ANNUAL REPORT | 2017/2018 FINANCIAL YEAR | VOTE 5

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Department:
Education
PROVINCE OF KWAZULU-NATAL

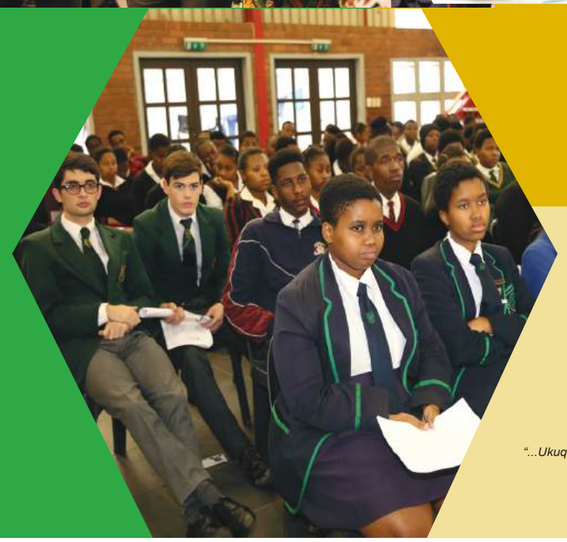
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ANNUAL REPORT

2017/2018 FINANCIAL YEAR
VOTE 5

"...Championing Quality Education - Creating & Securing a Brighter Future..."
"...Ukuqhakambisa Imfundo Yeqophelo Eliphezulu - Ukwenza Nokuqinisekisa Ikusasa Eliqhakazile..."



Hon. Mr Mthandeni Dlungwana, MPL

MEC: Education KwaZulu - Natal Provincial Government



Dr E.V Nzama
Head of Department: Education KwaZulu - Natal

DEPARTMENT OF EDUCATION
PROVINCE OF KWA ZULU NATAL
VOTE NO. 5

ANNUAL REPORT
2017/2018 FINANCIAL YEAR



KwaZulu-Natal Department of Education
ANNUAL REPORT 2017/2018

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PART A







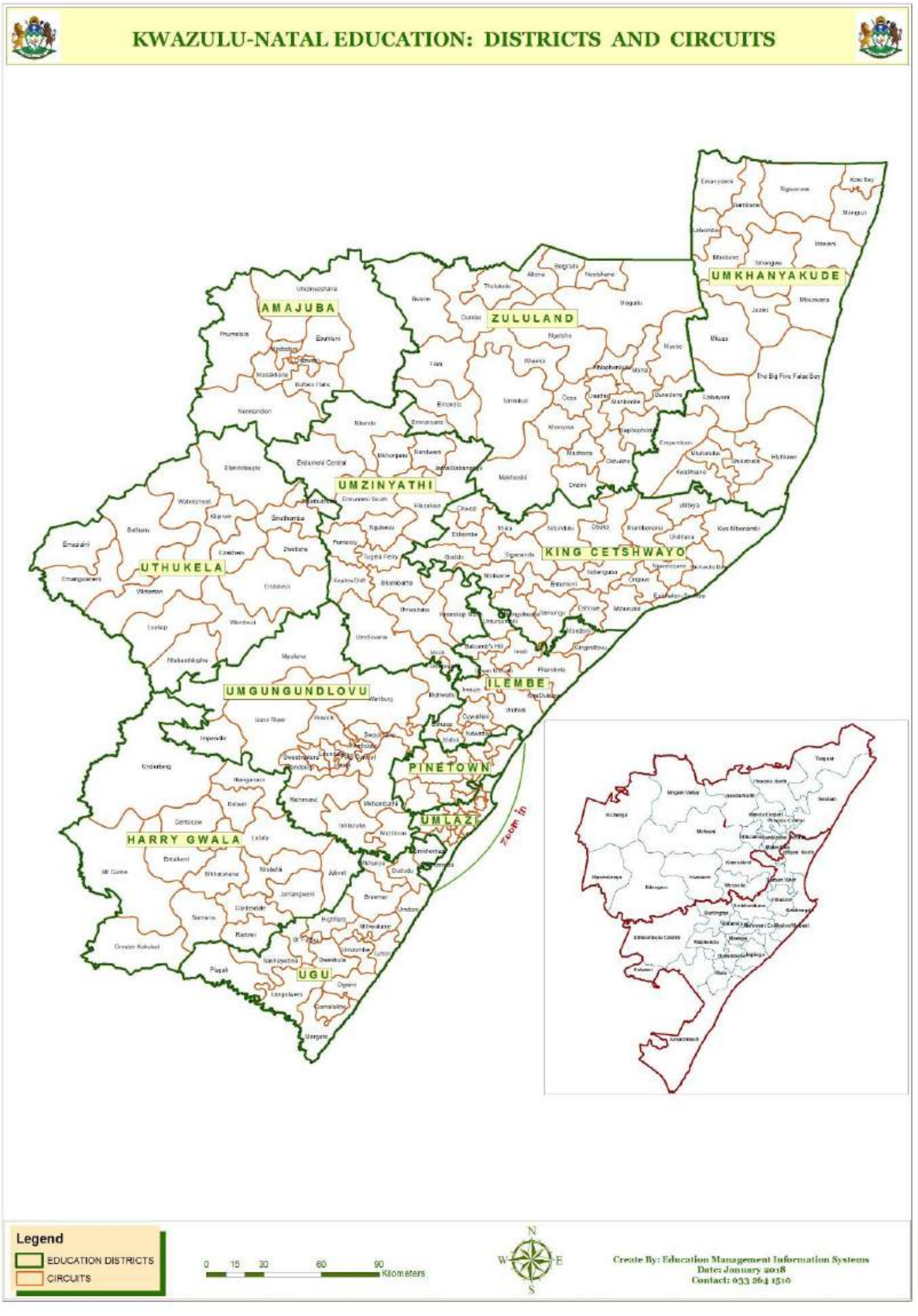
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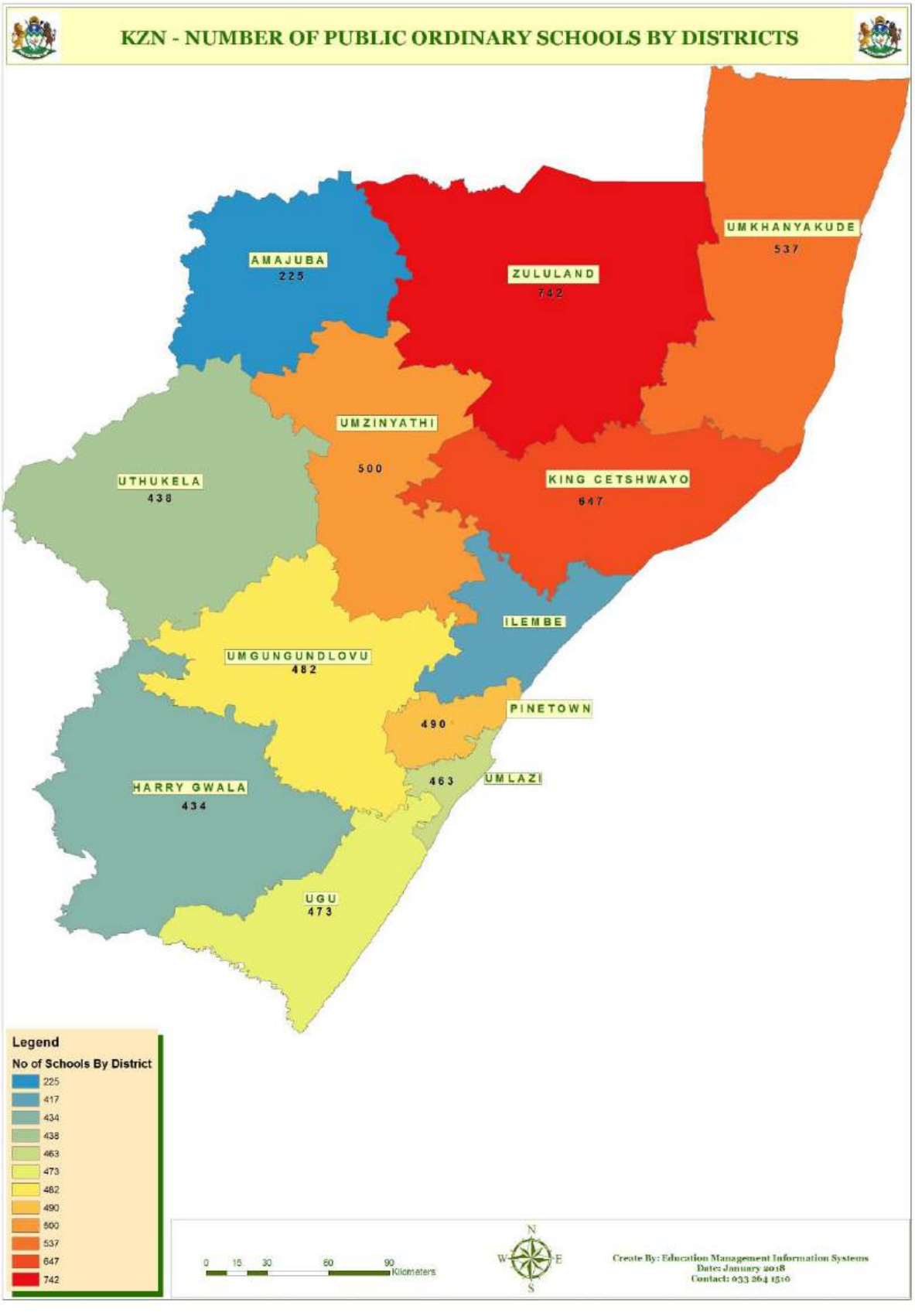
1. DEPARTMENT GENERAL INFORMATION

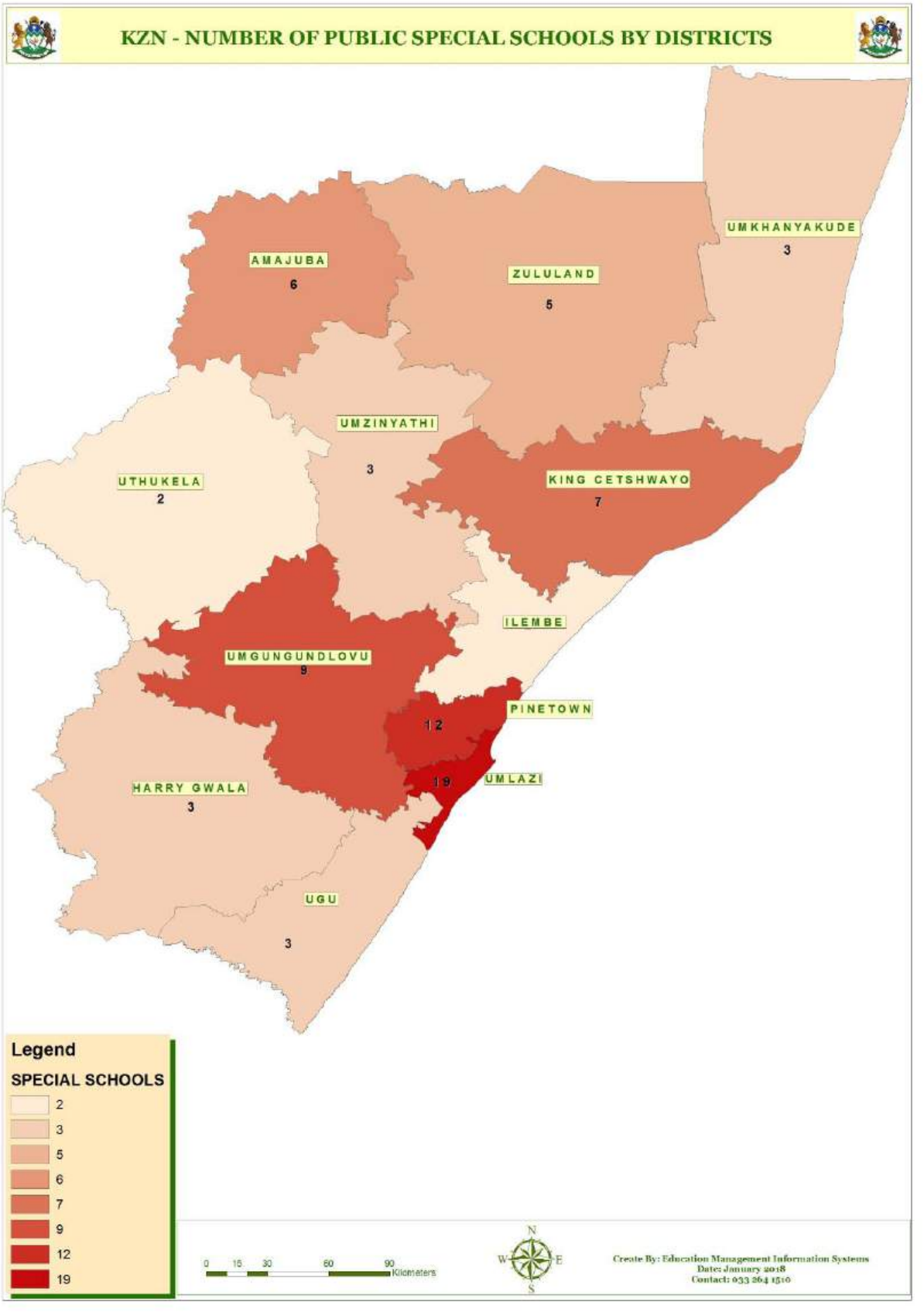
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KWAZULU-NATAL EDUCATION: DISTRICTS AND CIRCUITS
AMAJUBA
ZULULAND
UMKHANYAKUDE
UMZINYATHI
UTHUKELA
KING CETSHWAYO
UMGUNGUNDLOVU
ILEMBE
PINETOWN
UMLAZI
HARRY GWALA
UGU
Zoom in
Legend
EDUCATION DISTRICTS
CIRCUITS
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Kilometers
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Date: January 2018
Contact: 033 264 1510


KZN - NUMBER OF PUBLIC ORDINARY SCHOOLS BY DISTRICTS
AMAJUBA
225
ZULULAND
742
UMKHANYAKUDE
537
UMZINYATHI
500
UTHUKELA
438
KING CETSHWAYO
647
ILEMBE
UMGUNGUNDLOVU
482
PINETOWN
490
HARRY GWALA
434
463
UMLAZI
UGU
473
Legend
No of Schools By District
225
417
434
438
463
473
482
490
500
537
647
742
0 15 30 60 90
Kilometers
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KZN - NUMBER OF PUBLIC SPECIAL SCHOOLS BY DISTRICTS
AMAJUBA
6
ZULULAND
5
UMKHANYAKUDE
3
UMZINYATHI
3
UTHUKELA
2
KING CETSHWAYO
7
ILEMBE
UMGUNGUNDLOVU
9
PINETOWN
12
HARRY GWALA
3
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UMLAZI
UGU
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SPECIAL SCHOOLS
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2. LIST OF ABBREVIATIONS/ACRONYMS

ABET	Adult Basic Education and Training
ACE	Advanced Certificate in Education
AET	Adult Basic Education and Training
AGSA	Auditor-General of South Africa
AO	Accounting Officer
ASER:	Age Specific Enrolment
AFS	Annual Financial Statement
BREPRCO	Budget Review Expenditure Performance and Risk Committee
CAPS	Curriculum Assessment Policy Statement
CASS	Continuous Assessment
CEM	Council of Education Ministers
CHE	Committee on Higher Education
CPF	Community Policing Forum
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
DTC	Departmental Training Committee
ECD	Early Childhood Development
EE	Employment Equity
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
EFA	Education for All
ETDP	Education, Training and Development Practices
EWP	Employee Wellness Programme
FET	Further Education and Training
FETC	Further Education and Training Certificate
FETMIS	Further Education and Training Management Information System
FTE	Full-time Equivalent
GET	General Education and Training
GETC	General Education and Training Certificate
HEDCOM	Heads of Education Departments' Committee
HEI	Higher Education Institution
HRD	Human Resource Development
HSRC	Human Sciences Research Council
ICT	Information and Communication Technology
IDP	Integrated Development Programme
IP	Infrastructure Plan
IQMS	Integrated Quality Management System
ICT	Information and Communication Technology
IQMS	Integrated Quality Management System
KZN	KwaZulu-Natal
KZNDoE	KwaZulu-Natal Department of Education
LSEN	Learners with Special Education Needs
LTSM	Learning and Teaching Support Materials
LURITS	Leaner Unit Record Information and Tracking System

MDG	Millennium Development Goals
MEC	Member of the Executive Council
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MST	Mathematics, Science and Technology
NCS	National Curriculum Statements
NEIMS	National Education Infrastructure Management System
NEPA	National Education Policy Act
NGO	Non-Governmental Organisation
NQF	National Qualifications Framework
NSC	National Senior Certificate
NSNP	National School Nutrition Programme
NSSF	Norms and Standards for School Funding
PAJA	Promotion of Administrative Justice Act
PED	Provincial Department of Education
PEDs	Provincial Education Departments
PFMA	Public Finance Management Act
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
RPL	Recognition for Prior Learning
SIAS	Screening, Identification, Assessment and Support (SIAS) Strategy
SAQA	South African Qualifications Authority
SASA	South African Schools Act
SASAMS	South African School Administration and Management System
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SDP	School Development Plan
SGB	School Governing Body
SITA	State Information Technology Agency
SMME	Strategic Management, Monitoring and Evaluation
SMS	Senior Management Service
Stats-SA	Statistics South Africa
RCL	Representative Council of Learners
SASA:	South African Schools' Act
SASAMS:	School Administration and Management System
SGB:	School Governing Body
SITA	State Information Technology Agency
SMT:	School Management Team
WSE:	Whole-School Evaluation

3. FOREWORD BY THE MEC



Hon. Mr Mthandeni Dlungwana, MPL

MEC: Education KwaZulu - Natal Provincial Government

The 2017/18 Financial Year has been a fairly successful period in KZN where education has prospered despite the challenging environment we work in. We have registered notable achievements both inside and outside the classroom. One of the highlights is the significant improvement registered by the Province in the 2017 National Senior Certificate Examinations. In 2017 the Department took a decision to improve and strengthen the previous year's Academic Improvement Plan which had assisted the province in arresting the decline which was experienced in 2014 and 2015 respectively. The achievement of these 2017 results against the new and challenging circumstances gives evidence that our system has stabilised and that the quality teaching standards and the interventions put in place had an impact.

Despite the significant achievements in the matric results, the Department will not rest on its laurels. We have already implemented the 2018 version of the Provincial Academic Improvement Plan. For this academic year we have increased our targets and the following is evidence of that:

- Overall pass rate target for 2018 is 80%;
- To increase 100% pass rate schools;
- Increasing bachelor passes; and
- Completely eliminating all 0% schools.

To achieve our set targets we have put in place focused programmes which we are vigorously implementing. These programmes include the following:

- Cross border programme which links KwaZulu-Natal with Free State, Gauteng and the Western Cape; to share best practices
- Twinning of districts within the province for mentorship and sharing of critical resources;
- Capacity building programmes targeting teachers for gateway subjects and circuit managers;
- Administration of standardized common tests;

- Learner camps;
- Vacation classes;
- Saturday classes;
- Morning and afternoon classes;
- Extra classes; and
- Focused programmes for progressed learners

Our support programmes cater for all grades from Grade 1 to Grade 12. For example, we have programmes to improve teaching and learning of Mathematics, Science and Technology in the GET Band.

Monitoring school performance has assisted in providing early warnings in districts and schools that require immediate interventions. The Department is in the process of enhancing its Monitoring and Evaluation system, not only to focus on outputs but also on the impact of our interventions.

The Department of Education seeks to pursue high standards of professional ethics; run a development-oriented administration; ensure efficient, economic and effective use of resources; and ensure that services are provided impartially, fairly, equitably and without bias. Furthermore we strive to build an accountable administration; enhance transparency through provision of the public with timely, accessible and accurate information, maximise human potential whilst ensuring that personnel management practices are based on ability, objectivity, fairness and the need to redress the imbalances of the past.

To achieve success in our schooling system in KZN, we have focussed 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. We are also committed to the improving the understanding of languages and, lastly, dedicating ourselves to improving education resources and infrastructure in formerly disadvantaged schools and at rural schools.

During the past 24 years, some progress has been made to raise the level of education in KwaZulu-Natal. There are however still issues of poverty, overcrowding and unsanitary situations that need to be addressed. The challenges we are facing are not new. We are willing to do things differently.

There has been a major transformation of the school feeding programme ensuring that learners receive at least one meal per day in school to ensure that their levels of concentration are not affected by empty stomachs. The NSNP is one strategy to address poverty in the country. Co-operatives were introduced and are now part of job creation.

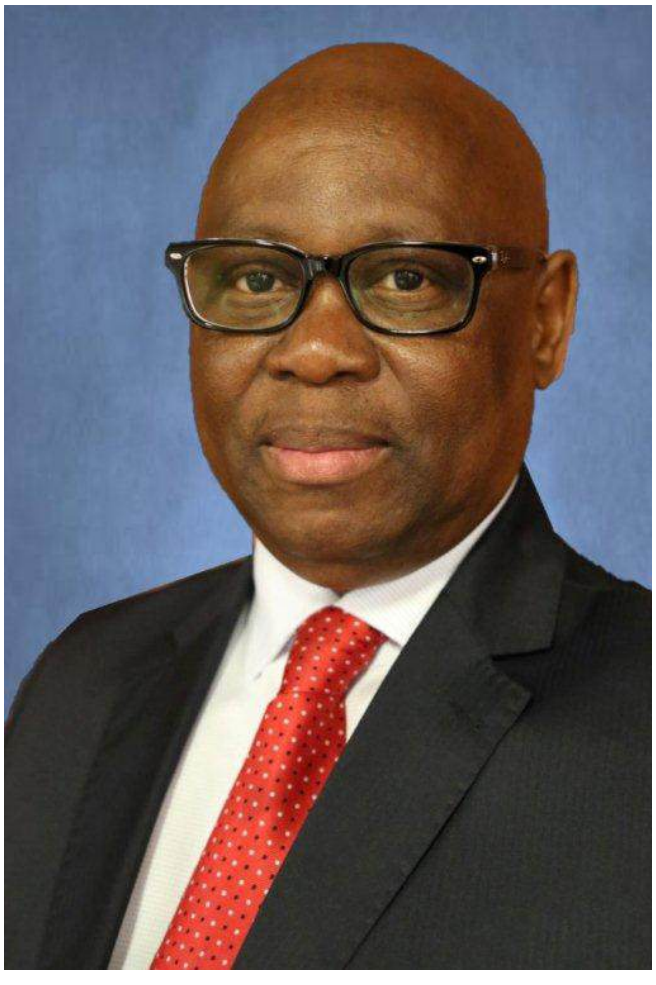
Learner pregnancy remains one of our major concerns. In fighting learner pregnancy, the department continues with its programmes which are My Life My Future Campaign, Integrated School Health Programme, Soul Buddyz Clubs, Peer Education Programme, Keeping Girls in School Programme, Baby Not Now Campaign and many other programmes. A lot of money has been invested to ensure that these programmes become a success. In this regard, we are going to be partnering with civil society to implement some of these programmes, including Treatment Action Campaign and others.

