590**	**-**	**-**

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
KwaZulu-Natal Department of Transport	774	25 750	10 372	15 019	**11 146**	**40 769**	-	-
KwaZulu-Natal Department of Public Works	88 156	50 889	113 747	92 189	**201 903**	**143 078**	-	-
Department of Justice	5 075	-	123	-	**5 198**	**-**	-	-
Department of Basic Education	1 962	-	-	-	**1 962**	**-**	-	-
Total	**95 967**	**76 639**	**124 242**	**107 208**	**220 209**	**183 847**	**-**	**-**
TOTAL INTER-GOVERNMENT PAYABLES	**95 967**	**76 639**	**124 242**	**107 208**	**220 209**	**183 847**	**-**	**-**

Annexures to the Annual Financial Statements for the year ended 31 March 2023

ANNEXURE 5
INVENTORIES

	LTSM - Inventory	Departmental Consumables (incl. PPE)	Total
Inventories for the year ended 31 March 2023	**R'000**	**R'000**	**R'000**
Opening balance	5 453	20 289	**25 742**
Add/(Less): Adjustments to prior year balances	-	(2)	**(2)**
Add: Additions/Purchases - Cash	983 030	47 323	**1 030 353**
Add: Additions - Non-cash	-	472	**472**
(Less): Disposals	-	(384)	**(384)**
(Less): Issues	(930 571)	(51 024)	**(981 595)**
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	3 385	**3 385**
Add/(Less): Adjustments	-	-	**-**
Closing balance	**57 912**	**20 059**	**77 971**

This annexure discloses opening, movements and closing values relating to the departments stores and Ndabase Printing Solutions Warehouse. This excludes "Inventory" as represented by certain directorates that purchase on their own behalf and any other that the department buys on behalf of schools.

	LTSM - Inventory	Departmental Consumables (incl. PPE)	Total
Inventories for the year ended 31 March 2022	**R'000**	**R'000**	**R'000**
Opening balance	21 358	30 397	**51 755**
Add/(Less): Adjustments to prior year balances	-	407	**407**
Add: Additions/Purchases - Cash	722 960	173 185	**896 145**
Add: Additions - Non-cash	-	324	**324**
(Less): Disposals	-	-	**-**
(Less): Issues	(738 865)	(185 880)	**(924 745)**
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	-	**-**
Add/(Less): Adjustments	-	1 856	**1 856**
Closing balance	**5 453**	**20 289**	**25 742**

ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS
Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**2 649 457**	**2 222 596**	**1 739 294**	**3 132 759**
Non-residential buildings	2 649 457	2 222 596	1 739 294	3 132 759
TOTAL	**2 649 457**	**2 222 596**	**1 739 294**	**3 132 759**

Movement in capital work in progress for the year ended 31 March 2022

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**2 905 022**	**-**	**2 163 802**	**(2 419 367)**	**2 649 457**
Non-residential buildings	2 905 022	-	2 163 802	(2 419 367)	2 649 457
TOTAL	**2 905 022**	**-**	**2 163 802**	**(2 419 367)**	**2 649 457**

Annexures to the Annual Financial Statements for the year ended 31 March 2023

ANNEXURE 7

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**37 161**	**41 007**	**38 736**	**37 905**	**154 809**	**148 802**
Goods and services	**17 575**	**19 507**	**1 303**	**1 205**	**39 590**	**214 689**
List all applicable SCOA level 4 items						
Advertising	-	-	-	-	**-**	**-**
Communication	-	-	-	-	**-**	**-**
Minor assets	-	-	-	-	**-**	**-**
Contractors	-	779	-	-	**779**	**751**
Inv: Materials & Supplies	-	-	-	-	**-**	**-**
Inv: Other Supplies	-	-	-	-	**-**	**194**
Consumable Supplies	16 210	14 132	410	2	**30 754**	**176 089**
Operating Leases	-	-	-	-	**-**	**7 627**
Property Payments	623	3 487	254	-	**4 364**	**15 231**
Travel and Subsistence	-	-	-	1 081	**1 081**	**-**
Operating Payments	742	1 109	639	122	**2 612**	**14 797**
TOTAL COVID 19 RESPONSE EXPENDITURE	**54 736**	**60 514**	**40 039**	**39 110**	**194 399**	**363 491**

SCHEDULE – IMMOVABLE ASSETS, LAND AND SUB SOIL ASSETS

Opening balances – 2007/2008

In the 2006/07 financial year the Department applied Accounting Circular 1 of 2007. The impact of this circular on the financial statements resulted in the cumulative balances on buildings being transferred to the provincial Department of Works. The balance that was transferred was **R** 2 384 355 **000** under the category *Buildings and other fixed structures.*

Movements to immovable assets – 2007/2008

The department has applied the exemption as granted by the National Treasury and thus immovable assets have not been disclosed on the face of the annual financial statements.