The programme for change requires parental and community involvement which is critical in improving accountability of the education system. Education is and must be treated as a societal issue demonstrated through vibrant education forums and continuous feedback to parents by means of workbooks and report cards.

The Department of Education strives to maximise school functionality and focus, to ensure an effective district management development strategy, and establish adequate capability in districts to effectively support schools, and marshal private sector and NGO support

Hon. Mr Mthandeni Dlungwana , MPL
KwaZulu-Natal Legislature MEC: Education

4. REPORT OF THE ACCOUNTING OFFICER.



Dr E.V Nzama

Head of Department: Education KwaZulu - Natal

OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT:

The year 2017/18 has been exciting and challenging. The departmnet was able to increase the pass percentage by 6.4% in 2016. This is against the backdrop of a disappointing slide in 2014 and 2015. The highest drop was in 2015 with a 60.7% pass rate. International assessment results from PIRLS were released in 2017 showing marginal improvements in Grade 5 results from the previous trends. This is a clear indication that the education system is gradually improving at all levels. The department attained an unqualified audit opinion for three successive years. These successes have been marred by the loss of senior personnel at key positions such as Circuit Management, Finance and Human Resource Management through retirements and resignations. Other notable challenges among many, that the department struggled to grapple with are the payment of Service Providers on time, shortage of staff and tragic learner incidents involving the loss of life. The report hereunder seeks to elaborate on key strategic issues that are the highlight of the year

KZNDOE focused on the nine pillars as strategic drivers to take the Department to 2020. These pillars are discussed in detail as part of the overview There is a huge improvement in the performance of the system. The size and spread of schools imposes a responsibility to adequately resource districts.

1. Transformation of the schooling system

This programme was implemented with the focus on community involvement in all schools, through the resuscitation of the Quality Learning and Teaching Committees (QLTC) in an attempt to intensify parental involvement as part of curriculum management and delivery. These committees were constituted by stakeholders at various levels, aimed

at ensuring they are actively involved in education.

The alignment of schools remains a focus of the department. As such, special focus was paid to multi-grade schools through the introduction of a specially designed toolkit for these schools, through the rural academic support section of the department. In initiating this programme, a conscious decision was taken to address those schools that would have a minimal financial implication on the department. To date, the department has been able to consolidate a total of 171 schools in respect of this programme. Learners from consolidated Section 14 Schools were placed at Boarding Schools.

The construction of the La Mercy Maths and Science Academy was not completed in-year and is expected to be completed in 2018/19. The Ndumo School of Excellence (now known as Mandla Mthethwa School of Excellence) reached practical completion in November 2017 and admitted the first group of learners in the 2018 academic year. The planning for the maritime schools is still continuing and the implementation of projects has been delayed due to limited infrastructure funding. The plan for 2017/18 for maritime schools is to provide special classrooms that are conducive to teaching maritime subjects and also to provide internet facilities that will allow teachers and learners to access relevant resources for these subjects, since there are no prescribed textbooks in the national catalogues. The Shakaskraal secondary school in iLembe district will be fast-tracked to become a fully-fledged agricultural school. Funds have been set aside to continue with the incremental provision of skills through agricultural, maritime and other types of technical schools. This will be achieved through the resourcing of these schools.

2.1 Curriculum and Assessment

Curriculum and Assessment Policy Statements: The 2017 Grade 12 class was the fourth group to write the CAPS aligned examinations. The 2017 results indicated an improvement of 5.8 per cent compared to the previous year, but fell short of the 75 per cent target the department had set itself. The department therefore reviewed the academic improvement plan which was developed in 2016 as a three-year plan. The plan focused on basic school functionality, curriculum delivery and learner attainment, teacher development and reading promotion. This included a focussed learner support programme for schools that performed below 30 per cent which took place during the April holidays. The plan included teacher training in content and methodology but, due to financial constraints, the teacher training aspect could not be done. LTSM were developed and distributed to all schools in June 2017. The learner support programmes included support for "high flyers". This programme resulted in KZN producing the highest number of bachelor passes in the 2017 National Senior Certificate (NSC) result. Both KZN and Gauteng have the most number of bachelor passes at 80.2 per cent, which is an increase of 3.5 per cent from 2016. Together, both provinces make up just over 70 per cent of diploma passes, an increase of 4.1 per cent from 2016.

Furthermore, learner support programmes were conducted during weekends and holidays, especially the July and September holidays. A comprehensive radio broadcast revision programme was conducted through Ukhozi FM and all community radio stations.

A total of 124 317 candidates, which included 5 356 progressed learners, sat for the 2017 NSC examinations in October/November 2017 in KZN. In 2017, all the large gateway subjects improved except for Business Studies and Agricultural Sciences. Mathematics Literacy improved from 60.28 per cent in 2016 to 67.71 per cent in 2017, Physical Sciences improved from 57.76 per cent in 2016 to 65.11 per cent in 2017, and Mathematics improved from 37.91 per cent in 2016 to 41.59 per cent in 2017. The province performed well, obtaining 90 per cent and above in other subjects, such as Agricultural Technology, Agricultural Management Practices, Consumer Studies, Civil Technology, Dramatic Arts, Electrical Technology, Engineering Graphics and Design, Hospitality Studies, Mechanical Technology, Tourism, Visual Arts, etc.

Technical secondary schools: Thirty two technical schools are fully equipped to support technical subjects. Training of 336 teachers in technical subjects was undertaken to offer technical subjects at these schools. To date, 20 schools are offering maritime study subjects.

2.2 Curriculum delivery and support

The department maintained the intervention programmes of previous years, but the main aspect of curriculum delivery and support focussed on the role of circuit managers as curriculum delivery supervisors, the audit of curriculum delivery, reskilling of teachers through improved teacher development strategies, as well as improvement of assessment strategies in the General Education and Training band.

Subject advisors and circuit managers assisted schools to monitor curriculum coverage using a very effective monthly instrument. There was regular monitoring of curriculum coverage by the School Management Teams (SMTs). Schools received well prepared lesson plans coupled with assessment exercises and memoranda. These exercises helped teachers to get feedback after teaching each aspect of work. Schools had curriculum delivery targets which were monitored by the circuit management on a monthly basis. Schools wrote common tests as part

of Continuous Assessments (CASS) in all subjects, where they obtained less than 75 per cent. The schools were sampled for moderation by subject.

3. Teacher Provisioning, Development and support

The pool of educators in relation to the Post Provisioning Norm (PPN) was capped at 90 057 and was fully funded. This was to ensure that there would be an educator in the classroom at any given time. The learner teacher ratio is currently at 1:30. The attraction of qualified skilled educators into the system is no longer a constraint towards the delivery of quality education. This is evident in the fact that the Department has surplus educators who still need to be placed. Through the prioritised category of Funza Lushaka bursary funded educators, the Department has placed 56% of those educators. There is still a challenge particularly in gateway subjects like Mathematics and Science. In the 2017/18 financial year, the Funza Lushaka Bursary Programme has contributed 1 061 qualified educators with a minimum qualification of Bachelor of Education Degree to the system.

3.1 Continuing Professional Teacher Development (CPTD) Management System

The CPTD is a system through which teachers are expected to access SACE endorsed professional development activities/programmes which assist them to address shortfalls and gaps identified through processes such as IQMS, ANA, NSC examinations and diagnostic self-assessments.

In total 48 685 Principals, Deputy Principals, Departmental Heads and Post Level 1 Educators have been orientated and signed-up for the CPTD Management System. One thousand one hundred and eighty three (1 183) out of 1 714 schools have been trained on the process of uploading school-initiated (Type 2) professional development activities/ programmes that teachers have participated in so that teachers can earn professional development points. The uploading of Type 3 activities/programmes conducted by the Provincial Education Department for teachers has commenced. All signed up educators are expected to participate in teacher-initiated, school-initiated and externally-initiated programmes in order to accumulate a minimum of 150 PD Points in three year cycles.

The Integrated Strategic Planning Framework for Teacher Education and Development 2011-2025 (ISPFTED) states that 'in the context of this Plan, SACE has an important quality management role to play in promoting and supporting the system for identifying and addressing teacher development needs'. The South African Council for Educators (SACE) in partnership with the Flemish Association for Development Cooperation and Technical Assistance (VVOB) is conducting a learning trajectory for data-driven decision management. In this trajectory, a monitoring activity is being conducted on the uptake of professional development and the quality of educators' Professional Development Portfolio (PDP). The SACE and DoE employed CPTD coordinators are conducting the monitoring and evaluation activity via visiting and interviewing teachers.

In total 180 school-based educators from 60 schools in Pinetown, Umlazi, Umgungundlovu and King Cetshwayo districts have been sampled to participate in the activity. The interview instruments were piloted in one school in each of the four targeted districts in March 2018. Participants will be required to share information and discuss issues related to the questions that will be asked during the interview and observation process.

The information will serve as critical data and will be treated in a confidential manner and no person, school or district will be identifiable in the final report. The focus of the monitoring and evaluation will be, among others, on the following: signing up of teachers, the types of professional development activities that educators participate in, how educators record and report on their participation in professional development activities to SACE and access to professional development opportunities and support for educators.

3.2 Professional Learning Communities (PLCs)

Professional Learning Communities (PLCs) are considered a valuable means of promoting school and system-wide capacity building for sustainable improvement of teaching and learning since they fulfil a need for teachers to engage on sustained professional development that is authentic and relevant to their needs at a local level. The Department of Basic Education (DBE) is rolling out PLC training through a partnership with VVOB.

In 2016, district officials from Teacher Development, Teaching and Learning Services (TLS) FET and GET as well as Circuit Managers conducted orientation on PLCs for one Departmental Head from 2 085 out of 2 558 schools from August-October 2016 in order to encourage the establishment of PLCs in their respective schools. During 2017, the Departmental Heads who were trained were expected to conduct orientation in their respective schools for the establishment of subject-based PLCs. In line with the Continuing Professional Teacher Development (CPTD) Management System, educators will earn professional points for participating in PLCs. To ensure sustainable PLCs, the provision of monitoring and support is crucial, particularly by Circuit Managers and Subject Advisors.

3.3 Initial teacher training

Initial teacher training is done primarily through the provision of Funza Lushaka bursaries. At the centre of Funza Lushaka bursary scheme, is the management of graduate placement. This is preceded by purposeful recruitment and continuous support and encouragement during the university academic training to ensure that all processes work towards the eventual effective placement of graduate bursars in teaching positions in schools which have historically found it difficult to attract well-qualified teachers. It is against this backdrop that the Department introduced the Funza Lushaka District-Based Bursary Programme. In 2015, 980 Funza Lushaka bursars were successfully placed in schools and since then, 478 bursaries are offered annually, primarily to Grade 12 high flyers, from quintile 1, 2 and 3 schools, to study for a 4-year teaching qualification. Prospective bursars are compelled to choose their specialisations from the identified Provincial and National Priority Areas.

To facilitate the recruitment and selection processes in the 2017/18 financial year, DBE and Provincial officials and Academic Coordinators from the three Universities viz. UKZN, DUT and UNIZULU, and Central Applications Office (CAO) representatives conducted briefing sessions about the procedures and processes of the Funza Lushaka District- Based Bursary Programme in all 12 districts. Principals of Grade 12 offering schools and Life Orientation teachers were invited to attend the briefing sessions because it is schools that identify the high flyers. Principals were reminded to encourage learners to apply for a B.Ed. degree through CAO and were referred to the CAO booklet which details HEIs that offer a Bachelor of Education (B.Ed.) degree in the province. Copies of the entry requirements to the B.Ed. in each of the three universities (DUT, UKZN and UNIZULU) were distributed. The identified learners were given Funza Lushaka Application Forms and the Life Orientation Teachers were expected to assist them to complete and return them to the principal. Provincial selections were conducted on 12-13 September 2017 by the Funza Lushaka District and Provincial Coordination Committees.

After the release of the NSC results, DBE issued 236 Promissory Letters to prospective bursars who met the requirements for a Bachelors Pass. During the registration in February 2018, 209 students used the promissory letters in UKZN, UNIZULU, DUT and University of Fort Hare. Eight hundred and seventy six (876) out of 1 061 Funza Lushaka bursary graduates were successfully placed in schools within the province in 2017/2018.

3.4 In-service training

During the 2017/2018 financial year un- and underqualified teachers and those needing to be reskilled received ETDP SETA funding through the following listed programmes: Bachelor of Education degree (B.Ed.); Diploma in Grade R Teaching; Advanced Diploma in Education; Post Graduate Certificate in Education (PGCE); and Computer End-user/ICT programmes.

3.4.1 Screening, Identification, Assessment and Support / Curriculum Differentiation

Over and above these programmes 10 735 Foundation Phase Educators in all 12 Districts were trained in screening learners, identifying barriers to learning, offering support in terms of appropriate school placement and developing specialized individual support programmes. Training included Mainstream, Full Service and Special School educators. The 2-day training sessions were conducted by District Training Teams, supported by the Inclusive Education Directorate. Six hundred and twenty four (624) members from Institution Level Support Teams and 36 Members from District Based Support Teams were inducted and trained to support and facilitate the implementation of the SIAS policy.

3.4.2 Learners/Children with Severe to Profound Intellectual Disabilities (Conditional Grant)

A transversal team comprising of a Project Manager, Educational Psychologist, Physiotherapist, Occupational Therapist, Speech Therapist and Educational Specialist were appointed to facilitate therapeutic and learning programmes for previously neglected learners with severe to profound intellectual disabilities. The team has trained 314 educators and care-givers from 31 Special Schools and 18 Care Centres and 36 SNES District Officials on learning programmes and resources, relevant therapeutic interventions and the use of assistive devices. In addition the Team has trained 120 officials from the Departments of Health and Social Development and other directorates in Education including ECD, EMIS, Infrastructure Planning and Development, Exams and Assessment.

3.4.3 Full-Service and Inclusive Schools

Principals and SMT members from 101 Full-service Schools and 24 Inclusive schools have been trained in School policies , including Guidelines for Full Service and Inclusive Schools, Functionality of School Based Support Teams, Management of administrative records, Pillars of Full Service Schools, SA-SAMS and Levels of support to be offered to learners. Further capacity building and training was conducted with 35 School Counsellors, 34 Learner Support Educators who work with the Full-service Schools at District Level and 49 Learner Support Assistants based at the Full-service Schools.

3.4.4General Certificate in Education – Technical Occupational

Principals in 74 special schools and District SNES officials in the 12 Districts have been advocated and orientated on the proposed Technical occupation qualification. Four (4) Prevocational Schools have been identified to pilot the GCE-TO and in-depth training over 5 days was conducted at these schools with all educators who are teaching the CAPS core and elective trade subjects. Fifteen (15) educators from the province who were trained in various subjects on the new curriculum for learners with severe intellectual disability, now form part of the Provincial Task Team for the implementation process of the pilot program. The PTT trained educators over a 3-day period from both GCE-TO and Severe Intellectual Disability - Differentiated CAPS on development of LTSM for the D-CAPS subjects. Educators are now tasked to develop draft workbooks for learners and educator manuals to support the implementation of the SID D-CAPS curriculum.

3.4.5 Autism Spectrum Disorder

One hundred and twenty (120) School and District based officials were trained over a 5-day period, in the Autism Spectrum Disorder by service provider, The Autism Project. The training included identifying symptomatic behaviour, educational programmes and therapeutic interventions, enhancing communication strategies and social skills, sensory integration and responding to the psycho-social needs of parents and care-givers. Practical sessions were also conducted on developing teaching and learning resources for children requiring high levels of support.

3.4.6 South African Sign Language

Training in SASL was conducted by DBE at a National Level, with a contingent of 16 attending from Schools for the Deaf in KZN. This was a SASL-CAPS Refresher programme conducted for Senior Phase and FET Deaf and Hearing educators and Deaf Teaching Assistants over 5 days, to prepare educators for the first Grade 12 exams. The training focused on interpreting SASL literature and developing lesson plans and assessments.

In addition DBE conducted training at a National Level for Home Language Subject Advisors, from all Provinces, to support the implementation of SASL in the absence of appointed SASL Subject advisors. They were orientated on the subject prescripts, technical requirements of SASL, LTSM, resources and equipment, teaching plans and assessment protocols.

3.4.7 Winter and Spring Vacation Programmes

Winter and spring vacation workshops for educators is to address identified problematic areas in targeted subjects. The targeted areas in each subject were content, methodology and assessment. The targeted subjects, viz. Language (EFAL), Economic and Management Sciences, Natural Sciences, Social Sciences and Mathematics are critical in terms of laying a solid foundation for the FET subjects.

The table below provides information on attendance figures at winter and spring workshops:

Subject	Expected Attendance	Actual Attendance
Mathematics	2711	1822 (67%)
Natural Sciences	2134	1155 (54%)
Economic & Mgt. Sciences	2491	1249 (50%)
Social Sciences	2174	976 (45%)
English First Additional Language	2088	1147 (56.2%)

3.5 Provincial Teacher Development Institute (PTDI)

The renovations and refurbishments scheduled for the Provincial Teacher Development Institute durng the 2017/2018 financial year were temporarily suspended due to financial constraints. Given the need to strengthen accessibility to quality and intensify training in national priorities such as Languages, Sciences, Mathematics and Technology (LMST) in order to improve teachers' content knowledge, it is anticipated that the project will be back on track in 2018/2019.

3.6 District Teacher Development Centres

In terms of the ISPFTED 2011-2025, at the level of districts, Provincial Education Departments (PEDs) have established District Teacher Development Centres (DTDCs). These are physical sites located in districts and manageably accessible to teachers working in surrounding schools. They serve as local sites for curriculum support staff and for teachers. At these sites teachers will be able to access shared resources, attend courses

and hold Professional Learning Communities (PLC) meetings. District Teacher Development Centres (DTDCs) are expected to plan and conduct professional development activities in collaboration with the Provincial Teacher Development Institute (PTDI). Reports on activities are to be submitted to the PTDI for onward transmission to the National Curriculum and Professional Development Institute (NCPDI). The province currently has 45 DTDCs where school and office-based educators and out- of- school youth engage in professional development activities such as meetings, workshops and ETDP SETA accredited skills programmes, including ICT integration.

From 24-25 May 2017 a two-day orientation and planning workshop was conducted for 103 Centre Managers, CESs, DCESs and SESs from Teacher Development in order to align the operations of the teacher centres to the mandate as outlined in the ISPFTED and streamline the programmes to be conducted at the centres with a focus on national and provincial priorities. Thirty four (34) Centre managers and 4 e-learning specialists who had participated in an Information Technology (IT) blended post graduate diploma which was delivered by the University of Johannesburg from 11-14 July 2016, completed the course on-line in February 2017. A Provincial Graduation was held at the PTDI on 30 May 2018 for the graduates. The graduates who attended shared their learning experiences while doing the Post Graduate Diploma through the University of Johannesburg in a two-day workshop and graduation in July 2017.

Districts are currently conducting an advocacy campaign to maximize the use of the centres by officials, teachers and out of school youth - the primary target groups. District Teacher Development Centres (DTDCs) have resources that teachers can use to mitigate challenges experienced by learners in various subjects, including e-materials. Through partnerships with Vodacom, UNISA etc. some centres have been equipped with computer and broadcasting laboratories. Internet connectivity in the centres provides a platform for teachers to surf for innovative support materials to boost their teaching, improve their digital literacy skills and report their participation in professional development activities to SACE, thereby earning professional development points. A workshop was conducted from 18-19 September 2017 for Centre Managers and Chief Education Specialists from Teacher Development to develop an Advocacy Campaign Strategy so as to maximize the use of the DTDCs for enhancement of teaching and learning. Centre Managers commenced advocacy sessions in January 2018. To date 2605 principals, officials, learners, MANCO members and community organisations collectively have been reached through the advocacy campaign, including activities conducted by subject advisors and other provincial and district officials at the centres. Curriculum FET officials have been orientated on how to use the broadcasting equipment that is in the UNISA laboratories. The intention is to utilize the labs to broadcast just-in-time content and revision workshops in future.

3.7 Diagnostic Self- Assessments

Diagnostic self-assessments are mandated in Output 1, Activity 1.3 (a) of the Integrated Strategic Planning Framework for Teacher Education and Development in South Africa 2011-2015 (ISPFTED). They are a capacity building strategy for teachers used to identify and address individual and systemic teacher development needs. Participation in the tests will ultimately strengthen teacher content knowledge. The ISPFTED tasks the National Institute for Curriculum and Professional Development (NICPD) to co-ordinate "the development of courses, for specific subject areas, which will take place in tandem with the development of diagnostic self-assessments for those subjects."

From 25 April-12 May 2017, 714 Grade 7-12 mathematics teachers and 506 teachers whose home language is not English but who teach through English, participated in diagnostic self- assessments by Pearsons in 11 targeted DTDCs. Furthermore in February 2018, 203 Grade 7-12 teachers took EFAL tests. Teachers earn professional development points for participating in the programme as outlined in the Professional Development (PD) Points Schedule for the CPTD Management System.

The province has made preparations for the anticipated Grade 8 and 9 Mathematics as well as the Grade 10-12 Physical Science diagnostic self- assessments pilot by DBE. The province has been allocated a quota of 250 for each test.

3.8 Teacher supply

The supply of qualified educators into the system in gateway subjects like Mathematics and Science remains a challenge. The Department is making these subjects provincial key priority areas for learners who will be funded through Funza Lushaka in 2019. In retaining and reskilling educators the Department has provided bursaries for Departmental Heads in schools and Subject Advisors to enrol for Honours degrees in different subjects. The Department of Basic has engaged with the DHET with a view to request them to develop programmes for FET educators who are artisans so that they can fit into the main stream schools. Local HEIs are also part of that engagement. Bursaries will be geared towards addressing specific and identified teacher shortages in the Basic Education sector eg three streams Model, Inclusive Education, Incremental Introduction of African Languages, Mathematics, Science and Technology. As such, some funding has been set aside with a view to fund non-

employees who meet the necessary criteria and wish to pursue a qualification in the teaching profession.

3.9 Induction Programme for Newly Appointed Post Level 1 Educators

Induction of newly appointed teachers is conducted for the newly appointed Post level one (PL1) educators. The programme aims at developing effective, efficient and committed teachers who will provide quality teaching and learning in schools. Its main focus is to induct them on their duties and responsibilities. Seven hundred and ninety six (796) newly appointed educators from seven districts attended induction workshops in the 2017/18 financial year. The remaining five districts will conduct their workshops in the 2018/19 financial year.

3.10 Administration of School and Classroom - Level Needs- Assessment: Teaching for

3.10.1 Diversity and Effective School Leadership

KZNDOE and VVOB entered into a partnership through a MoU for the 2017-2021 programme, 'Leading and Teaching for Diversity,' which is funded by the Belgian Government. For the implementation of this programme, dedicated Provincial and District Training Teams (Ilembe, Umzinyathi and Zululand) were identified. VVOB will provide capacity development support to the Department's provincial and district training teams to carry out targeted CPTD for teachers and school leaders. This CPTD will be aimed at further strengthening the competences of school leaders and teachers in primary schools to respond to learner diversity by applying inclusive pedagogy for numeracy and literacy. The Provincial Steering Committee took a decision that VVOB should focus on Zululand, Umzinyathi and Ilembe districts in 2018, based on their performance in the 2016 NSC exams.

In order to ensure that this CPTD is relevant and effective, the Department of Education, in partnership with VVOB, is conducting a qualitative needs assessment in six randomly selected schools in each of the three districts. These school consultations are solely carried out to inform the CPTD content and approach, and will consist of classroom observations, supportive interviews and self-assessment questionnaires with teachers from foundation and intermediate phase and the school principal. The tools for the needs assessment were developed by the Provincial and District Training Teams in a very fruitful workshop on 30 January – 2 February 2018 at the PTDI.

The tools were piloted by the District Training Teams in one school in each of the three targeted districts from 5-12 March 2018. Thirty seven (37) PTT and DTT members attended a second workshop on 14 March 2018 at the PTDI to share their experiences from the pilots and also to refine the needs assessment tools. The interview tools are currently being adjusted in preparation for conducting the needs analysis interviews in the sampled schools. After analysis of the needs identified through this activity, the PTT and DTTs will be trained to conduct capacity building programmes for principals and teachers in the targeted schools to address the identified needs.

3.11 Professional Development Survey

The province administered a survey questionnaire in February-March 2018 for a survey conducted by the Department of Basic Education (DBE). The survey was designed to collect information on the perceptions, experiences and attitudes of teachers with respect to their experiences of continuous professional teacher development (CPTD). DBE randomly sampled 100 schools in the province to participate in the survey. From the sampled schools DBE sampled 10 teachers from which 5 were to participate in the survey. The Provincial Survey Team comprised a provincial co-ordinator and 51 fieldworkers from districts.

Orientation for the fieldworkers was conducted on 29 January 2018 and school participant registers for the 100 schools were distributed. Initial meetings were conducted with the principals to apprise them of the activity. A date was agreed upon for the actual administration of the questionnaires. Fieldworkers concluded the survey on 16 March 2018, having administered the questionnaire in 99 of the 100 sampled schools. Reporting by fieldworkers and the provincial co-ordinator was done through a survey tracker on a weekly basis. Verification was done by the fieldworkers and the provincial co-ordinator. All research tools and documents had been forwarded to DBE by 29 March 2018.

Development of strong Leadership and Management

4.1 Curriculum Management

Through three-day workshops conducted from 17-26 February 2017, 2 429 out of 2 577 Departmental Heads from secondary schools that obtained 0 - 60% in the 2016 NSC examinations participated in a capacity building workshop on effective curriculum management. Three hundred and thirty nine (339) out of 380 secondary and

primary school principals from the Zululand District were trained in February 2018 on curriculum coverage through a Teacher Union Collaboration (TUC).

4..2 Special Intervention Programme for Underperforming Secondary Schools

This annual programme is intended to strengthen provincial interventions for secondary schools in the 0-10% performance category in the NSC examinations as it has been conducted over the past three years. The intervention essentially takes the form of the whole school approach, thus targeting all the teachers of the identified schools who are exposed to a three-day capacity building programme conducted at a secluded venue that is far from their normal work environment.

From 26-28 May 2017, 275 out of 289 educators from 30 secondary schools participated in the programme at the PTDI. In a similar workshop conducted from 16-18 March 2018, 75 out of 83 educators from 12 schools attended the intervention programme. Educators were empowered on critical areas of curriculum delivery and management including but not limited to the following:

- Roles and responsibilities of SMTS in managing curriculum;
- Linking School self-evaluation to school improvement planning;
- Monitoring curriculum coverage, moderation and management of SBA;
- Target setting and Concessions;
- Analysis of learner performance;
- Promotion and progression requirements; and
- SACE Code of Professional Ethics

4..3 SACE Code of Professional Ethics, Cooperative Discipline and Employee Disciplinary Measures

In order to curb unprofessional conduct of teachers published in the media, workshops were conducted for principals of schools in all 12 districts from 3 July -12 August 2017.

In total 4 515 out of 6 217 principals were capacitated on the following aspects:

- SACE Code of Professional Ethics;
- Co-operative Discipline; and
- Employee Disciplinary Measures

In turn the principals were expected to conduct similar workshops in their respective schools in order to strengthen implementation of policies and procedures for dealing with misconduct by both teachers and learners, reduce negative media publicity and restore the status of the teaching profession.

4.4 Jika Imfundo Campaign

Jika Imfundo Campaign is aimed at institutionalization of change in practice and systemic improvement of learners' school results. The programme supports teachers as instructional leaders in the classroom to improve practice, work with District practitioners to develop and avail basic tools of teaching which should result in increased curriculum coverage and management; widen access to support material and finally translate into improved learners' results in schools. Jika iMfundo was previously piloted in Pinetown and King Cetshwayo Districts but has been extended to Umgungundlovu, Ilembe, Umzinyathi and Umkhanyakude from January 2018. Module 1 on "Leadership and Management" targeted the principal, one Departmental Head and a PL1 educator from each school in the four targeted districts and the focus was on tracking curriculum coverage. In total 3 773 out of 4 903 were capacitated from January-February 2018.

5. Infrastructure Planning and Delivery Management

The infrastructure programme is implemented through Implementing Agents (IAs) that are appointed. The prioritisation process is done through the collation of the Infrastructure Plan (IPMP) which is then utilised to produce allocation letters with programme allocation for the respective IAs and their budget for the financial year.

The IAs are closely monitored by dedicated programme managers assigned to each IA and monthly monitoring meetings are held wherein IA reports on the progress and bottleneck issues are unlocked to ensure successful delivery of school infrastructure.

The employment of additional technical staff as part of the IDMS went a long way in addressing the challenges of problematic projects, long completion times, quality of completed work and the escalating costs of projects. During 2017/18, the department appointed Chief Electrical Engineers, Quantity Surveyors, Chief Architects and Building Works Inspectors in various districts.

5.1 New Schools

This sub-programme deals with new and replacement schools that are built. The nature of the infrastructure stock is such that many upgrades and additions projects eventually become replacement schools as the poorly built schools do not pass the test of structural soundness and are recommended to be demolished. Backlogs are determined taking existing infrastructure into account and calculating the shortfall against the desired norm. In many cases the actual physical backlog is understated because the condition backlog renders many structures uneconomical to repair and it makes economic sense to replace such structures which furthermore reduces the life cycle cost of the institution.

In the 2017/18 financial year 6 new schools were completed. These include Mandla Mthethwa, Westmead, Ebuhlenibenkosi, New Indaleni, Princess Phumzile and Horseshoe School.

5.2 Administrative Spaces

Eleven (11) administration blocks were built through the New Schools and the Upgrades and Additions Programmes in 2017/18.

5.3 Early Childhood Development (ECD)

Early Childhood Education Centres have a dedicated programme to ensure that universal access is attained. In addition to the ECD programme, all New Schools and Upgrades and Additions projects include provision of ECD centres. In the 2017/2018 financial year a total of 40 ECD centres were completed.

5.4 LSEN and Full Service Schools

Amongst the schools under construction are five (5) schools for Learners with Special Education Needs (LSEN). These schools ensure that the doors of education and culture are opened to all. Even though there were no LSEN schools completed in the 2017/18 financial year there are three (3) of the schools under construction which will be completed in the 2018/19 financial year, viz., Malezulu and Vulekani Special Schools which are in Harry Gwala District and Ukukhanya KoMsinga which is in the Umzinyathi District. Pholela Special School and Inanda Special School will be completed in the 2019/20 financial year.

5.5 Upgrades and Additions

The Upgrades and Additions programme seeks to upgrade the school to be compliant with the Regulations Relation to the Minimum Norms and Standards for Public School Infrastructure. The primary driver for the prioritization of these projects is overcrowding followed by the lack of ancillary facilities, e.g. administration blocks, storerooms, media centres, specialist classrooms, etc. Schools included in the Upgrades and Additions programme are provided with all the facilities that are required in terms of its projected enrolment as per the departmental norm. The condition of many of our schools is such that the Department spends the bulk of the budget in the upgrading and rehabilitation of these schools. Many of the schools were built by communities with limited technical supervision. The result is that the degradation has reached crisis levels and these schools need to be demolished in many of the instances. This programme has the most number of projects considering the fact that it covers sub-programmes such as Early Childhood Development Centres, Fencing, Electricity and Water and Sanitation under the Upgrades and Additions programme.

5.6 Storm Damaged Schools

KZN province has been afflicted by inclement weather conditions that have destroyed many schools during the period under review. During the months of September and October 2017, the province was once again struck by strong winds and rain which affected mostly, coastal districts such as Umlazi, Pinetown and Ugu. Other districts were also affected but not as severe as the three districts mentioned above.

The schools currently being addressed within the Repairs and Renovations programme contributed to the completion of 82 storm damage projects in 2017/18. Provincial treasury assisted the Department with an allocation of R103million for the specific purpose of addressing the storm damaged schools.

5.7 Sports Fields and Chess Boards

The construction of Sport fields are a challenge for the Department. The minimum norms for New Schools and Upgrades and Additions Programmes include the construction of sports fields. The topography in the province though is such that the development of sports fields becomes very expensive and therefore sometimes becomes unaffordable. Nonetheless, all new projects delivered under the New School programme have some form of sporting facility in the form of combo courts. Under the New Schools and Upgrades & Additions Programme, two (2) sports fields were completed in the 2017/18 financial year.

5.8 Sanitation

The Department embarked on an aggressive sanitation programme in the years leading to 2016/17 financial year. The Regulations Relation to the Minimum Norms and Standards for Public School Infrastructure determined that all schools without sanitation be attended to by the end of November 2016. The Department addressed all the schools that were deemed without sanitation and is currently addressing schools with sanitation facilities that are below standards and are inadequate. Schools that were addressed within the Water and Sanitation, Upgrades and Additions programme contributed to the completion of 159 sanitation projects in 2017/18.

5.9 Water

Sanitation and Upgrades and Addition Programmes are the vehicles used by the Department to provide water to schools. The schools that were addressed within these programmes contributed to the completion of 175 water projects in 2017/18.

5.10 Power Supply/Electrification

This programme has experienced delays. All new schools and upgrades and additions are wired to receive electricity but access to the Eskom grid is proving to be a challenge. Subsequently the department is exploring alternative strategies such as solar power as immediate relief. In the 2017/18 financial year 33 schools were completed.

5.11 NSNP Kitchens

The infrastructure for NSNP provisioning is realised through the New Schools and Upgrades and Additions programme. Twenty four (24) nutrition centres (inclusive of mobile kitchens) were completed in the 2017/18 financial year.

5.12 Recapitalisation of Technical and Agricultural Schools

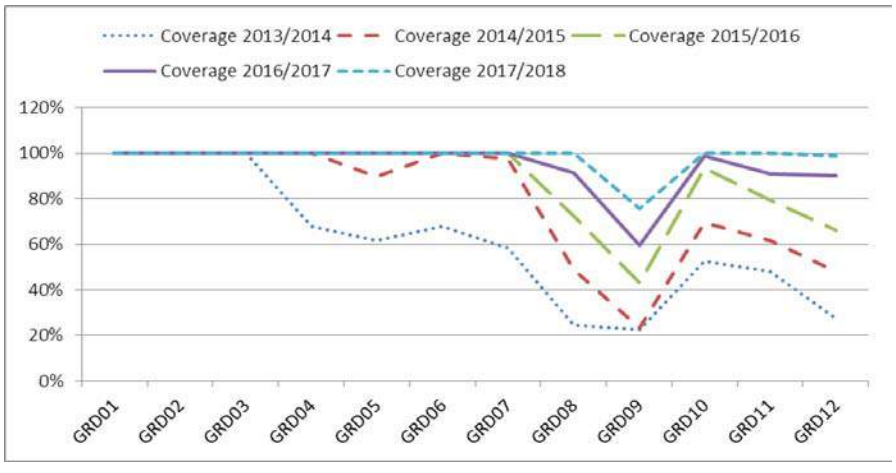
The Department is currently upgrading existing schools with technical workshops. This is evident in the schools such as Velangaye Secondary School in King Cetshwayo and Lethithemba Secondary School in Amajuba which are currently under construction. The two projects will be completed within the 2018/19 financial year. The department has other schools in planning stages such as Msinga Secondary School at Umzinyathi.

Planning and Resourcing

LTSM for 5 809 public ordinary schools is funded through the Norms and Standards Policy in line with the requirements of Section 35 of the South African Schools' Act No. 84 of 1996 (SASA). The respective schools' budgets are drawn taking into consideration variables applicable to each school, one of which is the learner enrolment of the school.

It is common knowledge that budget pressures have resulted in per learner capita being underfunded over recent years. This trend has continued into the 2017/2018 financial year and the Department has accordingly continued in its quest to stretch its resources to minimise the effects of underfunding. Interventions include measures in resourcing; procurement; retention and retrieval and serve to aspire to accelerate the realisation of universal coverage.

Progressive Average Coverage Indicator



6.1 Provision of LTSM

The provision and availability of LTSM on the first day of school in all schools is one of the contributory factors to the provision of quality education. The 2017/18 distribution of LTSM for all schools which procure through the department was completed in November 2017. The textbooks purchased were ready for delivery to schools in the first week of the 2018 school year. Textbook coverage is still a challenge for some grades with average textbook coverage measured at 97 per cent.

6.1.1 Centralised Procurement

There has been a steady drive towards central procurement with 1 092 Section 21c schools opting for central procurement, up from the 971 schools last year. This constitutes 40% of all Section 21c schools and a virement of R 85.5m from Transfers to Goods and Services.

6.1.2 Provision of Stationery

Central purchases for stationery were concluded in July 2017. In this regard, it must be noted that economies of scale was used to leverage against inflationary factors and the Department was able to negotiate prices within budget provisions.

6.1.3 Provision of Textbooks

The procurement plan for LTSM was in line with the DBE Sector Plan for LTSM. Orders were placed before 30 June 2017, thereby ensuring that textbooks were purchased before price increases for 2017/2018 became effective. This "more-bang-for-buck" initiative ensured that the Department was able to purchase additional textbooks valued at R 4.2m.

The Provincial Retention and Retrieval Policy is in place, in terms of KZN Circular No 44 of 2013. Annually, retention and retrieval data is solicited from schools for analysis.

6.2 Provision of high quality learning materials

Subject content gaps materials were developed by subject specialists from moderators' reports from the previous years' NSC examinations. Booklets that guide learners on successful study skills were provided to each matric learner.

Further materials for teachers that have been sourced from other Provinces that are performing better than KZN in these subjects, were made available.

Career choice booklets were also supplied to ensure that all learners have applied to various Higher Education Institutions. Materials targeting progressed learners were also supplied to those learners.

6.3 Undertake Regular Assessment to check progress

In 2017 the province had a clear programme of how to track and analyse learner attainment qualitatively and quantitatively. The qualitative part of tracking led to relevant interventions informed by questions/comments by subject teachers. The 2017 academic improvement plan allowed the province to develop an effective system for tracking learner attainment. This enabled all role players to report on grades 3, 6, 9, 10, 11 and 12 quarterly results timeously to Districts, Circuits, Department of Basic Education, Provincial Education Portfolio Committee and the Provincial Executive Committee.

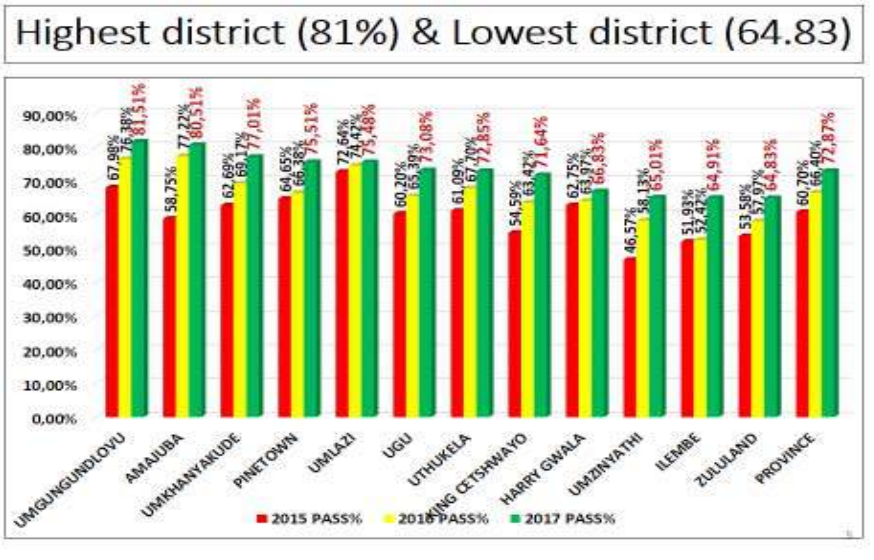
The 2017 academic improvement plan provided the system with a strategic design for the management of pedagogical interventions with the sole aim of improving learner attainment and to produce better matric results.

- KZN achieved an overall pass rate of 72.90% in the 2017 National Senior Certificate Examinations.
- The Province obtained good results despite having the largest number of learners in the country sitting for the examinations.
- A total of 124 317 candidates sat for National Senior Certificate and 21 323 sat for the Adult Education and Training examinations;
- The Province has sustained Grade 12 performance above 60% percentage over the last two years;
- All Districts achieved over 60% pass rate;
- A total of 109 schools achieved a 100% pass rate despite the high cognitive demand of question papers;
- 35 687 learners achieved bachelor passes to study in universities.
- The overall Mathematics pass percentage is 41.59% compared to 37.91% in 2016 and 65.11% in Physical Sciences compared to 57.76% in 2016.

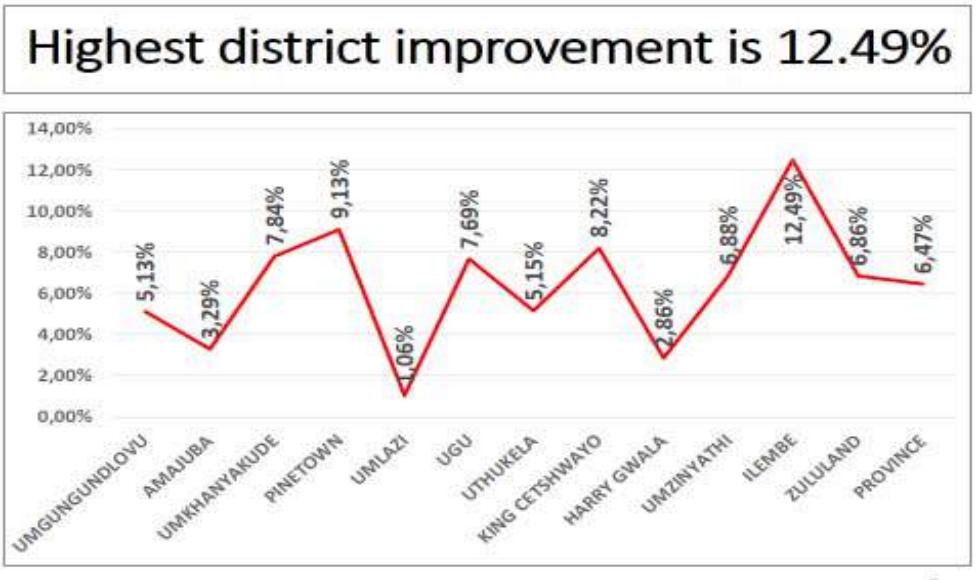
The sustained good performance is attributed to a number of interventions in the province, including:

- The winter classes and residential holiday camp;
- Weekend classes held at individual schools;
- Spring Classes targeting schools with low performance and learners at high risk.

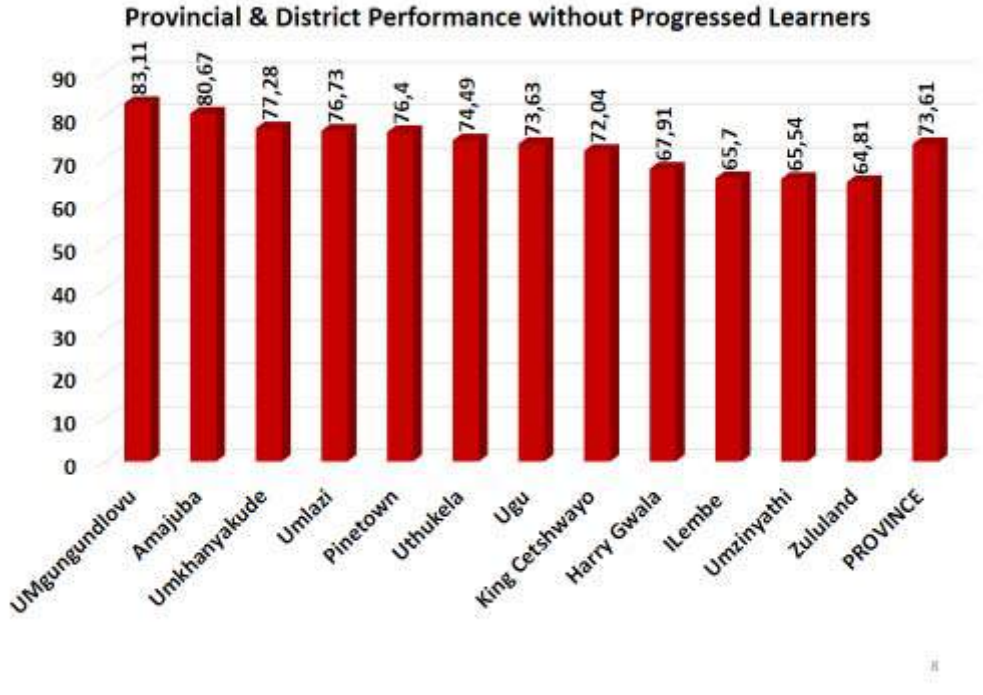
Highest District & Lowest District



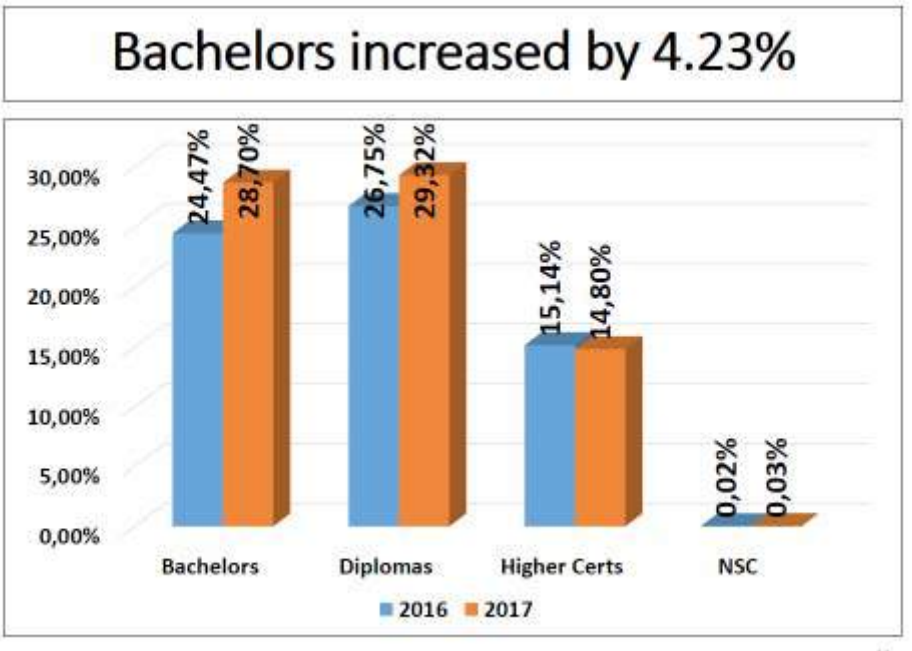
Highest District Improvement



Provincial & District Performance without Progressed Learners



Bachelors Increase



11

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The 2018 overall pass targets

DISTRICT	2017 PASS%	2018 TARGET
UMgungundlovu	81.51%	92%
Amajuba	80.51%	91%
UMkhanyakude	77.01%	87%
Pinetown	75.51%	86%
Umlazi	75.48%	85%
Ugu	73.08%	83%
UThukela	72.85%	83%
King Cetshwayo	71.64%	82%
Harry Gwala	66.83%	77%
UMzinyathi	65.01%	75%
ILembe	64.91%	75%
Zululand	64.83%	75%

6.4. Systemic Evaluation

The demise of Annual National Assessments has resulted in the province directing the schools to submit their Grade 3, 6 and 9 quarterly School-based Assessment (SBA) for tracking learner performance in all subjects. This was done with the assistance of the EMIS directorate as schools were instructed to capture all the marks on SASAMS. The collected data was analysed in order to determine the learner performance for each subject per grade per district which enables the calculation of the average provincial pass rate. The analysis further determines the quality of passes through the consideration of the number of learners performing at a particular achievement level. This information is shared with other relevant stakeholders including DBE to enable them to formulate appropriate intervention strategies aimed at improving district support and learner attainment.