Additions

The additions for the 2007/08 financial year on buildings recorded under the category *Buildings and other fixed structures was* **R 913 233 000**.

Disposals

The department did not dispose of any additions on buildings for the 2007/08 financial year.

Movements to immovable assets – 2008/2009

The department has applied the exemption as granted by the National Treasury and thus where there is uncertainty with regards to ownership of immovable assets; these have not been disclosed on the face of the annual financial statements.

Additions

The additions for the 2008/09 financial year on buildings recorded under the category *Buildings and other fixed structures was* **R 1 145 450 000**.

Disposals

The department did not dispose of any additions on buildings for the 2008/09 financial year.

Movements to immovable assets – 2009/2010

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2009/2010 year recorded on *Buildings and other fixed structures* are

R 1 288 343 000.

Work-In-Progress

The work-in-progress as at 31 March 2010 recorded on *Buildings and other fixed structures* are

R 798 381 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2009/10 financial year.

Movements to immovable assets – 2010/2011

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2010/2011 year recorded on *Buildings and other fixed structures* are

R 1 836 333 000.

Work-In-Progress

The work-in-progress as at 31 March 2011 recorded on *Buildings and other fixed structures* are

R 960 359 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2010/11 financial year.

Movements to immovable assets – 2011/2012

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2011/2012 year recorded on *Buildings and other fixed structures* are

R 2 097 788 000.

Work-In-Progress

The work-in-progress as at 31 March 2012 recorded on *Buildings and other fixed structures* are

R 1 521 296 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2011/12 financial year.

Movements to immovable assets – 2012/2013

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2012/2013 year recorded on *Buildings and other fixed structures* are

R 2 463 676 000.

Work-In-Progress

The work-in-progress as at 31 March 2013 recorded on *Buildings and other fixed structures* are

R 2 313 991 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2012/13 financial year.

Movements to immovable assets – 2013/2014

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2013/2014 year recorded on *Buildings and other fixed structures* are

R 2 360 611 000.

Work-In-Progress

The work-in-progress as at 31 March 2014 recorded on *Buildings and other fixed structures* are

R 1 944 036 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2013/14 financial year.

Movements to immovable assets – 2014/2015

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2014/2015 year recorded on *Buildings and other fixed structures* are

R 2 017 870 000.

Work-In-Progress

The work-in-progress as at 31 March 2015 recorded on *Buildings and other fixed structures* are

R 1 084 899 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2014/15 financial year.

Movements to immovable assets – 2015/2016

The department has applied the Guidelines as issued by the National Treasury and thus where there is doubt as to which department is responsible for the property and the GIAMA allocation process has not been finalised, these assets must not be disclosed in the notes to the annual financial statements. The register for immovables in the Province of Kwa-Zulu Natal resides with the Department of Public Works.

Additions

The additions for the 2015/2016 year recorded on *Buildings and other fixed structures* are

R 2 343 612 000.

Work-In-Progress

The work-in-progress as at 31 March 2016 recorded on *Buildings and other fixed structures* are

R 1 827 536 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2015/16 financial year.

Movements to immovable assets – 2016/2017

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 2016/2017 year recorded on *Buildings and other fixed structures* are

R 2 170 374 000.

Work-In-Progress

The work-in-progress as at 31 March 2017 recorded on *Buildings and other fixed structures* are

R 2 170 374 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2016/17 financial year.

Movements to immovable assets – 2017/2018

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 2017/2018 year recorded on *Buildings and other fixed structures* are

R 1 883 004 000.

Work-In-Progress

The work-in-progress as at 31 March 2018 recorded on *Buildings and other fixed structures* are

R 1 883 004 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2017/18 financial year.

Movements to immovable assets – 2018/2019

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 2018/2019 year recorded on *Buildings and other fixed structures* are

R 1 728 452 000.

Work-In-Progress

The work-in-progress as at 31 March 2019 recorded on *Buildings and other fixed structures* are

R 1 728 452 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2018/19 financial year.

Movements to immovable assets – 2019/2020

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 2019/2020 year recorded on *Buildings and other fixed structures* are

R 2 082 389 000.