In the 2017/18 financial year, schools were trained on the process of conducting useful School-Self Evaluation (SSE) and development of credible School Improvement Plans (SIP). In order to ensure that schools perform this essential task, workshops were conducted for Circuit Management in all districts to enable them understand the involved procedures and processes. Furthermore, the SIPs from schools should inform the Circuit Improvement Plan (CIP), Circuit Management Centre Improvement Plan (CMCIP) and the District Improvement plan (DIP).

A sample of schools was externally (on-site) evaluated across the province. These schools comprised primary, secondary and combined schools. Informative reports were compiled for all evaluated schools and timeously shared with relevant stakeholders. The reports clearly spelt out the areas for development as well as matters that needed urgent attention with regards to the following focus areas:

- Basic Functionality;
- Leadership, Management and Communication;
- Governance and Relationships;
- Quality of Teaching and Educator Development;
- Curriculum Provision and Resources;
- Learner Achievement;
- School Safety Security and Discipline;
- School Infrastructure; and
- Parents and Community

Taking cognisance of the recommendations provided in the reports, relevant stakeholders have to address the identified area for development.

6.5 Improve Early Childhood Development

The department reached and exceeded the target set out in White Paper 5 of 2 000, as 93 per cent of 5-year olds were in Grade R classes by 2014. However, the challenge remains to improve the quality of education offered. In the pre-Grade R sub-programme, preparations for the training of 1 014 practitioners are in progress. Stipends were paid to 1 124 practitioners in community centres, with the provision of core material, such as board games and charts, being the mandate of the Department of Social Development (DSD). ECD comprises 4 008 schools with Grade R classes and approximately 50 subsidised community-based centres servicing some 198 587 learners. ECD has seen 98 per cent of Grade 1 learners receive formal Grade R education. Where required, Grade R classes were provided with furniture.

ECD infrastructure: In 2017/18, the department constructed and completed various Grade R appropriate facilities in schools such as Gonzaga primary school in King Cetshwayo district, Mjayeli primary school in uThukela, Bangumuzi primary school in uMzinyathi, among others.

6.6 Strengthen school management and promote functional schools

School Functionality visits guided the system in effective monitoring and management of the school calendar per term. This focus area was contextualised in the form of district, circuit and school visits by the Head Office, members of legislature and other relevant stakeholders to ensure that there is effective delivery of education from the first day of schooling. This entailed the checking of the availability of resources (human and physical), the readiness of the school for effective and sustainable curriculum delivery and the relevance of work schedules. During the school functionality visits there was more scrutiny of the performance of the school in in 2014, 2015, 2016 and 2017 internal and external examinations.

The Department fosters a balance between general school management and curriculum management. A plan for the development of SMT's was implemented in 2017. The programmes for the SMT's focused on training in curriculum management and leadership, induction of the newly appointed school principals, orientation of the newly appointed Heads of Departments, Training of SMT's on the dynamics of leadership, training on the code of professional ethics, training on policies that impact on curriculum implementation and delivery as well as the management of formative and summative assessments. The province was able to reach out to 11 571 SMT member across the twelve districts. The capacitation of SMT's made a great contribution to the academic achievements of learners in 2017.

Special attention was paid to the school and the classroom as the focus of academic activities. In this focus area the province paid special attention to all curriculum delivery related activities. The key areas were the provision of human and physical resources, effective use of diagnostic reports, improvement of performance in Mathematics, radical approach to the achievement of targets, provision of targeted interventions, reduction of the negative impact of the full time finishing schools, reduction of the negative impact of the struggling learners and progressed learners, reduction of the percentage of learners who fail because of poor performance in home languages, improvement in the teaching of new topics in certain subjects, improving the process of subject changes, exposing the class of 2017 to new styles of setting examinations and increasing the frequency of school support visits.

In Languages, Rubrics were designed and provided to districts to assist in the marking of essays (narrative, descriptive and reflective) as well as transactional writing (friendly letter, dialogue and newspaper report). Using rubrics that have been specifically designed to mark different pieces of writing will build teacher capacity in understanding the expectations of each writing type. It has the potential to guide teaching and assessment.

The LTSM management plan was geared to ensure that deliveries were finalised in November 2017. Schools have collectively already received 4 216 652 units of textbooks to top-up on existing stock to promote availability of resources and curriculum completion.

In addition to top-ups, new CAPS textbooks for Grade 12 technical subjects were funded separately to promote effective curriculum coverage.

6.7 Strengthen the capacity of district offices

The province clustered districts on the basis of their performance for support purposes. The province identified Amajuba, Umlazi and UMgungundlovu districts as sources of best practice as they were the best performing districts in the 2016 National Senior Certificate examinations.

The best practices from the three districts were viewed as a good source of strength for the other nine districts. Districts were monitored in order to provide support mainly in Accounting, Agricultural Sciences, Business Studies, Economics, English First Additional Language, Geography, History, IsiZulu Home Language, Life Sciences, Mathematical Literacy, Mathematics and Physical Sciences.

In the financial year under review the Department strengthened management through:

- Education management capacitation and resourcing initiatives;
- Improving the school management's capacity to mediate the curriculum;
- Ensuring that principals' role as curriculum and instructional leaders is asserted;
- Ensuring that principals play a prominent role in the regulation of teaching time,
- Ensuring that school management engages in monitoring and support for planning and delivery in relation to curriculum coverage; and
- Ensuring that school management play a more prominent role in the procurement and management of books and stationery as well as the quality assurance of tests and the monitoring of results.

In the next financial year the Department's budget in programme 2 will also increase to fund these initiative and also fund for travel and subsistence for monitoring in various district offices, communication costs such as telephone and fax in various district offices for office based educators, training and guidance of educators in respect of curriculum changes.

Through this pillar the Department is able to provide focused support to districts and schools in order to develop them into centres of excellence which will improve learner performance in all grades.

6.8 Inclusion, equity and gender equality

The Department has initiated a programme to empower women called, Women in and into Management (WIIM). This is a programme designed to empower, develop and capacitate school based women within the education system. It targets women in management i.e. HODs, Deputies and Principals. It also targets all level one female educators who are aspiring to move and develop further. With this programme the department aims to capacitate women in their managerial capacity so that leadership and management of schools can be enhanced. It promotes opportunities for females and advances their interests and status as leaders in schools first and then in all spheres of community life. It is designed to give special support to female managers in the system as they form part of the designated group and therefore operating at a disadvantaged background than their male counterparts. The programme seeks to attain gender equality by equipping and developing more women so that they are able to occupy more and higher managerial positions which will lead to achieving gender mainstreaming within the department.

Female Principals Support Programme (FPSP) is a sub-programme under WIIM designed specifically for women principals. The programme is meant to give special support to female principals as leaders of schools who come across unique challenges on a daily basis. Support networks are based on the notion that members get more if they move from operating in isolation to engaging in meaningful dialogues, sharing problem-solving and other relevant skills. The programme promotes joint learning that is only possible through effective communities of practice. FPSP operates through structures that are established in each and every circuit in all districts of the KZN province.

6. 9 Science, technology and skills development

Recognizing the importance of science, technology and skills development for innovation, creativity, entrepreneurship and employability, that are key to social, cultural and inclusive economic development, the Department affirms its commitment to strengthen policies and legal frameworks, programmes and structures to increase access to science, technology and skills development across all levels of education, with particular focus on girls and marginalized groups.

6.10 National School Nutrition Programme

All learners in quintiles 1 – 3 including some quintile 4 – 5 schools are provided with a meal through the NSNP grant. The NSNP seeks to alleviate short-term hunger at school, improve learner attendance and participation in class, reduce learner absenteeism rate and provide support to learners from child-headed households. The NSNP programme provides nutritious meals to 2 304 498 learners in 5 229 schools throughout the province. Learners are served with a standardised menu which comprises a balanced cooked protein dish, a starch and a fresh vegetable to each learner. The department expanded the programme to 50 more schools totalling 36 250 learners. The department uses 173 co-operatives and 1 645 SMMEs in the provision of meals. The programme thus creates jobs for 12 366 food handlers who are parents in participating schools and receive a stipend of R1 089 per month.

6.11 Provision of Learner Transport

In the 2017/18 financial year 55 568 learners benefitted from the provision of the dedicated subsidised learner transport services offered by the department. The budget of R195m was insufficient to meet the demand for subsidised learner transport which is significantly higher than what is currently being provided by the department. A survey that was conducted by the Learner Transport Directorate indicates that the overall number of learners qualifying for learner transport in the Province is over 370 000.

6.12 No Fees Schools

The department provides norms and standards for public ordinary schools. In KZN, schools are categorised into two funding categories, namely no-fee schools and fee paying schools. The no-fee schools were funded at R955 per learner in 2017/18, while the recommended national funding norm is R1 243 per learner, which is the no-fee threshold. This applies to schools ranked in quintiles 1 to 3 in respect of the poverty ranking. The fee paying schools in quintiles 4 and 5 are funded at R522 and R179 per learner, compared to the recommended national target of R623 and R215, respectively. In order for the department to meet this national standard, an additional budget allocation of R752.898 million is required.

6.13 Maritime Schools

The KZN DoE has a mandate to achieve the objectives of the National Development Plan and Operation Phakisa for the Blue Economy which was launched by the President in October 2014. The Department of Education has since 2015 allocated funding through the equity budget to finance activities in Maritime Education for all schools offering Maritime Studies subjects in the province.

There are twenty one (21) schools that offer Maritime Economics as part of their curriculum in KZN. These schools are spread across eight (8) districts with a total of thirty three (33) teachers teaching the subject. Three (3) of these schools also offer Nautical Science.

6.14 Agricultural Schools

James Nxumalo Agricultural High (Zululand District), Vryheid Landbou Zululand District), Weston Agricultural College (uMgungundlovu District) and Shakaskraal High School (iLembe District) are the 4 Agricultural Schools in KwaZulu-Natal.

The Department of Education over the years allocated funding through the equity budget to finance activities in Agricultural Education for all 4 agricultural high schools in the province. Unfortunately during the financial year under review these schools could not be supported in terms of their requested needs due to austerity measures implemented in the Province. The allocated budget was not made available to carry out the task of assisting and supporting these schools.

6.15 School Libraries

A collection of library material is supplied to schools in order to provide learners and teachers with a wide range of quality library resources for curriculum development and enrichment. These resources include books [fiction and non-fiction], charts, globes, dictionaries, maps, electronic resources such as DVDs, etc.

Two hundred and thirty six (236) schools were provided with material to establish both Central and Classroom libraries to promote reading and for curriculum support as well. Forty nine (49) central libraries were set-up by the ELITS Directorate together with School Library Advisors and Processing Centre library assistants.

The Department in partnership with South African Primary Education Support Initiative [SAPESI] continued to offer the mobile library service for previously disadvantaged schools. Of the 13 Mobile Libraries Services 7 were operational reaching out to 132 schools across the province. The remaining 6 services targeting 90 schools incurred disruptions at different times during the year due to staff shortages and relocation emanating from the realignment of the Education Centres (Teacher Development Directorate) to new clusters.

7.Information and Communication Technology

The department completed the development of an E-learning portal which is a repository of data, information, teaching and learning content that can be accessed by both teachers and learners over the Internet and/or a network (local or wide area). Through Operation Phakisa, the department developed a mobile App for learners and school-based officials, which will facilitate communication between the department and school-based officials.

Through a Microsoft schools agreement, the department distributed Microsoft media kits to at least 3 136 public schools across the province. These include storage devices (flash drives, DVD Roms, external hard drives, etc.) that contain Microsoft software (operating systems or applications) that are distributed to schools so that schools are able to use the software under the existing Microsoft schools and campus agreement.

Information and Communication Technology is at the centre of developing schools and offices into centres of excellence and improving learner performance in all grades and the deployment of ICT resources and services in schools and communities extends the learning experience beyond the confines of the walls of the classroom and makes it possible for learning to take place outside school hours. This is an MTSF priority for the Sector and in Operation Phakisa. As such delivery is a non-negotiable.

Various ICT platforms have been introduced in the province and the department will strengthen these. A free on-line school is being investigated to deal with the challenges of progressed learners, particularly in Grades 10, 11 and 12. This will provide technology-based educational services offering integrated offline and online solutions aimed at empowering teachers and engaging students better in the teaching and learning of Mathematics and Sciences and other subjects. This tool will be used to provide quality educational services to enhance the online educational environment should it be successful. This will be a one-stop site for development, e-learning and communication solutions that work with experienced educators across the globe in designing and developing digital educational resources, portal and learning management systems.

Through the MST and ICT grant the Department is set to deliver on its plans which prioritise needy schools categorised as quintiles 1 to 3. The Department has also reprioritised funds from Machinery and equipment towards training and development for structured training in teaching methodologies and subject content for an estimated 4 000 educators and subject advisors in Mathematics, Physical Science, computer applications and technology subjects.

Whilst the grant framework excludes the provision of broadband connectivity, the Department will continue its connectivity drive to schools in collaboration with ICASA, VODACOM, MTN and other providers

8. Social Cohesion and Integration of Schools

The Department has made serious inroads in ensuring that all racial groups are involved in the planning, coordinating, implementation and monitoring of the Co-Curricular Programme. The Department has planned to preserve the talent identified at Provincial SASCE competitions through workshops and academy with the help of stakeholders such as the Clermont Community Foundation. The purpose is to provide the not so academically inclined learners with a pathway to success.

To strengthen admiration of National symbols, all schools were provided with a National Flag. The installation was completed at the end of 2014. Old and ragged flags are being replaced on a regular basis. Further, the National anthem is sung at least once a week at assembly in all schools. The National Anthem is also a standing competition song at the South African Schools Choral Eisteddfod. The Department plans to include in the Provincial competitions instrumental music which is mostly played by the ex-Model C schools. This, it is hoped will promote inclusivity.

The indigenous games previously common to specific racial groups have been introduced to all schools. Going forward, the Department will ensure participation by all schools beyond the racial line.

To ensure adherence to these principles that are designed to instil and strengthen patriotism, district officials are deployed to schools to monitor the running of the sports programmes and the singing of the national anthem as prescribed. These initiatives bolster and promote Social-Cohesion.

9. School Functionality and Community Involvement.

KZNDOE is committed to making education a societal issue and this is rapidly becoming a reality in the province. Districts have fora where they meet communities and various stakeholders to report on the plans for the district and report on the progress made by learners. The decentralisation of these fora, led by various circuit managers also ensures accountability amongst leaders at various levels within the district.

The Department of Education embraced the participation of stakeholders in the improvement programmes and strategies of the province. It included the organisation of discussion sessions on how stakeholders can assist in supporting the provincial academic improvement plan, working with stakeholders to monitor the implementation of the resolutions of the 2016 strategic planning session, soliciting financial support from the business sector to provide basic resources to schools and auditing/regulating the stakeholders which provide curriculum support to schools.

Special attention was paid to the school and the classroom as the focus of academic activities. In this focus area the province paid special attention to all curriculum delivery related activities. The key areas were the provision of human and physical resources, effective use of diagnostic reports, improvement of performance in Mathematics, radical approach to the achievement of targets, provision of targeted interventions, reduction of the negative impact of the full time finishing schools, reduction of the negative impact of the struggling learners and progressed learners, reduction of the percentage of learners who fail because of poor performance in home languages, improvement in the teaching of new topics in certain subjects, improving the process of subject changes, exposing the class of 2017 to new styles of setting examinations and increasing the frequency of school support visits.

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In addition to top-ups, new CAPS textbooks for Grade 12 technical subjects were funded separately to promote effective curriculum coverage.

10. Early Childhood Development

A total of 4 008 public schools offer Grade R. A significant 97.2% of Grade 1 learners have received formal Grade R education in public ordinary and/or special schools and registered independent schools/ECD sites.

Workshops for school Foundation Phase HODs have been run to strengthen their support to the Grade R teachers / practitioners. When conducting monitoring and support visits to schools, ECD officials do check the Grade R Practitioners' work and also pay attention on whether the SMT members do check and sign the Grade R records on a regular basis. Discussions with SMTs focus on this.

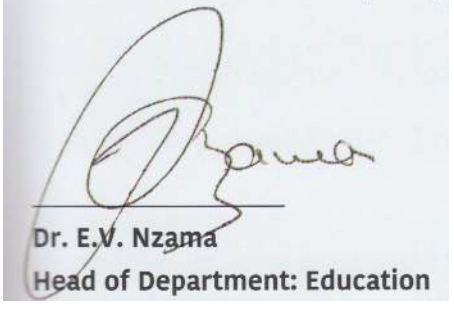
The approval of 1 179 Grade R substantive posts was granted. Between now and 2019, a further 4 000 Grade R substantive posts also need to be created in order to make Grade R compulsory.

Two hundred and fifty (250) under-qualified Grade R Practitioners will be enrolling for B. Ed (Foundation Phase) and a Diploma in Grade R through the North West University funded by the Skills Development Levy. A further 60 Practitioners are doing B.Ed. (Foundation Phase) at UNISA.

Since KZN long reached the Grade R rolling out of classes, the annual Grade R enrolment have now stabilized with an observation of a slight drop in numbers. A number of Grade R learners in Independent schools seem to be on the rise - research on this trend will be done.

The minimum entry qualification of Grade R Practitioners is NQF Level 6 but KZN currently has more than 1 200 qualified teachers to whom we are still paying a stipend of R6 500 per month as substantive posts are far below the required number. This also creates instability as more qualified teachers leave Grade R for the higher classes where they get employed into substantive posts.

An approval was given by the Department to have qualified Practitioners receiving a higher increase in stipend compared to those that are underqualified. This move may halt the high resignation of such Practitioners.



Date: 31 August 2018

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

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

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

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

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

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

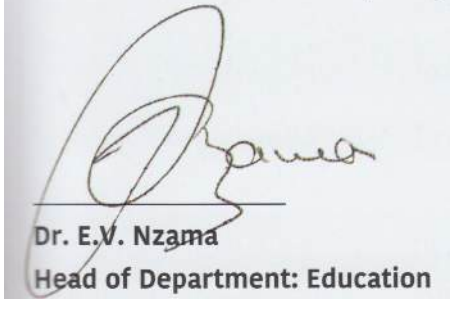
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

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

Yours faithfully



Date: 31 August 2018

6. STRATEGIC OUTCOME ORIENTED GOALS

The strategic goals have been reviewed to be aligned to the strategic planning recommendations. The goals seek to bring together the operations of the Department and also promote team work in a pragmatic and systematic manner. The goals focus on the core areas of the Department comprising the financials, the training and development leading to learning and growth, internal processes leading to improved learner performance and stakeholders' satisfaction. The development of goals is underpinned by strong theoretical frameworks and alignment to public sector frameworks. This means the goals and objectives are developed in a manner which has clear causal links amongst goals. Therefore, key to the understanding of the goals is the manner in which the causal chain operates. The causal chain will also inform the strategy mapping of the goals and the objectives embedded within the goals.

The list of four goals and seventeen corresponding objectives for the Department are as follows:

STRATEGIC GOAL 1	BROADEN ACCESS, STRENGTHEN GOOD CORPORATE GOVERNANCE, MANAGEMENT AND PROMOTE AN EFFICIENT, EFFECTIVE & RESULTS-DRIVEN ADMINISTRATION
Strategic Objective 1.1	To increase access, equitably allocate and monitor financial, infrastructural, human and other resources for efficient service delivery.
Strategic Objective 1.2	To enforce accountability and consequence management in order to decisively deal with issues of fraud, corruption and maladministration.

STRATEGIC GOAL 2	DEVELOP HUMAN CAPACITY AND ACHIEVE EXCELLENT LEVELS OF PERFORMANCE
Strategic Objective 2.1	To promote excellence in work performance through continuous programme of training, coaching, mentorship and incentivising.
Strategic Objective 2.2	To improve employee health and wellness to yield organisational functionality and esprit de corps

STRATEGIC GOAL 3	DEVELOP OFFICES AND SCHOOLS INTO CENTRES OF EXCELLENCE AND IMPROVE LEARNER PERFORMANCE IN ALL GRADES
Strategic Objective 3.1	To increase learner attainment in all subjects and all grades
Strategic Objective 3.2	To strengthen leadership, management in public schools and enhance retention from Grade R-12.
Strategic Objective 3.3	To administer efficient and effective assessment and examination services.
Strategic Objective 3.4.	To implement teaching, management and governance support programmes including diverse curricula and skills oriented programmes at all schools

STRATEGIC GOAL 4	DEVELOP SCHOOLS INTO CENTRES OF COMMUNITY FOCUS, CARE AND SUPPORT IN PROMOTING NATIONAL IDENTITY AND SOCIAL COHESION
Strategic Objective 4.1	To strengthen relations and build partnerships with all education stakeholders
Strategic Objective 4.2	To promote youth development, arts, culture and sports, preserve heritage and implement nation building programmes and projects which foster patriotism and social cohesion in all institutions.
Strategic Objective 4.3	To implement Batho Pele programmes and transformation of service delivery in all institutions
Strategic Objective 4.4	To provide educational and material support to child-headed households in mitigation of the challenges relating to unemployment and poverty.

7. STRATEGIC OVERVIEW

7.1. Vision

A well-educated, skilled and highly developed citizenry

7.2. Mission

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

7.3. Values

The Department of Education in KwaZulu-Natal is inspired by the life, achievements and teachings of President Oliver Reginald Tambo. The essence of his life, achievements and teachings is unity, an understanding that no man is an island and no man can achieve alone, that we must at all times remain part of a collective and articulate the wishes and concerns of a collective. It is for these teachings that the Department seeks to nurture and inculcate values that bind the Education family and create an ethos of respect, discipline and hard work at all levels. Therefore, the Department of Education in KwaZulu-Natal adheres to the following values:

(i) **Teamwork**

- Striving to be together with your 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.

(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 in discharging our duties with kindness and generosity.
- Being mindful of the circumstances of other people, their needs and special requirements.

- Vicarious identification with other employees' concerns, emotions and feelings through demonstrations of compassion, consideration and care.

(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.
- Focusing the Department on improving cooperation through shared common goals.
- 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;
- Recognising that we achieve our individual selves by sharing ourselves with others, and caring for those around us.

7.4. LEGISLATIVE AND OTHER MANDATES

CONSTITUTIONAL MANDATES:

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

In terms of the Constitution, education other than higher education is a concurrent function shared by the national and provincial spheres of government. The MEC has overall responsibility for providing basic education. In the execution of this mandate, the Executive Authority operates within the framework of the Constitution and a number of other legislative prescripts and policies in the public service in general and the education sector specifically.

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

LEGISLATIVE MANDATES:

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

The Department is informed by key legislation and policies and summary of the key legislation is reflected hereunder. The development in case law also provides direction to the Department on how to apply legislation and policy and dictates amendments thereto.

NATIONAL EDUCATION POLICY ACT NO. 27 OF 1996

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

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

The South African Schools Act (SASA) provides access, quality and democratic governance in the schooling system. SASA provides a framework for all learners to exercise their right of access to quality education without discrimination, and provides for compulsory education for children aged 7 to 15 (or 6 to 14). It provides for two types of schools, namely independent schools and public schools. The provision in the Act for democratic school

governance, via school governing bodies, is now in place in public schools countrywide. The school funding norms, outlined in SASA, prioritised redress and target poverty with regard to the allocation of funds for the public schooling system.

SASA has been amended by the Education Laws Amendment Act No. 24 of 2005, so as to authorise the declaration of schools in poverty-stricken areas as "no fee schools" and by the Education Laws Amendment Act No. 31 of 2007 to provide among others for the functions and responsibilities of school principals, and matters pertaining to the control of substance abuse and other matters related thereto.

Significant amendments were made to SASA by the Basic Education Laws Amendment Act 2011(BELA). BELA bought about changes to inter alia to the definition section of the Act, provided for the non-discrimination in respect of official languages, the responsibility of the Principal in assisting the governing body with the management of school funds, the obligation on the Departments to ensure that provision is made for the training and development of governing bodies and the prerequisite for the governing bodies obtaining the consent of the MEC before entering into agreements relating to the immovable property of the school.

A further amendment is contemplated in the form of the Basic Education Laws Amendment Bill, 2014. Should the Act be promulgated during the period concerned then the Department would actively sensitize officials on the amendments.

SASA serves as an enabling act for the publication of various Provincial Notices which includes but are not limited to the following notices:

Composition and Election of Governing Bodies of Public Schools for Learners with Special Education Needs No. 118 published in Provincial Gazette No. 1895

Notice relating to the Election of Members of Governing Bodies for Public Ordinary Schools No. 119 published in Provincial Gazette No.1895.

Code of Conduct for Members of School Governing Bodies of Public Schools No. 1 of 2018 published in the Provincial Gazette No. 1914.

EMPLOYMENT OF EDUCATORS ACT NO. 76 OF 1998

The Employment of Educators Act provides for the employment of educators. The Act provides for the determination of salaries and other conditions of service for educators and also provides for educators' professional, moral and ethical responsibilities. The act is subject to the Labour Relations Act, collective agreements concluded by the Education Relations Council and the Personnel Administrative Measures (PAM).

GENERAL AND FURTHER EDUCATION AND TRAINING QUALITY ASSURANCE ACT, (ACT 58 OF 2001)

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

SOUTH AFRICAN COUNCIL FOR EDUCATORS ACT NO. 31 OF 2000

The South African Council for Educators Act provides for the governance of the professional teaching corps under a single professional council. The SACE Act further aims to enhance the status of the teaching profession, and to promote the development of educators and their professional conduct. It makes provision for a Legal Affairs and Ethics Department which has to ensure that educators do not breach the Code of Professional Ethics for educators; protect the dignity of the profession and revised the Code of Educators on a continuous basis.

ACT PUBLIC FINANCE MANAGEMENT NO. 1 OF 1999 AS 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.

THE ANNUAL DIVISION OF REVENUE ACTS

These Acts provide for the equitable division of revenue raised nationally amongst the national, provincial and local spheres of government; for the reporting requirements for allocations pursuant to such division; for the withholding and delaying of payments; and for the liability for costs incurred in litigation in violation of the principles of co-operative governance and international relations.

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.

PROMOTION OF ADMINISTRATIVE JUSTICE ACT, 2000 (ACT 3 OF 2000)

The Promotion of Administrative Justice Act (PAJA), 2000 (Act 3 of 2000) is legislation that emanated from Section 33 of the Constitution. PAJA Applies to administrative acts performed by the State administration that has an effect on the members of the public. It seeks to protect the public from unlawful, unreasonable and procedurally unfair administrative decisions. It ensures that people who are affected by administrative actions are aware of the reason a decision is taken, given an opportunity to provide representations why the decision should not be taken and the right to have to have the administrator consider the representations. In terms of PAJA the public must be informed of the right to review. PAJA seeks to promote the principles of openness, transparency and accountability.

During the period concerned PAJA awareness will be actively promoted to ensure that it is applied especially in the area of Admissions, Withdrawal of functions of governing bodies, Dissolution of governing bodies, Closure of schools and in certain areas of misconduct.

PROMOTION OF ACCESS TO INFORMATION ACT, 2000 (Act No. 2 of 2000) (PAIA)

Promotion of Access to Information (PAIA) is legislation that emanated from section 32 of the Constitution.

It provides that every person has a right of access to a record or information held by the state or information held by the state or another person that is required for the exercise or protection of any rights. It seeks to promote a culture of transparency and accountability in the public sector. A compulsory Section 32 report is completed annually and forwarded to the Human Rights commission.

PAIA requests will be attended to in accordance with the Act.

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 makes use of automated or non-automated means in South Africa.

The purpose of POPIA is to-

- Give effect to the constitutional right of privacy by safeguarding Private information;
- Balance the right of privacy against other rights;
- Regulate the manner in which private information must be processed;
- Provide persons with rights and remedies if POPI is contravened;
- Establish an information regulator to ensure that the rights protected by POPI are respected and those rights are protected and enforced.

POLICY MANDATES:

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

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

EDUCATION WHITE PAPER 6 ON INCLUSIVE EDUCATION (2001)

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

EDUCATION WHITE PAPER 7 ON e-LEARNING

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

NATIONAL CURRICULUM STATEMENTS (GRADES 10 TO 12)

The National Curriculum Statements embody the vision for general education to move away from 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. Its assessment, qualifications, competency and skills-based framework as to promote the integration of knowledge and skills through encourage the development of curriculum models that are aligned to the NQF in theory and practice. The NCS was declared policy in November 2003 to roll out curriculum transformation to schools in the Further Education and Training Band (Grades 10-12). The first year of implementation was 2006 in Grade 10, with Grades 11 implemented in 2007 and the first Grade 12 NCS results released at the end of 2008 academic year.

OTHER MANDATES (TRANSVERSAL LEGISLATION):

Other than the legislation and policies pertaining to its core function, the Department is obliged to comply with all the legislation and policies in the public service. In addition to the National Education Legislation Mandates and Education White Papers (EWP) 1-7, the following mandates have been included:

- Public Service Act No 104 of 1994 ;
- Labour Relations Act No 66 of 1995;
- Basic Conditions of Employment Act No. 75 of 1997;
- Skills Development Act No.97 of 1998;
- Employment Equity Act No 55 of 1998;
- Public Finance Management Act No 1of 1999;
- Preferential Procurement Framework Act No 5 of 2000;
- Treasury Regulations;
- Children Act 38 of 2005;
- Promotion of Administrative Justice Act No 3 of 2000;
- Promotion of Access to Information Act No 2 of 2000;
- Protection of Personal Information Act No 4 of 2013;
- Protected Disclosures Act No 4 of 2000;
- Occupational Health and Safety Act No. 85 of 1993;
- Language in Education Policy, 1997;
- Norms and Standards for Educators, Government Gazette, Vol. 415, No. 20844, 2000;
- National Policy on Whole School Evaluation (July 2001);
- National Curriculum Statement: Grade R-9 (Gazette 23406, Vol. 443-May 2002);
- National Policy on Religion and Education, 2003;
- Policy Document on Adult Basic Education and Training (12 December 2003);
- National Education Information Policy (Government Notice 1950 of 2004);
- National policy regarding Further Education and Training Programmes: Approval of the Amendment to the

programme and promotion requirements for the National Senior Certificate: A Qualification at Level 4;

- Intergovernmental Relations Framework Act No. 13 of 2005;
- Addendum to FET Policy document, National curriculum Statement on National Framework regulating learners with Special Needs (11 December 2006);
- National Policy on HIV/AIDS for Learners and Educators in Public Schools and Students and Educators in Further Education and Training Institutions, 1998 on the National Qualification Framework (NQF) [Gazette 29851 of April 2007];
- National Policy on the conduct, administration and management of assessment for the National Certificate (vocational), 2007;
- National Education Policy Act: Requirements for Administration of Surveys, (2 April 2007)
- National Policy Framework for Teacher Education and Development in South Africa (26 April 2007);
- Regulation pertaining to conduct, administration and management of assessment for the

  National Senior Certificate (Gazette 31337, Volume 518 of 29 August 2008);
- National Planning on an Equitable Provision of an Enabling School Physical Teaching and

  Learning Environment (21 November 2008);
- Construction Industry Development Board (Act 38 of 2000).

RELEVANT COURT RULINGS

1. CHISTIAN EDUCATION OF SOUTH AFRICA V MINISTER OF EDUCATION (CCT 13/98) [1998] ZACC 16; 1999 (2) SA 83; 1998 (12) BCLR 1449 14 OCTOBER 1998.

   The decision of this case repealed moderate corporal correction and corporal punishment in independent schools.

2. MEC FOR EDUCATION; KWAZULU-NATAL AND OTHERS vs PILLY 2008 (2) BCLR 99 CONSTITUTIONAL COURT

   This case raises the vital questions about the nature of discrimination under the provisions of the Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000 as well as the extent of protection afforded to cultural and religious rights in the Public school setting.

   The court decided on the place of religious and cultural expression in Public school as are reflected in the Code of Conduct for Learners in those schools.

   The Constitution Court found that the Code of Conduct for Learner for Durban Girl High School was discriminatory because it prohibited a learner from wearing a nose stud which was an expression of her religion.

3. GOVERNING BODY JUMA MUSJID PRIMARY SCHOOL AND OTHERS vs. MEC FOR EDUCATION KWAZULU-NATAL AND OTHER 2011 (8) BCLR (761) CONSTITUTIONAL COURT

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

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

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

a) HEAD OF DEPARTMENT, DEPARTMENT OF EDUCATION, FREE STATE PROVINCE vs. HARMONY HIGH SCHOOL AND ANOTHER (2013) ZACC 25;

b) HEAD OF DEPARTMENT, MPUMALANGA DEPARTMENT OF HEAD OF DEPARTMENT, DEPARTMENT OF EDUCATION, FREE STATE PROVINCE vs. WELKOM HIGH SCHOOL AND ANOTHER;

c) EDUCATION AND ANOTHER vs. HOËRSKOOL ERMELO AND ANOTHER (2009) ZACC 32; 2010 (2) SA 415 (CC); 2010 (3) BCLR 177 (CC);

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

- The abovementioned cases dealt with the powers of Schools Governing Bodies to determine and adopt Policies in to a number of issues (e.g. Admission policy, Code of Conduct, etc.). Even though the SGB's have been given that power, such power is not unfettered. The Head of Department cannot interfere by simply setting aside a policy developed by the school developed by the School Governing Body. When the Head of Department or the MEC wants to intervene, he or she must act reasonably and in a procedurally fair manner and must be empowered or authorised by the relevant legislation.

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

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

5. BEAUVELLON SECONDARY SCHOOL AND ITS GOVERNING BODY AND 16 OTHER SCHOOL vs. THE MEC OF WESTERN CAPE DEPARTMENT OF EDUCATION – CASE NO 865/13 – SUPREME COURT OF APPEAL OF SOUTH AFRICA

   This case dealt with the closure of public schools in terms of section 33 of the South African Schools Act, 1996. It was argued on appeal that the decision to close the schools was not an administrative decision that is reviewable under the Promotion of Administrative Justice Act, 2000 (PAJA) but an executive decision that is not reviewable under PAJA The Court decided that when the MEC is performing functions in terms of Section 33, such functions is reviewable under the provisions of the Promotion of Administrative Justice Act2000.

   The court also held that the reasons for the closure was sufficient and that the new reasons that emerged during the consultative process was sufficient. Further it was held that there was nothing under Section 33(2) that required that the union that represented the interest of the educators be consulted before closure.

6. SOUTH AFRICAN POLICE SERVICE VS SOLIDARITY O.B.O BARNARD – 2014(10) BC 1195 CC

   The constitutional court in this case held that an applicant's merit cannot be disregarded in pursuit of Employment Equity especially where service delivery is paramount.

   The court emphasised throughout its four concurring judgments that targets should not be pursued so rigidly that they amount to quotas and although the appointment of a candidate from a designated group should be preferred deviations are permitted where for example a candidate from a non-designated group has special skills or where operational requirements require it.

   The court also observed that the decision maker should be able to explain how he or she balanced the concerns of both representivity and service delivery with regard to the specific facts of each case.

7. SOLIDARITEIT HELPENDE HANDE NPC AND DANEL VENTER VS MINISTER OF BASIC EDUCATION / DIRECTOR GENERAL – Case number 58189/2015. JUDGMENT DELIVERED ON 8 NOVEMBER 2017

   This case relates to the Department's bursary scheme requiring applicants to specialise in indigenous African languages and to teach in rural areas. The applicants contended that this criteria constituted unfair discrimination against white students on the basis of race in violation of Section 9 of the Constitution.

   The court ruled that the "Applicants have failed to establish that the selection criteria for the bursary scheme as

a measure by the Department to respond to specific challenges unfairly discriminates against white students". The Department however proved that the selection criteria was based on legitimate government policy to promote indigenous African Languages in the schooling system.

8. ORGANISASIE VIR GODSDDIENSTE-ONDERRIG EN DEMOKRASIE VS LAERSKOOL RANDHART AND 8 OTHERS- 29847/2014 (2017) ZAGP 160

The Guateng High Court ruled in favour of the Organisasie in the matter concerning religion in public schools. The High court found that public schools as state institutions cannot promote a single religion to the exclusion of others.

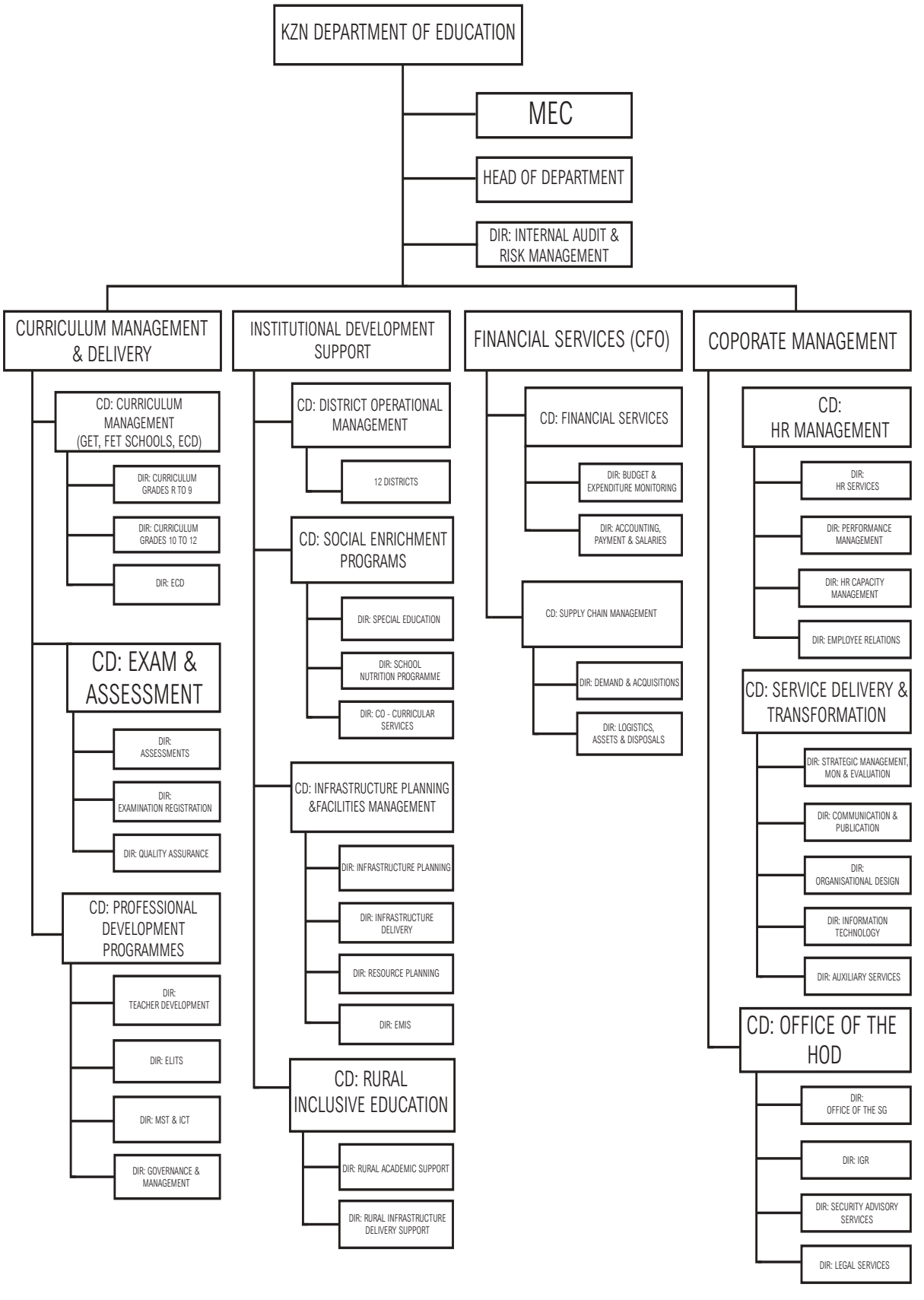
The schools defence was based on Section 16 of the South African schools Act which allows schools to determine a schools character or ethos according to the school community. The court held that there was nothing in the Constitution which gave public schools and SGB's the right to adopt an ethos from one religion to the exclusion of others.

The Court held that public schools may not adopt one religion to the exclusion of all others.

The Department will prioritize PAIA, PAJA AND POPIA Compliance during the period concerned. Based on the Department of Basic Education (DBE) publishing the Admission Policy the Department will finalise and publish the Department admission policy which will provide clearer guidelines on Admissions.

Should the Basic Education Laws Amendment Bill, 2014 be finalised and passed as an Act, the Department would promote an awareness of the amendments. Further amendments to the Provincial Notices will also be considered.

8. ORGANISATIONAL STRUCTURE



PART B







Performance Information

1. AUDIT CONCLUSION ON PREDETERMINED OBJECTIVES

Refer to page 125 - 131 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Owing to the socio-economic environment and influx of learners into urban areas a number of challenges and opportunities impacted on KZNDOE's plans. The Department implemented mitigating strategies to deal with increased enrolments in certain areas that put increased pressure on urban schools in particular. The Department had contingency plans to manage the increased need for classroom space, learner teacher support material, funding and teachers.

As the pressures on the Department's budget continued, we were challenged to develop comprehensive plans that are suitably resourced. We engaged in a continuous process of reprioritisation ensuring the funding of key programmes over the 2017/18 MTEF.

Under the new Transformation of the Schooling System, KZNDOE is continually innovating to facilitate better teacher and learner attendance, the provision of infrastructure in schools and offering innovative solutions in the classroom through eLearning and schools of specialisation.

In making education a societal priority, the Department ensured stakeholder involvement in schools in a manner that adds value to the attainment of the core outcomes. The Department mobilised civil society, faith-based organisations and the private sector to support the inputs and outcomes of a quality education system. We urged young learners to participate actively in school programmes in order to change their attitudes and commitment to school work.

The Department focussed on turning around special education in the province. New teaching methods, changing perspectives, and the emphasis on inclusion have shifted ideas and introduced new concepts. Special education serves as a support system, and special needs

educators assist regular school personnel in managing the education of children with exceptionalities. When the special placement of a child is required, the aim of the placement will maximise the development and freedom of the child.

The Department continued to strive to increase access to special schools and to ensure that all required services and equipment are available so that learners experiencing barriers to learning and development are accommodated.

Violence, crime, and socio-economic conditions continue to place demands on schools in the Province. KZNDOE provided support wherever possible to mitigate the impact of crime and poverty.

The 2017/18 financial year was a stable labour period. This allowed KZNDOE to focus on its core business of improving education outcomes. Resources, human and financial, and all interventions were focused on those schools in greatest need of support.

Successes in 2017/18 included improvement in achieving learning outcomes as seen in academic results. There was a good record in respect of Conditional Grant inputs and outcomes and prudent use of resources saw ongoing benefits through the continuation of steps such as the bulk-buying of books. The economic environment presented challenges on a number of fronts as re-prioritisation took place to meet the pressures.

Services included the provision of infrastructure and both direct and indirect aid to schools, supported by good communication with roleplayers and stakeholders. Even though there were delays on building projects and there were accommodation and resourcing pressures KZNDOE arranged temporary solutions and met needs, for example through placing additional orders for text books and for mobile classrooms. Funds were assigned to provide learner transport and supply meals and norms and standards funding to support learners who needed such assistance.

2.2 Organisational environment

The department has revised its organizational structure in line with its key deliverables and priorities as determined in consultation with the relevant social partners and stakeholders with a view to bolstering the delivery of its core and support functions at both Head Office as well as District level. The reviewed organogram is currently being considered by the Provincial Treasury after which it would be transmitted to the Office of the Premier and DPSA for ratification. However, it is common cause that this process has been impeded by the imposition of financial austerity measures that has impacted significantly on the creation of crucial business units within the department. Furthermore the financial constraints have also had an adverse effect on the filling of critical vacant posts in the District Offices, however to ensure effective functioning of these offices there has been an introduction of innovative interventions within the various areas of operation to mitigate these challenges.

Notwithstanding the restrictive financial environment within which the department had operated during the period under review it has both achieved and made substantial improvement in the delivery of quality public education in the province. One of the key highlights of the 2017-2018 reporting year is the notable increase in the national senior certificate pass rate which was lauded as the highest percentage increase nationally. This signifies that the matric intervention programmes instituted to address the challenges have been highly successful.