Work-In-Progress

The work-in-progress as at 31 March 2020 recorded on *Buildings and other fixed structures* are

R 2 082 389 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2019/20 financial year.

Movements to immovable assets – 2020/2021

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 2020/2021 year recorded on *Buildings and other fixed structures* are

R 2 078 494 000.

Work-In-Progress

The work-in-progress as at 31 March 2021 recorded on *Buildings and other fixed structures* are

R 2 078 494 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2020/21 financial year.

Movements to immovable assets – 2021/2022

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 2021/2022 year recorded on *Buildings and other fixed structures* are

R 2 163 802 000.

Work-In-Progress

The work-in-progress as at 31 March 2022 recorded on *Buildings and other fixed structures* are

R 2 163 802 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2021/22 financial year.

Movements to immovable assets – 2022/2023

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 2022/2023 year recorded on *Buildings and other fixed structures* are

R 2 222 596 000.

Work-In-Progress

The work-in-progress as at 31 March 2023 recorded on *Buildings and other fixed structures* are

R 2 222 596 000.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2022/23 financial year.

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

PART G:
GLOSSARY

The definitions attached to terms in this document are provided below:

Name:	Definition
Programme Performance Measure [PPM]	Performance measures are national indicators linked to specific statistics. They are used to gauge performance in the education system. Each performance measure is linked to one measurable objective. Each performance measure takes the form of one provincial time series statistic.
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.
The baseline	The base line refers to the current level of performance that the institution aims to improve. The initial step in setting performance targets is to identify the baseline, which in most instances is the level of performance recorded in the year prior to the planning period.
Performance targets	It is a specific level of performance that the institution, programme or individual is aiming to achieve within a given time period.
Programme Performance Measure	Is a nationally determined indicator with specific numerical that tracks progress towards the achievement of a sector priority?
Performance standards	Express the minimum acceptable level of performance, or the level of performance that is generally expected.
Cost or Price indicators	Important in determining the economy and efficiency of service delivery.
Distribution indicators	Relate to the distribution of capacity to deliver services and are critical to assessing equity across geographical areas, urban rural divides or demographic categories. Such information could be presented using geographic information systems
Quantity indicators	Relate to the number of inputs, activities or outputs. Quantity indicators should generally be time bound; e.g. the number of inputs available at a specific point in time, or the number of outputs produced over a specific time period.
Quality indicators	Reflect the quality of that which is being measured against predetermined standards. Such standards should reflect the needs and expectations of affected parties while balancing economy and effectiveness. Standards could include legislated standards and industry codes.
Dates and time frame indicators	Reflect timeliness of service delivery. They include service frequency measures, waiting times, response time, turnaround times, time frames for service delivery and timeliness of service delivery.
Adequacy indicators	Reflect the quantity of input or output relative to the need or demand. They respond to the question: “Is enough being done to address the problem?”.
Accessibility indicators	Reflect the extent to which the intended beneficiaries are able to access services or outputs. Such indicators could include distances to service points, traveling time, waiting time, affordability, language, accommodation of the physically challenged.
Economy indicators	Explore whether specific inputs are acquired at the lowest cost and at the right time; and whether the method of producing the requisite outputs is economical.
Efficiency indicators	Explore how productively inputs are translated into outputs. An efficient operation maximises the level of output for a given set of inputs, or it minimises the inputs required to produce a given level of output. Efficiency indicators are usually measured by an input: Output ratio or an output: input ratio. These indicators also only have meaning in a relative sense. To evaluate whether an institution is efficient, its efficiency indicators need to be compared to similar indicators elsewhere or across time. An institution’s efficiency can also be measured relative to predetermined efficiency targets.
Effectiveness indicators	Explore the extent to which the outputs of an institution achieve the desired outcomes. An effectiveness indicator assumes a model of how inputs and outputs relate to the achievement of an institution’s strategic objectives and goals.
Equity indicators	Explore whether services are being provided impartially, fairly and equitably. Equity indicators reflect the extent to which an institution has achieved and been able to maintain an equitable supply of comparable outputs across demographic groups, regions, urban and rural areas, and so on.
Activities	The processes or actions that use a range of inputs to produce an output and ultimately an outcome.
Inputs	The resources that contribute to the production and delivery of an output.
Outputs	The goods and services produced by an institution for delivery.
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving particular outputs.
Performance Indicator	Identify specific numerical that tracks progress towards the achievement of a goal.
Baselines	The current performance levels that the institution aims to improve when setting performance targets

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