The department also faced a serious challenge with the transportation of learners especially in the rural areas as it was the responsibility of the Department of Transport to provide such service. In this regard an executive decision was taken to transfer the function pertaining to learner transport to the KZN Department of Education with effect from 1 July 2017. The department is in the process of appointing successful service providers to facilitate the provision of learner transport.

The Council of Education Ministers (CEM) had in May 2017 approved the signing of job descriptions for all school-based educators post levels1-4. In this regard Principals of schools were required to sign job descriptions by September 2017 and all other categories of educators by March 2017. The relevant stakeholders have been work-shopped on the requirement of job descriptions and progress is being noted in this regard. Furthermore the Department of Basic Education has issued Education Labour Relations Council Collective Agreements Nos.3 and 4 of 2017 which effectively revised the framework for managing performance and development as well as introduced the compilation of job descriptions for office based educators to assist in promoting accountability and ensuring service delivery targets are met. To give effect to these resolutions the department has conducted workshops with the provincial co-ordinators on the revised performance management system and job descriptions

The Department of Public Service and Administration (DPSA) in a study to identify and research solutions to bridge the gap between strategy and delivery of services found that although access to government services has improved for many people there was still a problem with services not been equally accessible to all South Africans nor at the desired level of delivery especially in rural areas. Although visible progress has been made with the transformation process and improved service delivery, this has not always been matched by sufficient capacity to deliver and sustain quality services. In order to address the issue the DPSA has provided an Operations Management Framework together with supporting toolkits to assist govermental institutions to plan, structure, execute and continuously improve their operations for the effective and efficient delivery of services. Operations management puts in place the capacity for the planning, development, implementation and institutionalisation of service delivery tools, systems, processes, mechanisms and intervention programmes that are meant to improve quality service delivery. The focus is mainly on the development, implementation and monitoring of improvement mechanisms and the reporting thereon to ensure sustainable quality service delivery. The Departmemt is curently in the process of implementing the operations management framework within the prescripts determined by thereby. The Honourable State President in his State of the Nation Address reiterated the need for public servants to undertake their responsibilities with efficiency, diligence and integrity and instil a new discipline in doing things correctly, completely and timeously.

The National Policy on the Organisation, Roles and Responsibilities of Education Districts which calls for a review of the district norms to augment service delivery at the coalface remains an important intervention that the department would aspire to implement. However, given the current financial constraints, the recommendations of the policy in totality can only be realised in a more financially conducive environment, albeit certain aspects thereof are being operationalised.

2.3 Key policy developments and legislative changes

There is one significant Constitutional Court judgement which may have revisions to certain legislative or other mandates since the Strategic Plan 2015/16 – 2019/20 was compiled.

Constitutional Court judgement: The MEC for Education is eligible to determine feeder zones.

Federation of Governing Bodies for South African Schools v Member of the Executive Council for Education, Gauteng and Another [2016] ZACC 14.

3. PERFORMANCE INFORMATION BY PROGRAMME

3.1 PROGRAMME 1: ADMINISTRATION

Programme Purpose

The purpose of Programme 1: Administration is to provide for the overall management of the education system in accordance 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, utilised for governance, management, research and administration, as well as general office services, e.g. cleaning and security services, if utilised in the provincial head office and its subsidiary district and circuit offices.

ANALYSIS BY PROGRAMME

This programme has six sub-programmes analysed 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.

PROGRAMME 1: ADMINISTRATION – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 101: Number of public schools that use the schools administration and management systems to electronically provide data to the national learner tracking system	5 881	6 023	5 872	-151	-2.5%	The under-achievement can be attributed to the fact that some databases were corrupt and some schools had not submitted their databases. Furthermore, some schools are using third party systems. I.T. Security measures have been put in place to safeguard databases.
PPM 102: Number of public schools that can be contacted electronically (e-mail)	5 633	3 310	4 212	902	27.2%	The output has been exceeded as the number of schools that can be connected via emails also includes those schools with private email addresses as derived from SA-SAMS.

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 103: Percentage of education current expenditure going towards non-personnel items	9%	8.07%	10%	2%	2%	An overspend on Goods and Services in Programmes 1and 7 resulted in the target being exceeded. Measures have been put in place to strictly adhere to budgets.
PPM 104: Number of schools visited by district officials for monitoring and support purposes.	4 632	6 023	4 111	-1 823	-30.3%	Vacant circuit manager and subject advisor posts contributed to the target not being achieved. To mitigate against this under-achievement, the vacant circuit manager and subject advisor posts were advertised and subsequently filled. However, more posts have since become vacant due to attrition and promotion of district officials. To mitigate against this under-achievement, the vacant circuit manager and subject advisor posts were advertised and subsequently filled.

PROGRAMME 1: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Percentage of office-based women in Senior Management Service	42%	45%	38%	-7%	-7%	Every effort is being made to recruit female employees for SMS posts; however, the suitability in terms of specific requirements for the relevant posts necessitates the employment of male applicants. This has resulted in the target not being met. The Department has prioritised the recruitment of suitable female employees for SMS posts.
Percentage of women school principals	41%	50%	40%	-10%	-10%	Filling of promotion posts below level of SMS are at schools and the filling of such vacant posts requires the School Governing Body to follow the selection process, nominate 3 suitable candidates for each post. SGBs are being apprised to ensure that appointment of the candidates is effected with due regard to the equity targets of the Department, which is 50% of women in promotion posts. SGBs are being apprised to ensure that appointment of the candidates is effected with due regard to the equity targets of the Department, which is 50% of women in promotion posts.
Percentage of women employees	69%	67%	69%	2%	2%	The target has been exceeded as more females are entering the teaching fraternity in particular.
Uptime rate of the emails at all levels	100%	100%	100%	0	0%	Target achieved.

3.2 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.

PROGRAMME 2: PUBLIC ORDINARY SCHOOL EDUCATION – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 201: Number of full service schools servicing learners with learning barriers	101	125	101	-24	-19.2%	Budgetary constraints resulted in the target not being achieved as no more full service schools could be built.Targets will be reviewed in line with available budgets.
PPM 202: The percentage of children who turned 9 in the previous year and who are currently enrolled in Grade 4 (or a higher grade)	69%	71%	69%	-2%	-2%	The target was not met. This is a population based statistic which is dependent on a large number of variables.
PPM 203: The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 (or a higher grade)	62.4%	56.5%	62.4%	5.9%	5.9%	The influx of leaners of this age cohort from other provinces as well as from neighbouring countries contributed to this target being surpassed.
PPM 204: Number of schools provided with media resources	605	650	214	-436	-67%	Budgetary cutbacks resulted in the target not being achieved. Targets will be reviewed in line with available budgets.

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 205: Learner absenteeism rate	1.2%	4%	3.6%	0.4%	0.4%	Monitoring and strict control of learner attendance has resulted in a significant reduction in the learner absenteeism rate.
PPM 206: Teacher absenteeism rate	0.2%	6%	1.4%	4.6%	4.6%	The implementation of stringent leave taking measures is responsible for the substantial decline in teacher absenteeism.
PPM 207: Number of learners in public ordinary schools benefiting from the "No Fee Schools" policy	1 990 795	2 000 070	2010132	10 062	0.5%	Target met and exceeded due to schools' contestation adjustments.
PPM 208: Number of educators trained in Literacy/ Language content and methodology	21 591	42 504	24701	-17 803	-41.9%	Budgetary constraints restricted the number of educators that could be trained in Literacy/ Language content and methodology. Targets will be reviewed in line with available budgets.
PPM 209: Number of educators trained in Numeracy/Mathematics content and methodology	9 841	42 504	19 174	-23 330	-54.9%	Budgetary constraints restricted the number of educators that could be trained in Numeracy/ Mathematics content and methodology. Targets will be reviewed in line with available budgets.

PROGRAMME 2: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of learner days covered by nutrition programme	196	196	187	-9	-4.6%	The Feeding calendar was adjusted in line with the closure of schools for the first school term thus reducing the total number of learner days covered by the nutrition programme to 187.
Percentage of learners benefitting from the school nutrition programme	94%	79%	81%	2%	2%	The programme is currently feeding beyond the policy .This figure includes learners in quintiles 4 & 5 schools that are also benefiting in NSNP.
Number of public ordinary schools with all LTSMs and other required materials delivered by day one of the school year as ordered	5 899	5 882	5 833	-49	-0.8%	The target takes into account RTL funded schools, schools that closed, and newly funded schools but the achievement excludes schools that closed and newly funded schools.
Dropout Rate among Grade 12 learners	35%	10%	19.56%	9.56%	9.56%	The target was not achieved as there is still a high incidence of Grade 12 learners who drop out of school due to socio-economic and health reasons as well as a lack of motivation to continue. Career Guidance and support offered to learners to motivate them to complete their studies.

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Dropout Rate among Grade 12 enrolled for NSC examination	4%	4%	18.81%	-14.81%	-14.81%	The target was not achieved as there is still a high incidence of Grade 12 learners who drop out of school due to socio-economic and health reasons as well as a lack of motivation to continue. Career Guidance and support offered to learners to motivate them to complete their studies.
Dropout Rate among Grade R to 9 learners	5%	5%	1.1%	3.9%	3.9%	Retention strategies implemented by the Department has significantly reduced the dropout rate among Grade R to 9 learners.
Dropout Rate among Grade 10 to 12 learners	10%	10%	2.9%	7.1%	7.1%	Retention strategies implemented by the Department has significantly reduced the dropout rate among Grade 10 to 12 learners.

PROGRAMME 3: INDEPENDENT SCHOOLS SUBSIDIES:

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

PROGRAMME 3: INDEPENDENT SCHOOLS – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 301: Percentage of registered independent schools receiving subsidies	53%	53%	53%	0	0%	Target met.
PPM 302: Number of learners at subsidised registered independent schools	29 314	29 314	31 006	1 692	5.8%	Newly established independent schools which met the requirements for subsidy had to be subsidised.
PPM 303: Percentage of registered independent schools visited for monitoring and support	90%	100%	100%	0	0%	Target achieved.

PROGRAMME 3: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of funded independent schools visited for monitoring purposes	114	127	127	0	0%	Target achieved.
Percentage of Independent schools achieving between 90% to 100% pass rate	85%	85%	72%	-13%	-13%	Intervention strategies implemented by independent schools to improve academic performance did not yield the expected results. Intervention strategies to improve results will be revised.

PROGRAMME 4: PUBLIC SPECIAL SCHOOL 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) School sport, culture and media services

To provide additional and departmentally managed sporting, cultural and reading activities in public special schools (including inclusive education).

(iv) Conditional Grants

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

PROGRAMME 4: PUBLIC SPECIAL SCHOOL EDUCATION – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 401: Percentage of special schools serving as Resource Centres	35%	36%	22%	-14%	-14%	Target could not be met due to budgetary constraints. Funding for the Special Schools' Programme will be prioritised.
PPM 402: Number of learners in public special schools	19 003	18 996	20 180	1 184	6.2%	Target exceeded due to the improvement in the early identification and placement of learners with special needs.

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM403: Number of therapists/specialist staff in public special schools	151	151	172	21	13.9%	Target surpassed due to the employment of additional specialist staff.

PROGRAMME 4: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of learners accessing assessment, career guidance, remedial education, counselling and support programmes in mainstream, special and full service schools	141 088	128 000	142 406	14 406	11.2%	The target was exceeded due to greater demand for these specialised services.
Number of educators employed in public special schools	1 576	1 468	1 690	222	15.1%	Target achieved.
Number of professional non-educator staff employed in public special schools	198	382	208	-174	-45.5%	Due to budgetary constraints 366 professional non-educator staff are employed by the Department while the deficit of 174 are employed by School Governing Bodies. Targets will be reviewed in line with budget.

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 at public schools and ECD centres.

PROGRAMME 5: EARLY CHILDHOOD DEVELOPMENT – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 501: Number of public schools that offer Grade R	3 972	3 996	4008	12	0.3%	The opening of new public schools that offer Grade R resulted in the target being exceeded.
PPM 502: Percentage of Grade 1 learners who have received formal Grade R education in public ordinary and/ or special schools and registered independent schools/ECD sites	73%	97.2%	97.2%	0	0%	Target met.

PROGRAMME 5: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of subsidised community based centres offering Grade R	57	30	53	23	76.7%	The target has been exceeded by 23 due to the addition of Grade R classes that are satellites of Public Primary schools.
Number of employed ECD Practitioners with NQF level 4 and above	4 200	4 200	3 972	-228	-5.4%	A number of ECD practitioners who were studying graduated this year thus moving up the NQF level.
Number of Grade R Practitioners employed in Public Ordinary Schools	6 637	6 637	5 217	-1 420	-21.4%	Enrolment of Grade R learners dropped in some schools and Grade R practitioners who resigned were not replaced in such schools.
Number and percentage of Grade R practitioners with NQF level 6 and above	1651	1651	1 164	-487	-29.5%	Practitioners resigned to take up substantive posts in other grades.

PROGRAMME 6: INFRASTRUCTURE DEVELOPMENT

Programme Purpose

To provide and maintain infrastructure facilities for the administration and schools

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

PROGRAMME 6: INFRASTRUCTURE DELIVERY – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 601: Number of public ordinary schools provided with water supply	427	150	175	25	16.7%	The target was over-achieved due to 25 schools (backlogs) being included.
PPM 602: Number of public ordinary schools provided with electricity supply	75	150	33	-117	-78%	Eskom has not fulfilled its mandates to supply the electricity grid infrastructure to the identified schools. Eskom has to improve its capacity to supply the electricity grid infrastructure to the identified schools.
PPM 603: Number of public ordinary schools supplied with sanitation facilities	210	150	159	9	6%	The target has been surpassed as 9 projects earmarked for completion in prior years were also completed.
PPM 604: Number of additional classrooms built in, or provided for existing public ordinary schools	705	400	460	60	15%	Sixty classrooms earmarked for completion in prior years were completed.
PPM 605: Number of additional specialist rooms built in public ordinary schools (includes replacement schools)	170	100	104	4	4	The target has been surpassed as 4 projects earmarked for completion in prior years were also completed.
PPM 606: Number of new schools completed and ready for occupation (includes replacement schools)	10	10	6	-4	-40%	The target was not achieved due to the delays on some of the projects such as Umsilinga Primary School in Umgungundlovu; Mbongeleni Primary School in Mzinyathi; Mdombolo Primary School in King Cetshwayo; Ntshongo Junior Seconday School in Harry Gwala; and Glengarry Junior Secondary School in Harry Gwala.
PPM 607: Number of new schools under construction (includes replacement schools)	27	18	27	9	50%	Target has been surpassed due to the backlogs in replacement schools being included.
PPM 608: Number of new or additional Grade R classrooms built (includes those in replacement schools)	98	120	40	-80	-66.7%	Implementing agents have not fulfilled their mandates. Reports on outputs are still outstanding from implementing agents. Prior-demonstration of capacity by contractors will form part of functionality at tender stage. Implementing Agents will also demonstrate their capacity to delivery at contracting stage by a risk response plan.
PPM 609: Number of hostels built	0	2	1	-1	-50%	The target was not achieved due to delays in Malezulu Special School. Implementing agents have not fulfilled their mandates. Prior-demonstration of capacity by contractors will form part of functionality at tender stage. Implementing Agents will also demonstrate their capacity to delivery at contracting stage by a risk response plan.
PPM 610:Number of schools in which scheduled maintenance projects were completed	310	300	308	8	2.7%	Target has been surpassed due to the backlogs that were included.

PROGRAMME 6: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of women benefitting from EPWP programmes	176	176	186	10	5.7%	The target has been exceeded as the Department has prioritised the involvement of more women beneficiaries. New Grade R Practitioners will be recruited to fill vacant posts.
Number of youth benefitting from infrastructure projects	178	178	190	12	6.7%	The target has been exceeded as the Department has prioritised the involvement of more youth beneficiaries.
Number of disabled people benefitting from infrastructure projects	10	10	0	-10	-100%	No such beneficiaries approached the Department for involvement in infrastructure projects.
Number of schools fenced	65	65	37	-28	-43%	Budgetary constraints resulted in the target not being achieved.Budget will be ring-fenced for this priority.
Number of schools wherein minor repairs are done	70	70	82	12	17.1%	Urgent repairs to storm damages at non-targeted schools led to the target being surpassed.

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 one programme and funded with conditional grants

PROGRAMME 7:

AUXIALIARY AND ASSOCIATED SERVICES – CUSTOMISED INDICATORS

Performance Measure	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
PPM 701: Percentage of learners who passed National Senior Certificate (NSC)	66.4%	76%	72.9%	-3.1%	-3.1%	The shortage of qualified educators, the shortage of subject advisors and the existence of small unviable schools hampered efforts to achieve this target. The Department has implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. There was a significant improvement from the previous year.
PPM 702: Percentage of Grade 12 learners passing at bachelor level	24.48%	27%	28.7%	1.7%	1.7%	The Department implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. This has resulted in the target being exceeded.
PPM 703: Percentage of Grade 12 learners achieving 50% or more in Mathematics	13.77%	19%	17%	-2%	-2%	The Department has underperformed in relation to the target; however there was an increase of 3.23% compared to the previous year as a result of various interventions such as the reviewed Provincial Academic Improvement Plan being implemented.
PPM 704; Percentage of Grade 12 learners achieving 50% or more in Physical Science	22.18%	21%	26.72%	5.72%	5.72%	The Department implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. This has resulted in the target being exceeded.
PPM 705: Number of secondary schools with National Senior Certificate pass rate of 60% and above	1024	1 620	1243	-377	-23.3%	The shortage of qualified educators, the shortage of subject advisors and the existence of small unviable schools hampered efforts to achieve this target. The Department has implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. There was a significant improvement compared to the previous year.

PROGRAMME 7: NON-CUSTOMISED INDICATORS

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of schools with an NSC pass rate below 60%	733	606	531	-75	-12.4%	Vigorous interventions and the implementation of the improved provincial academic improvement plan resulted in the target being exceeded.
Number of Quintile 1 schools with a minimum NSC pass rate of 60% [minimum school average of 60% and above]	212	212	259	47	22.2%	Vigorous interventions and the implementation of the improved provincial academic improvement plan resulted in the target being exceeded.

Performance Indicator	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of Quintile 5 schools with a minimum NSC pass rate of 60% [minimum school average of 60% and above]	4	4	139	135	3 375%	Vigorous interventions and the implementation of the improved provincial academic improvement plan resulted in the target being exceeded.

A. MTSF INDICATORS

MTSF indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
The average hours spent by teachers on professional development activities per year	40 hours	40	0	0%	Target met.
Number of teachers who have written the Self-Diagnostic Assessments	3 000	1423	-1 577	-52.6%	This is a DBE driven programme
Percentage of learners in schools with at least one educator with specialist training on inclusion	7%	7%	0	0%	Target met.
Number of Funza Lushaka bursary holders placed in schools within six months of their completion of studies or upon confirmation that the bursar has completed studies	200	300	100	50%	Funza Lushaka bursary holders who completed their studies more than six months ago were also placed thus resulting in the target being surpassed.
Number of qualified Grade R-12 teachers aged 30 and below, entering the public service as teachers for the first time during the financial year.	1 435	1 613	178	12.4%	Graduates aged 30 and below who had qualified prior to 2016/17 were also placed for the first time thus resulting in the target being exceeded.
Percentage of learners who are in classes with no more than 45 learners.	91%	91%	0	0%	Target met
Percentage of schools where allocated teaching posts are all filled	100%	84.1%	-15.9%	-15.9%	Target met
Teacher absenteeism rate per year	5%	1.4%	3.6%	3.6%	The implementation of stringent leave taking measures is responsible for the substantial decline in teacher absenteeism.
Number of public ordinary schools provided with water supply in line with agreed norms and standards per year	180	175	-5	-2.8%	The target was over-achieved due to 25 schools (backlogs) being included.
Number of public ordinary schools provided with electricity supply in line with agreed norms and standards per year	160	33	-127	-79.4%	Eskom has not fulfilled its mandates to supply the electricity grid infrastructure to the identified schools.
Number of public ordinary schools provided sanitation facilities in line with agreed norms and standards per year	160	159	-1	-0.6%	The target has been surpassed as 9 projects earmarked for completion in prior years were also completed.
Number of learners provided with required textbooks in all grades and in all subjects per annum	100%	100%	0	0%	Target met.
Percentage of Grade 1 learners who have received Grade R per year	97,2%	97.2%	0	0%	Target met
Number of Grade R practitioners with NQF level 6 and above qualification each year.	1 651	1 164	-487	-29.5%	Practitioners resigned to take up substantive posts in other grades.
Percentage of learners who complete the whole curriculum each year	85%	85%	0	0%	Target met.

MTSF indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Percentage of schools producing a minimum set of management documents at a required standard	60%	60%	0	0%	Target met
Number of SGBs in sampled schools that meet minimum criteria in terms of effectiveness every year	500	300	-200	-40%	The target was reduced by Department of Basic Education from 500 to 300 schools and the Province was able to meet the DBE target of 300 in the 2017/2018 financial year
Percentage of schools with more than one financial management responsibility on the basis of assessment	5 548	5 548	0	0%	Target met
Rate of utilization of SA-SAMS in public school	98%	97.4%	-0.6%	-0.6%	Some schools are using third part systems.
Percentage of school principals rating the support services of districts as being satisfactory	99%	50%	-49%	-49%	Not all school principals were surveyed.
Number of Grade 12 learners passing at bachelor level in the national senior certificate examinations per year	43 457	35 687	-7 770	-17.9%	The Department implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. This has resulted in the target being exceeded.
Percentage of Grade 12 learners passing Mathematics at 50% or more in the national senior certificate examinations per year	20%	17%	-3%	-3%	The Department implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. This has resulted in the target being exceeded.
Percentage of Grade learners passing Physical Science at 50% or more in the national senior certificate examinations per year	22%	26.7%	4.7%	4.7%	The Department implemented various interventions such as the reviewed Provincial Academic Improvement Plan to improve the pass rate and the quality of passes in the NSC. This has resulted in the target being exceeded.

B. STATISTICAL INDICATORS

Statistical indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Programme 2: Public Ordinary Schools					
Number of learners enrolled in public ordinary schools	2 605 918	2 826 465	220 547	8.5%	The target has been exceeded due to the intake of learners from other provinces and neighbouring countries.
Number of educators employed in public ordinary schools	88 160	83 729	-4 431	-5%	The target has not been attained due to the expiry of contracts of temporary educators.
Number of non-educator staff employed in publicordinary schools	11 396	10 588	-808	-7.1%	In line with Transformation of the Schooling System some schools that were not viable have been closed down and some have been merged. Post are not being filled due to cost cutting measures as per Provincial Treasury Instructions.
Number of learners with access to NSNP	2 272 894	2 294 704	21 810	0.9%	The increase in the enrolment of learners at schools in the new year led to more learners being identified as beneficiaries of NSNP. This resulted in the target being surpassed. The NSNP target was set prior to this increase in enrolment.
Number of learners eligible to benefit from learner transport	50 000	58 591	8591	17.2%	The target was exceeded as additional beneficiaries were brought into the programme as per the Court Order granted in favour of Equal Education.
Number of learners with special education needs identified in public ordinary schools	38 000	25 154	-12 846	-33.8%	Target was over-stated.

Statistical indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of qualified teachers aged 30 and below, entering the public service as teachers for the first time	635	2 538	1 903	299.7%	Graduates aged 30 and below who had qualified prior to 2016/17 were also placed for the first time thus resulting in the target being exceeded.
Percentage of learners who are in classes with more than 45 learners	4%	39%	35%	35%	Infrastructure backlogs as well as a shortage of subject specialist teachers have led to overcrowding.
Percentage of youth who obtained a National Senior Certificate from a school	80%	73%	-7%	-7%	The Department has underperformed in relation to the target. Various interventions such as the reviewed Provincial Academic Improvement Plan have been implemented to increase the percentage of youth who obtained a National Senior Certificate from a school.
Percentage of learners in schools with at least one teacher with specialist training on inclusion	1,7%	1.7%	0	0%	Target met
Percentage of learners having access to workbooks per grade	100%	100%	0	0%	Target met
Percentage of schools where allocated teaching posts are filled	100%	84.1%	-15.9%	-15.9%	Shortage of teachers in specialist subjects specific to the needs of schools have led to the target being under-achieved.
Percentage of learners having access to required textbooks in all grades and in all subjects	86%	97%	11%	11%	To accelerate coverage, the Department has enforced top-up requisitioning; relaxed school allocation budget constraints; procured at lower prices by migrating schools to central procurement; and embarked on proper textbook inventory processes for schools.
Number of Secondary Schools with an overall pass rate for the School of 60 and above in ANA (excluding Grade 12)	1 569	n/a	n/a	n/a	Annual national assessments (ANA) was not administered in this financial year
Number of learners screened through Integrated School Health Programme	950	173 886	172 936		The target for the number of schools was captured in the APP thus resulting in the target for learners being understated.
Programme 4: Public Special School Education					
Number of learners enrolled in public special schools	17,517	20 180	2 673	15.2%	Target exceeded due to the improvement in the early identification and placement of learners with special needs.
Number of educators employed in public special schools	1,468	1 690	222	15%	Target exceeded due to the appointment of temporary educators.
Number of professional support staff employed in public special schools	151	172	21	13.9%	Target surpassed due to the employment of additional specialist staff.
Number of non-professional and non-educator staff employed in public special schools	366	208	-158	-43%	Due to budgetary constraints 208 professional non-educator staff are employed by the Department while the deficit of 174 are employed by School Governing Bodies.
Number of special schools	74	74	0	0%	Target met
Number of learners in special schools provided with assistive devices	17,517	17 517	0	0%	Target met
Programme 5: Early Childhood Development					

Statistical indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of learners enrolled in Grade R in public schools	250,000	197 745	-52 255	-20.9%	The target has not been achieved due partly to the increase in the number of community based centres and there was also an increase in private institutions offering Grade R.
Number of Grade R practitioners employed in public ordinary schools per quarter	6,637	6 606	-31	-0.47%	A number of Grade R practitioners resigned to take up teaching posts which offer better benefits.
Number of ECD practitioners trained	4,200	7 008	2 808	66.8%	The target was surpassed as some practitioners had undergone more than one training programme.
Number of learners enrolled in Pre-grade R	199,700	115 436	-84 264	-42.2%	Advocacy campaigns for the enrolment of learners in Pre-grade R has not produced the desired effect as many households did not adhere to the call to have children in this cohort enrolled.
Programme 7: Examination and Education Related Services					
Number of learners in Grade 12 who wrote National Senior Certificate (NSC) examinations	146,000	124 317	-21 683	-14.8%	A number of candidates who enrolled in Grade 12 and who registered for the NSC examinations did not sit for the examinations.
Number of learners who passed National Senior Certificate (NSC)	104,500	90 589	-13 911	-13.3%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.
Number of learners who obtained Bachelor passes in the National Senior Certificate (NSC)	39,739	35 687	-4 052	-10.2%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.
Number of learners who passed Maths in the NSC examinations	41,100	28 472	-12 628	-30.7%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.
Number of Grade 12 achieving 50% or more in Mathematics	16,225	11 447	-4 778	-29%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.
Number of learners who passed Physical Science in the NSC examinations	40,160	28 002	-12 158	-30.3%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.

Statistical indicators	Planned Target 2017/ 2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018		Comment on Deviation
Number of Grade 12 achieving 50% or more in Physical Science	17,144	11 491	-5 653	-33%	Although the target has not been achieved, there is progress noted in the attainment in the NSC when compared to the previous year's performance. The Department has implemented a reviewed Provincial Academic Improvement Plan to ensure better results. District Support to schools has intensified.

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

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 POLICY AND STRATEGY.

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

A Risk Maturity exercise was conducted by the Risk Management Unit within the Provincial Treasury Internal Unit to assist the Department in strengthening and improving the Risk Management in the Department. As a result, an Improvement Plan has been developed which includes a review of the Department's Risk Management Policy and Strategy which will be finalised during the 2018/2019 financial year. Progress on the Risk Maturity Improvement Plan is also reported quarterly to the Cluster Audit and Risk Committee.

- **Risk assessments**

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

- **Risk Management Committee**

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

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

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

- **Progress in the management of risks**

The culture of risk management is evolving in the Department. In addition to the existing risk register, the Department has developed an improvement plan on the basis of the risks identified and the outcome of both internal audit and Auditor-General reports released. The implementation of the improvement plan and the risk register has intensified mitigating strategies and the interventions by respective branches, chief directorates and directorates. The progress on implementation of these action plans are reported on a quarterly basis to the CARC. The Internal Audit Unit in Provincial Treasury also conducts a verification of resolved issues and reports to the CARC on whether the action plans have been implemented adequately and effectively by management to address or mitigate these risks.

3. FRAUD AND CORRUPTION

- **Fraud prevention plan**

The Department has a Fraud Prevention Plan which provides guidelines in preventing, detecting and reporting fraudulent activities within the Department. The Fraud Prevention Plan includes a Fraud Policy and Response Plan and a Whistle Blowing Policy.

The Department also has a Fraud Prevention Improvement Plan developed as a result of a review of the current Fraud Prevention Plan by Provincial treasury and which includes the revision of the Department's Fraud Prevention Plan which will be finalized in the 2018/2019 financial year. Progress on the implementation of Fraud Prevention Improvement Plan is reported quarterly to the CARC.

- **Mechanisms to report fraud and corruption**

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

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

4. MINIMISING CONFLICT OF INTEREST

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

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

- All senior management are required annually to complete their Declaration of Interest on the e-disclosure reporting tool of the Department of Public Service Administration.
- During 2017-2018, 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.

5 . CODE OF CONDUCT

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

The Directorate: Facilities Management and Auxiliary Services is responsible to implement the departmental Occupational Health and Safety (OHS) policy. The Directorate ensures that the occupants of the 88 buildings are in a clean, safe, secure environment and free from serious recognized hazards. The Directorate encourages all employees to adopt an injury and risk prevention program. The injury and risk prevention programmes have substantially reduced the number and severity of workplace injuries and alleviated the associated financial burdens on the Department. In order to ensure on-going safety of the employees and in compliance with the Occupational Health and Safety Act, OHS committees were established and OHS representatives were appointed at all offices. The provision of training programmes for OHS representatives, first aiders and fire marshals were initiated. The Directorate has also developed and conducted advocacy on emergency evacuation procedures and identified adequate emergency exists. The OHS representatives are responsible to ensure that the OHS objectives and targets are achieved and monitored.

7. PORTFOLIO COMMITTEES

DATE OF MEETING	MATTER RAISED BY PORTFOLIO COMMITTEE	DEPARTMENT RESPONSE TO MATTER/ HOW THE DEPARTMENT ADDRESSED THE MATTER
21 February 2017	1. 3rd Quarter (2016/17 budget) financial performance 2. Audit turnaround strategy implementation report progress to date 3. KZN Education budget 2017/18 - Final allocation from Provincial Treasury. 4.Infrastructure Plan 2017/2018 5.2017 Academic Improvement Plan 6. Progress report on National School Nutrition Policy (NSNP) 7. Sanitary distribution plan 8. School Opening Functionality Resolution 9. Responses on Oversight visits reports 9.1 Mandlethu Secondary 9.2 Ntathakusa Secondary (Winterton) 9.3.Phakathi Secondary. 9.4.Sabelosethu Secondary (Amajuba) 9.5.Sesiyabonga Secondary 9.6.Mandla Mthethwa School and Namaneneni Secondary (Attached) 9.7.Umgungundlovu District (attached 10. Update on suspension of departmental officials	The Department responded by providing all the requested reports to the Committee
23 March 2017	1. Briefing on 2016/17 Budget close –out Report and Non-Financial Report 2. Report on the Suspension of senior officials and 300 teachers. 3. Learners Transport 4. Update report on the resolutions of January 2017 School Functionality Monitoring 5. Update on the appointment of the Principal and distabilisation of Umlazi Comtech Secondary 6. Update on the NSNP Tender process	The Department responded by providing all the requested reports to the Committee

27 June 2017	1. 2016/17 Close –Out Report: I. Non- Financial II. Financial 2. Report on the Suspension of senior officials and firing of 300 teachers. (a)Update on the Transformation of Schooling System implementation. (b)Update report on the resolutions of January 2017 School Functionality Monitoring 3.Status quo on delivery of HIV/AIDS programme 4.Report on the Scholar Transport plans for 2017/2018 5. Update on the NSNP 6. New circulars 7.Update on implementation of NCS exam turnaround strategy 8.Update reports on functionality of: I. Umlazi Comtech II. Nobhala Secondary III.Sonkeshana Primary(Mobile classrooms) at Nongoma IV. Umzwangedwa (Appointment of a Permanent Principal) 9. Responses on resolutions: I. Finance Portfolio Committee II. SCOPA III.Quality of Life IV. Women's Parliament	The Department responded by providing all the requested reports to the Committee
1 August 2017	1. 2nd term common tests results 2. Examination Readiness 3. First Quarter Report – 2017/18 - Financial Report - Non – Financial Report 4. Learner Transport Update Report 5. Teacher qualifications in KZN.	The Department responded by providing all the requested reports to the Committee

5 September 2018	1. 2016/2017 Audit Report 2. 2016/17 Closeout Report 3. Teachers qualifications report 4. Examination preparedness 5. NSNP report 6. Instabilities in our schools 7. Closure of kwaBhavu High School 8. 2018/2018 Budget Draft 9. 2018/2019 APP Draft	The Department responded by providing all the requested reports to the Committee
17 October 2018	1. 2016/2017 Audit Report 2. 2016/17 Closeout Report 3. Teachers qualifications report 4. Examination preparedness 5. NSNP report 6. Instabilities in our schools 7. Closure of kwaBhavu High School 8. 2018/2018 Budget Draft 9. 2018/2019 APP Draft	The Department responded by providing all the requested reports to the Committee

8. SCOPA RESOLUTION

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Resolution 59/2017	Department of Education: Emphasis of matter: Accruals and payables	Noting that: a) As disclosed in note 21 to the annual financial statements, accruals and payables not recognised which exceeded the payment term of 30 days, as required in Treasury regulation 8.2.3 amounted to R763.55 million. b) This amount exceeded the R77,45 million of voted funds to be surrendered as per statement of financial performance by R686.10 million. c) This would have constituted unauthorised expenditure had the amounts been paid timeously. The Committee resolves:- That the Accounting Officer reports to the Committee by 31 January 2018 on: The reasons for non-compliance with Treasury Regulation 8.2.3, Steps taken against officials responsible for late payment of accounts in contravention of Treasury Regulation 8.2.3, Controls put in place to prevent a recurrence of non-payment within 30 days and Budget measures put in place to avoid over-expenditure in the 2017/2018 financial year.	1.1 The main reason for non -compliance is there is no electronic tracking system to track the flow of the documentation and invoices 1.2 All payments over R 500 000 must be controlled and authorised by the HOD. This is to avoid any fraudulent payments being made 1.3 All invoices must be verified to ensure that services are rendered especially Infrastructure and NSNP 2.1 Before any steps are taken against officials the Department needs to provide the tools and staff to ensure that officials perform their functions efficiently. 2.2 The challenge is that there is not sufficient funds to implement strategies that are formulated 2.3 Officials that have been totally negligent in their duties are being investigated by labour relation Annexures provided for Turnaround Strategy on 30 days payments and Turnaround strategy on over-expenditure	Yes

Resolution 60/2017	Department of Education: Expenditure management: Irregular expenditure	Noting that: (a) As disclosed in note 25 to the financial statements, irregular expenditure to the amount of R719.41 million that was incurred in the previous years, was still under investigation. (b) Effective steps were not taken to prevent irregular expenditure amounting to R822.21 million in 2016/2017 as disclosed in note 25 to the financial statements, as required by Section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1 (c) R 48 356 million of the irregular expenditure is due to SCM processes not being followed. The Committee resolves:- 1. That the Accounting Officer reports to the Committee by 31 January 2018 on reasons for non-compliance with SCM processes. 2. That the Accounting Officer reports to the Committee by 31 January 2018 on reasons for failure to avoid irregular expenditure and what measures are in place to prevent this happening in future. 3. That the Accounting Officer provide the names of officials responsible for irregular expenditure and action taken against those officials.	1.1 The R 48 356 million of irregular expenditure due to the non-compliance of SCM processes mostly relates to NSNP. 1.2 This is due to where suppliers are unable to continue with services due to financial constraints and new suppliers have to be informed to feed learners immediately. 1.3 The late issuing of the orders then constitutes non-compliance as the services has already been rendered 1.4 In some cases there are emergencies where services have to be provided immediately before an order can be issued 2.1 In order to avoid the irregular expenditure the department issues on a regular basis a circular (Finance Circular No. 1 of 2017) to all responsibility managers informing them of the expected lead times when procuring goods and services. 2.2 Furthermore, the respective responsibility managers submit their business plans (i.e. for grant funded programmes) and procurement plans at the beginning of each financial year. (SCM Circular No. 03 of 2017) Should there be requests for deviations from normal SCM processes these are submitted to the Accounting-Officer and Provincial Treasury for approval. 2.3 If there is non-compliance from normal tender processes SCM reports to the Bid Adjudication Committee for consideration and condonement if applicable. Such cases are further reported to Internal Control for investigation. 3. Disciplinary action is currently in-progress against a senior official following an investigation by Internal Audit.	Yes
Resolution 61/2017	Department of Education: Non-compliance with legislation	Noting that: a) Persons in service of the Department who had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by Treasury Regulation 16A8.4 b) Contractual obligations and money owed by the department were not settled within 30 days, as required by section 38(1)(f) of the PFMA and TR 8.2.3 The Committee resolves:- 1. That the Accounting Officer reports by 31 January 2018 on action taken to ensure that the above findings are addressed and that further such findings do not occur in the next audit. 2. That the above report specifies the sanctions that will be implemented against those responsible for the transgressions listed.	1. The Department has issued Circular HRM 43 of 2016 instructing all employees to disclose of their interests and employees who are conducting business with the state were required to tender resignations or submit proof that they have seized conducting business or submit proof that they have resigned as directors of a company that is trading with the state. Since the implementation of the CSD as from 1 July 2016, the Department is able to vet all suppliers to ensure that all conflicts of interest are avoided. Any discrepancies identified should the supplier be an official of the Department will be reported to Internal Control to investigate further. The Department still has a challenge identifying suppliers who are family members and business partners of employees as the Department does not have access to CIPRO. 2. Disciplinary action is being taken against employees who were awarded contracts by the Department. The sanctions range from final written warnings to fines. An exercise was conducted to identify repeat offenders. Seventeen of them have been identified and are currently undergoing disciplinary hearings. Depending on the merits of each case, repeat offenders will receive a more serious sanction which could include dismissal and /or a fine.	Yes

Resolution 62/2017	Department of Education: Fruitless and wasteful expenditure	Noting that: As disclosed in note 26 to the Annual Financial Statements, the Department incurred fruitless and wasteful expenditure of R168 523 000 which could have been avoided and no value for money was received. There has been an increase in fruitless and wasteful expenditure from R161 043 000 in 2015/2016 to R168 523 000 in 2016/17. The Committee resolves:- That the Accounting Officer reports by 31 January 2018 on: 1. The reasons for the fruitless and wasteful expenditure being incurred. 2. Action taken against those officials responsible for incurring the fruitless and wasteful expenditure. 3. Recovery of money from those responsible and 4. Measures put in place to ensure that fruitless and wasteful expenditure does not occur in future.	1. Detail was provided for the Fruitless and wasteful expenditure per the financial statements in an Annexure. 2.1 There were no action taken against any officials after each case was investigated 2.2 Legal costs and interests charged were mostly from court orders 2.3 Fruitless expenditure on domestic costs are due to the timing of billing by the municipalities which is being addressed. 3.1 There were no recoveries as no one was found guilty 4.1 An invoicing tracking is being implemented so that payments are made on time 4.2 With regard to court cases, these are recorded as contingent liabilities and pro -active measures are put into place before court orders or interest is charged on these cases	Yes
Resolution 63/2017	Department of Education: Consequence Management	Noting that: (a) 46 suppliers submitted false declarations of interest with an amount of R8, 44 million being involved. (b) 269 officials failed to disclose their own interest or that of close family members, partners or associates in contracts worth R106.09 million as required by Treasury regulation 16A8.4. The Committee resolves:- That the Accounting Officer report by 31 January 2018 on what investigations have been instituted into the transgressions, what measures have been introduced to prevent repeat transgressions of this nature and what actions have been taken against those who have transgressed.	Investigations are currently being conducted to determine if the suppliers are employees of the Department or other state institutions. Disciplinary action to be taken where it is confirmed that these are employees of the Department. Officials who have failed to disclose their interest will face disciplinary action.	Yes

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Resolution 64/2017	Department of Education: Human Resources Management: Filling of critical posts	Noting that: (a) (a)The Senior Management vacancy rate was 15% at year-end, while the overall vacancy rate at the department was 8.8%. (b) (b)Submissions have been made to the Premier for the filling of critical SMS posts. (c) (c)The verification process for new appointments did not cover checks relating to criminal record checks, citizenship, qualification and reference checks. The Committee resolves:- 1. That the Accounting Officer reports to the Committee by 31 January 2018 on progress regarding the filling of critical posts. 2. The Accounting Officer reports to the Committee by 31 January 2018 on what measures have been put in place to ensure that the verification process for new appointments covers checks relating to criminal record checks, citizenship, qualification and reference checks.	a. Office-Based Public Service Posts - There are currently 727 posts that are vacant. Requests have been made to the Premier of the Province to fill 149 of these posts however, Treasury has indicated that there are a number of processes in which the Department has to embark upon before the MEC for Finance can recommend to the Premier that the filling of theses posts be approved. b. Office-Based Educator Posts -There are currently 531 posts that are vacant. 185 of these have been advertised in Vacancy Circular 39 of 2016 which was published in August 2016 but to date selection processes have not yet been embarked upon. c. Institution-Based Educator Posts -According to PERSAL, there are currently 5167 posts that are vacant. Combined this means that a total of 2429 posts have been advertised. It must be noted that although these posts are vacant, there is never a classroom without a teacher, as the Department makes use of substitute teachers. d. Institution-Based Public Service Posts - There are currently 1877 posts that are vacant. A request was made to the OTP to advertise and fill these posts however, Treasury has indicated that there are a number of processes in which the Department has to embark upon before the MEC for Finance can recommend to the Premier that the filling of theses posts be approved. 2. A vetting strategy which addresses criminal record checks and reference checks is to be developed for implementation. The vetting, in this regard, is to be conducted through the State Security Agency and, for this purpose, preliminary discussions between this Department and the Agency have already commenced. A draft document is currently being developed and will be the basis upon which further discussions between the parties will take place. It is envisaged that this Strategy will be finalised and approved for implementation with effect from 1 April 2018.	Yes
Resolution 65/2017	Department of Education: Financial misconduct	Noting that: 136 employees performed additional remunerative work without approval (RWOPS) to the value of R61,49 million in the current financial year. The Committee resolves:- That the Accounting Officer report to the Committee by 31 January 2018 on the progress made in investigations into and actions taken against officials guilty of financial misconduct.	The 136 employees are currently being investigated to determine if they had disclosed their interest to the Department and where it is proven that the employee has not disclosed their interest, disciplinary action to be instituted. The Department is currently requesting the supporting payment vouchers from the relevant Supplier Departments to assist with the investigation and the disciplining of these officials.	Yes

Resolution 66/2017	Department of Education: Investigations	Noting that: a. One hundred and thirteen cases relating to various allegations of mismanagement of school funds, falsified qualifications, unaccounted employees and invalid payments were referred to the internal control and risk management section of the department. b. Fifty cases were finalised and sixty-three cases were in progress. c. Forty-one cases were referred to the provincial treasury forensic unit to conduct investigations. Twenty eight investigations had been completed and thirteen were in progress. d. The Department currently has a backlog of cases due to staff capacity. The Committee resolves:- The Accounting Officer provides a progress report on all investigations to the Committee by 31 January 2018. The report must also cover the implementation of recommendations arising from the finalised investigations.	Status -Number of cases: Finalized/Closed -67 In-progress -42 Referred to Treasury-3 case-Halted(Hawks Investigating)-1 Total cases= 113 Details of the 113 cases in respect of findings, recommendations and outcomes of disciplinary and legal proceedings provided.	Yes

Transversal Resolution 111/2017	Irregular expenditure	Noting that: a. The total amount of irregular expenditure across departments and public entities of provincial government remains unacceptably high in the 2016/2017 financial year. b. This indicates that serious problems exist in departments and public entities in complying with the provisions of the Public Finance Management Act, adhering to Supply Chain Management processes and detecting and disclosing irregular expenditure . c. In terms of section 38(1)(h)(iii) and section 51(1)(e)(iii) of the PFMA, it is the responsibility of the Accounting Officer and the Accounting Authority respectively to take effective and appropriate disciplinary steps against any official in the service of the department or public entity who makes or permits irregular expenditure. The Committee resolves: That the Accounting Officers of the departments and Accounting Authorities of the public entities report to the Committee by 31 January 2018 on: 1. What disciplinary steps have been taken by the Accounting Officers in terms of section 38(1)(h)(iii) and the Accounting Authorities in terms of section 51(1)(e)(iii) of the PFMA against those people responsible for the irregular expenditure. If no disciplinary action has been taken, the Accounting Officers and Accounting Authorities must provide reasons for this. 2. Whether any forensic or internal audit investigations are being conducted into the irregular expenditure which was incurred during the 2016/2017 financial year.	1. As previously reported above, disciplinary action is currently being taken against employees who are doing business with the Department. Investigations are also underway on employees who have conducted business with other state institutions. We are currently requesting the supporting documentation from the supplier state institutions to assist with the investigations and disciplinary hearings of these individuals. National School Nutrition Programme • The Department experienced a period of transition during which time delays were experienced in advertising the bid. This resulted in the Department in requesting for extensions when the Department stabilized. Earnest efforts were made to advertise and process the bid timely, however this could not be achieved due to large volumes of applications resulting in requests to seek extensions which was later declined by Provincial Treasury. • The request for extensions was unavoidable as the mandate of the programme cannot be compromised and procurement processes cannot avoid legislated procedures. 2. Eight cases of alleged irregular expenditure in respect of 2016/2017 was referred to Internal Control for investigation. Six have been finalised and two are still in-progress. In four of the cases, the order was issued before the CFO approval and it was recommended that the implicated officials be disciplined.	

Transversal Resolution 112/2017	Settlement of payments to creditors within 30 days	Noting that: (a) Financial statements, accruals and payables not recognised exceeded the payment term of 30 days, as required in Treasury Regulation 8.2.3. (b) Most departments do not comply with the 30 days' payment policy and the amounts incurred would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner. The Committee resolves:- That the Accounting Officers of Departments and the Accounting Authorities of public entities submit to the Committee by 31 January 2018 the following information: 1. The names of service providers owed and not paid on time. 2. The amount owed to those service providers. 3. The due date for payment. 4. The officials responsible for making payment to service providers	Details provided from the Annual Financial Statements	Yes
Transversal Resolution 113/2017	Officials doing business with government	Noting that: (a) That a portion of the irregular expenditure incurred in the Departments in the 2016/2017 financial year was due to employees conducting business with the government without approval. (b) That the report of the Auditor-General on this matter indicates that there were a number of employees doing business with the government. The Committee resolves: That the Accounting Officers and Accounting Authorities report by 31 January 2018 on the number of employees conducting business with government, and where any irregularities have occurred, what action is being/has been taken against the employee in each case.	Fifty five (55) employees were reported in the AG Report as conducting business with the Department. These employees will be subject to disciplinary action. The AG reported that 136 employees of the Department were conducting business with other state institutions. We are currently requesting the supporting information from these state institutions to assist with the investigations and disciplinary of these employees.	Yes

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Transversal Resolution 114/2017	Investigations	Noting that: (a) Most departments have investigations that have been completed or are in progress. (b) Investigations are either referred to Provincial Treasury or an independent firm is appointed. (c) Most investigations have been going on for the past years without being finalised. The Committee resolves: 1. That the Accounting Officers of departments and Accounting Authorities of public entities report to the Committee by 31 January 2018 on the following: a. What investigations are currently underway in the departments and public entities and what deadline has been set for these to be completed? b. What investigations have been completed in the 2015/16 and 2016/17 financial years? 2. The Committee be provided with copies of the reports on completed investigations by 31 January 2018. 3. That the Accounting Officers of Departments and Accounting Authorities of public entities report on action taken to implement the recommendations contained in the reports on investigations, disciplinary cases that may have been initiated, criminal cases and recovery of money by way of civil proceedings.	1. a)The Department currently has a total of 92 cases of which 41 has been finalized, 5 closed and 46 are in progress. The Department currently has a backlog of investigations due to lack of capacity. The Department has also outsourced some investigations to assist with the backlog. Though it is difficult to determine when these investigations will be complete, it is estimated that these investigations will be completed by September 2017. The detailed findings is provided, recommendations and outcomes of disciplinary and legal proceedings, where applicable. b) In 2015/2016 financial year, 59 investigations were completed and in 2016/2018, 50 cases were completed. Data provided for status of investigations conducted in 2015/2016 and 2015 and Annexure E (on the cd) 2016/2017 which include status of implementation of recommendations. 2. A hard copy of reports are available for the SCOPA. 3. Data provided for details on the investigations, including status of disciplinary cases, criminal cases and recovery of money by way of civil proceedings, where applicable.	Yes

Transversal Resolution 115/2017	Consequence management	Noting that: (a) Effective disciplinary steps were not taken against officials who committed transgressions of the PFMA and Treasury regulations. The Committee resolves: That the Accounting Officers report to the Committee by 31 January 2018 on actions taken against officials who transgressed the provisions of the PFMA as well as reasons for not taking action against officials who committed transgressions.	Currently there are SMS officials who are undergoing the disciplinary processes for transgressions of the PFMA and Treasury regulations. The Department is also currently conducting investigations with employees for alleged transgressions of the PFMA and Treasury regulations.	Yes
Transversal Resolution 116/2017	Material misstatements and omissions in submitted Annual Financial Statements	Noting: (a) That the audit finding on material misstatements and omissions in the Annual Financial Statements submitted to the Auditor-General for audit purposes has been reoccurring in the majority of departments and certain public entities over a number of years. (b) That the audit outcomes of these departments and public entities would have been qualified if the adjustments had not been made by the Auditor-General. (c) That it is the responsibility of the Accounting Officer in terms of Section 40(1)(b) of the Public Finance Management Act to prepare the financial statements for each financial year in accordance with generally recognised accounting practice and that failing to do so constitutes misconduct in terms of Section 81(1)(a) of the Act. (d) That the Public Accounts Standing Committee is very concerned at the recurring findings of the Auditor-General on this matter over a number of years which indicates a lack of proper financial accounting and financial management skills within these departments and public entities. The Committee resolves:- 1. That in compliance with Section 40(1)(b) of the Public Finance Management Act, Accounting Officers be requested to ensure that financial statements are prepared regularly during the financial year and that due diligence is exercised to ensure that the financial statements are correct in all respects and that the financial statements are submitted to Internal Audit and the Provincial Audit and Risk Committee timeously. 2. That all Accounting Officers report by 31 January 2018 on action taken in terms of resolution (1) above to resolve this audit issue	The relevant Branch provided an action plan with activities and management functions to adhere to and address the shortcoming.	Yes

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Transversal Resolution 117/2017	2016/2017 Fruitless and Wasteful expen-diture	Noting that: That some provincial departments and public entities incurred fruitless and wasteful expenditure in the 2016/2017 financial year. The Committee resolves: That the Accounting Officers of Departments and Accounting Authorities of public entities report by 31 January 2018 on the following: 1. The reasons for the fruitless and wasteful expenditure being incurred in the 2016/2017 financial year. 2. Action taken against those officials responsible for incurring the fruitless and wasteful expenditure. 3. Recovery of money from those responsible and; 4. Measures put in place to ensure that fruitless and wasteful expenditure does not occur in future.	Reference was made to Resolution 62/2017	Yes

Transversal Resolution 118/2017	Human Resources matters – Funded vacant posts not filled within 12 months	Noting: (a) The high number of vacancies which exist in Senior Management positions within departments and public entities and the adverse effect this is having on the findings of the Auditor-General particularly in the financial and performance management, compliance with laws and regulations, leadership and governance. (a) That certain departments and public entities were experiencing difficulties in their recruitment processes, including delays due to verification of qualifications and vetting of applicants and having to advertise posts a number of times due to applicants not being suitable for the position. The Committee resolves: That the Accounting Officers of the relevant departments report by 31 January 2018 on the following: 1. A list of vacant senior management posts in their respective departments. 2. What action is being taken in the departments and public entities to address the findings of the Auditor-General with regard to the filling of vacancies in senior management positions? 3. That the Portfolio Committees be requested to monitor filling of all vacant funded posts in departments, especially key positions and senior management positions.	The filling of vacant posts including SMS posts is subject to the recommendation of the MEC for Finance and the approval of the Premier. However, due to financial constraints the approval for filling of such posts cannot be sought at this stage. In an endeavour to address the prevailing situation, the Premier of the Province has been approached with a view to acquiring additional funding for the filling of critical posts and discussion in this regard is ongoing.	Yes

Transversal Resolution 119/2017	Assets register	Noting: (a) That the Standing Committee on Public Accounts is very concerned at audit findings relating to movable tangible capital assets and minor assets, (b) That the auditor was unable to obtain sufficient appropriate evidence that management had properly accounted for movable tangible capital assets and minor assets due to the status of the accounting records and inadequate information in support of the assets mentioned. (c) That the reconciliations and reviews of the Fixed Asset Register to the physical assets were not adequately performed (d) The monthly monitoring and updates were not in place to ensure that the discrepancies are timeously identified and addressed. The Committee resolves:- That the Accounting Officers of the relevant departments report by 31 January 2018 on:- 1. Departmental asset management policy which will address weaknesses identified by the Auditor-General. 2. The completeness of the departments' asset registers. 3. What action will be taken against those who do not comply with the policy.	1.Department Asset Management Policy- a)The new Asset Acquisition, Management and Disposal Policy incorporates the recommendations of the Auditor General such as: i.Implementing the Provincial Management Plan aimed at improving the frequency of the physical verification of assets by officials at all levels. ii.Setting Monthly Asset Verification and Reporting Plan for District and Head Office officials. iii.Stipulating the roles and responsibilities of custodians of assets as well as procedures to report loss and or damage of allocated assets. iv.Enforcing compliance and acceptance of liability for loss and or damage to asset allocated to custodians. 2. The Department has improved on the implementation of the findings by the Auditor General. There is consistent verification and updating of the asset register despite the limitation of resources at Head Office and in Districts 3. Annual Provincial Asset Management Plan The Annual Provincial Asset Management Plan is developed to: a)Align the operating systems of all Asset Management Offices in the Province. b)Address the inadequate verification of assets. c)Strengthen the capacity to deal with the findings of oversight structures. d)Improve the systems of accounting by officials.	Yes

Transversal Resolution 120/2017	Performance Agreements	The Committee resolves: That the MECs of the Departments be requested to report by 31 January 2018 on: 1. Whether the Accounting Officers and Senior Managers in their departments have all signed performance agreements and if not, the reasons for non-compliance in this regard. 2. Whether performance agreements clearly set out the consequences for non-performance and under-performance on responsibilities set out in the agreements and financial mismanagement and the sanctions which will be imposed in the event of non-performance, under-performance or financial mismanagement 3. Whether performance agreement include as a key performance indicator the general responsibilities of the Accounting Officers and Senior Managers to prevent unauthorised expenditure, irregular expenditure or fruitless and wasteful expenditure, and if not, the reasons for this exclusion.	1. It is hereby confirmed that the Accounting Officer and all Senior Managers have signed their performance agreements for 2017/2018. 2. The Performance Agreements of SMS Members do not set out consequences for non-performance & underperformance as the pro-forma prescribed by DPSA does not provide for such. However, the matter of consequence management for non-performance & underperformance is dealt with during quarterly performance appraisals processes. The consequences, once all the necessary training & support has been provided, could be non- confirmation of probation, non-awarding of pay progression & incapacity procedures. In cases of financial mismanagement formal disciplinary proceedings are conducted. 3. All Performance Agreements of SMS members emanates primarily from the responsibilities of the Accounting Officer. Any transgression by SMS members is dealt with in terms of the prescribed policies.	Yes
Resolution 16/2017	Department of Education (Vote 5): Unauthorised Expenditure of R45 174 000 incurred in 2015/16	Noting that: (a) The Department incurred over-expenditure of R45.174 million in Programme 7: Examination and Education Related Services in the 2015/16 financial year. (b) The Department did not incur over-expenditure of the vote as a whole. (c) The over-expenditure in Programme 7 emanated from activities linked to the administration of examinations, which included an additional number of exam monitors travelling to and from schools, the printing of additional resource material for progressed and second chance learners, as well as supplementary examinations. The Committee resolves: That in terms of Section 34(1)(b) of the Public Finance Management Act No. 1 of 1999 the unauthorised expenditure disclosed in the 2015/2016 annual financial statements of the Department of Education amounting to R45 174 000 be authorised as a direct charge against the Provincial Revenue Fund.	Noted.	Yes
Resolution 11 /2018	(Relating to Resolution 60/2017): Department of Education (Irregular expenditure)	Noting that: Disciplinary action is currently in-progress against a senior official following an investigation by Internal Audit Unit. The Committee resolves:- That the Accounting Officer report to the Committee by 30 April 2018 on the progress of disciplinary action against the senior official responsible for irregular expenditure.	The Disciplinary action is still in progress	Yes

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Resolution 12/2018	(Relating to Resolution 61/2017): Department of Education: Non-compliance with legislation (Conducting business with the State):	**Noting that:** (a) Disciplinary action is being taken against employees who were awarded contracts by the Department, including a number of 'repeat offenders'. (b) The Department is unable to identify service providers who are family members or business partners of employees. **The Committee resolves:-** That the Accounting Officer report to the Committee by 30 April 2018 on: 1. Progress made in the disciplinary matters, including time frames for conclusion, as well as sanctions imposed on those found guilty. 2. Steps taken to identify service providers who are family members or business partners of employees.	Currently the Department (the SCM unit) is working with the AG to use the similar methodology to identity service providers who are members or business partners of employees Internal Control is also in progress with registering the Department on CIPC	Yes
Resolution 13/2018	(Relating to Resolution 63/2017 - False declarations of interest and failure to disclose business interests & relating to Resolution 115/2017): Department of Education: Consequence Management	Noting that: (a) The Auditor-General has identified 46 suppliers who submitted false declarations of interest involving an amount of R8.44 m and 269 officials who failed to disclose their interests or that of close family members, partners or associates in contracts worth R106.09 million with the Department. (b) The Department is investigating these matters with the view to taking disciplinary action against those officials who are guilty of these transgressions. . (c) A number of SMS officials are undergoing disciplinary processes for various transgressions of the PFMA. The Committee resolves:- That the Accounting Officer report to the Committee by 30 April 2018 on progress made in the investigations and disciplinary action taken against officials, as well as time frames for finalisation.	•The investigations on employees doing business with the Department and the state are still in progress. •The Department is currently confirming the current status of employee's director/membership positions on CIPC. •Employees who are confirmed as still holding directorship or membership positions and have not complied with Compliance with HRM 46 of 2016 will be subject to disciplinary action being taken against them. •It is anticipated that the investigations and disciplinary process will be completed by October 2018 •In respect of suppliers who are close family members and partners or associates of employees of the Department, the Department has written to these suppliers informing them of the transgression and stating that should they provide false declarations (i.e. not disclosure their relationships with Departmental employee on SBD4 form) subsequent to receipt of the abovementioned letter, they will be classified as a restricted supplier and unable to conduct further business with the Department.	Yes

Resolution 14/2018	(relating to Resolution 64/2017 & Resolution 118/2017): Department of Education: Human Resources Management: Filling of critical posts	Noting that: (a) There are currently 8 302 vacant posts in the Department, all of which are at various stages of being filled. In some instances, the Department has to comply with certain requirements for Provincial Treasury to recommend that the Premier approve the filling of those posts. (b) The Department has engaged the State Security Agency to conduct the verification process for new appointments relating to criminal record checks, citizenship, qualification, and reference checks. It is envisaged that a strategy will be finalised for implementation from 1 April 2018. The Committee resolves:- That the Accounting Officer submit a progress report to the Committee by 30 April 2018 on: 1. The filling of all vacant critical posts. 2. Implementation of the verification process by SSA.	3.1 Filling of vacant posts The Department has undertaken an exercise to ascertain if there are any savings, based on the number of employees currently occupying posts and strengthening of control measures, with the view to fill vacant posts. The Department has identified 467 posts as critical for filling. These posts include SMS, HR and Finance in various districts and Head Office, Circuit Management and Public Service posts in LSEN schools. There have been numerous meetings held between Provincial Treasury and management of the Department of Education to look at the compensation budget and the availability/non-availability of funding to fill posts. In terms of cost-cutting measures, authority to fill posts must be obtained from the Premier of the Province. The required submission requesting said authority to advertise and fill these posts has been drafted and submitted via the channels of communication to the Premier of the Province. 3.2 Implementation of the verification process by SSA The Department has commenced consultation with the State Security Agency with the view to develop the vetting strategy which addresses criminal record checks and reference checks. The consultation is still ongoing and the draft vetting strategy has been developed for further discussion with SSA. Once the document is finalized it will be approved for implementation.	Yes

Resolution 15 /2018	(Relating to Resolution 65/2017): Department of Education: Financial misconduct (relating to RWOPS)	Noting that: The Department is investigating 136 employees who performed additional remunerative work without approval in the 2016/17 financial year to the value of R61.49 million, with the view to taking disciplinary action against those officials who are guilty. The Committee resolves:- That the Accounting Officer submit a report to the Committee by 30 April 2018 on progress made in the investigations and disciplinary action taken, as well as time frames for finalisation.	• The investigations on employees doing business with the Department and the state are still in progress. • The Department is currently confirming the current status of employee's director/membership positions on CIPC database. • Employees who are confirmed as still holding directorship or membership positions and have not complied with HRM 46 of 2016 will be subject to disciplinary action being taken against them. • It is anticipated that the investigations and disciplinary process will be completed by October 2018.	Yes
Resolution 16/2018	(Relating to Resolution 66/2017): Department of Education: Investigations	Noting that: Of the 113 investigations relating to various transgressions such as mismanagement of school funds, falsification of qualifications, unaccounted employees and invalid payments which were conducted by the Department in the 2016/17 financial year, 67 have been finalised and recommendations were either implemented or the case was closed, 42 are still in progress, three are being investigated by Provincial Treasury and one by the Hawks. The Committee resolves:- That the Accounting Officer submit a progress report, in table format, to the Committee by 30 April 2018 on the status of all investigations that are still in progress, as well as time frames for finalisation. Where an investigation has since been completed, the report must reflect the findings, recommendations and outcomes	Finalized/Closed – 71 In-progress – 37 Transferred to relevant directorate -3 To outsource/reallocate -2 Total cases -113	Yes

9 INTERNAL CONTROL UNIT

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

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

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

10. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

- Provide assurance services regarding the various activities in the Department to ensure that :
- Assets are safeguarded;
- Assets are used in an appropriate manner;
- Expenditure is incurred in line with the approved budget;
- There is value for money in all departmental transactions;
- All transactions are carried out in furthering the objectives/mandate of the Department; and
- The Accounting Officer maintains an effective , efficient and transparent systems of financial and risk management and internal control

Summary of audit work done

- Physical verification of assets to determine their existence, completeness;
- Determining the validity of transactions;
- Determining the completeness of income and liabilities;
- Determining the correctness and accuracy of performance information; and
- Determining the effectiveness of controls in core activities like school management, school governance, curriculum delivery and management, etc.

Audits performed during 2017/18

- Asset Management
- Supply Chain Management
- Curriculum Coverage
- Teacher development

- Learner teacher support material
- Early childhood development
- Debtors Management
- Conditional Grants
- School Management
- School Governance
- Curriculum Delivery and Management
- Expenditure Management – irregular expenditure
- Expenditure Management- Unauthorised Expenditure
- Performance Information
- Management of School Funds
- Conditional Grants Management
- Human Resources Management

Key objectives of the audit committee

The Executive Council has established the Provincial Audit and Risk Committee (PARC) in accordance with regulations and instructions prescribed in terms of sections 76 and 77 of the Public Finance Management Act, Act No. 1 of 1999 as amended by Act No. 29 of 1999 (PFMA). The PARC reports to the Member of Executive Council (MEC) for Finance.

The KwaZulu- Natal Provincial Government has also established the following three Cluster Audit and Risk Committees (CARC), which report directly to the PARC:

- Governance and Administration Cluster
- Economic Sector and Infrastructure Development Cluster
- Social Protection, Community & Human Development Cluster

The Department of Education is governed by the Social Cluster Audit & Risk Committee which is constituted by 4 members of the PARC.

Key Activities of the audit committee

The PARC exercised their responsibility as embedded in the audit and risk committee Charter as follows:

Internal Controls, Accounting Systems & Internal Audit
Review of the internal audit reports to manage critical risks and to ensure the adequacy and effectiveness of the departmental internal control structure including: • Financial and internal controls, • Accounting systems and reporting and • Corporate governance
Review any significant matters reported by the internal auditors and the extent to which the recommendations have been implemented by management; and provide any additional recommendations to Accounting Officers.
Direct the Accounting Officer to provide status reports detailing the progress made in implementing the Committee's recommendations.
Through PIAS reports, evaluate IT governance systems and the related internal controls.
Ensure that the relevant departmental management demonstrates accountability over internal control functions.
Consider the fact and potential of any limitation on the scope of internal audit, and if there is, report to the MEC for Finance.
Fraud Prevention
Ensure that the Accounting Officer develops and implement strategies, policies, procedures and systems to prevent and detect fraud and corruption
Ensure that the Accounting Officer demonstrates some pro-activeness in maintaining anti-fraud and corruption strategies to protect the Provincial assets entrusted to them
Review and evaluate the effectiveness of such strategies, policies/procedures.
Should a report to the Audit Committee, whether from the PIAS or any other source, implicate the Accounting Officer in fraud, corruption or negligence, the chairperson of Audit Committee must promptly report this to the relevant executive authority via the MEC for Finance.
Financial Statements
Ensure that the timing and nature of reports from the external auditor(s) are in accordance and comply with the requirements of the PFMA.
Consider key matters arising in the AGSA management report and audit report (including illegal acts or irregularities) and satisfy themselves that they are being properly followed up and resolved.
Consider the reports and function of the External Audit Steering committee to ensure that external audits are performed efficiently and that management co-operates with the AGSA.
Comment on its evaluation of the annual financial statements, the interim financial reports, the preliminary announcement of the AGSA report and any other announcement regarding the KZNPG's results or other financial information to be made public, prior to the submission to and approval by the Accounting Officer and/or Executive Authority.
Consider any accounting treatments, significant unusual transactions, or accounting judgments, which could be contentious to ensure that these are properly addressed.
In line with TR 3.1.13 (b), comment on the quality of IYM and monthly/quarterly reports submitted in terms of the PFMA and DoRA.
Risk Oversight
The Committee is an integral component of the risk management process and shall oversee: • Financial reporting risks • Fraud risk as it relates to financial reporting • IT risk as it relates to financial reporting • All other strategic and operational risks that may impede the department from achieving their business objectives.
Review the procedures for identifying business risks and mitigating their impact on the department.
Ensure that the Accounting Officer and Accounting Authority maintains and regularly reviews the system of risk management within their areas of responsibilities.
Review the results of the risk assessment to determine the material risks to which the departments may be exposed and evaluate strategies to mitigate those risks.
Ensure that the Accounting Officer has incorporated reputational and ethical risks and opportunities in the risk management process.
Ethics
Review the internal audit reports on compliance with the ethical code of conduct and policies of the Department based on the number of statutory, common law and other requirements which cover the ethical behaviour of senior management, and officials of the Departments.
Identify through PIAS reports, any violation of ethical conduct, environmental and social issues.
Provide advice on any identified potential conflict of interest.

Reporting Responsibilities
The Committees must report and make recommendations to the Accounting Officer on a regular basis (TR 3.1.12).
The Committees should engage with Accounting Officers of respective departments at least on a quarterly basis.
The Committees may communicate any concerns they deem necessary to the executive authorities, Head of Provincial Treasury and the AG SA (TR 3.1.15).

The Table below indicates attendance of audit committee meetings by audit committee members:

	Name of Member	PARC Meetings Attended	Social CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC)	7 of 7	N/A*
2	Mr V Ramphal	7 of 7	N/A*
3.	Mr P Christianson (Acting Chairperson of Social CARC)	7 of 7	4 of 4
4.	Ms T Njozela	6 of 7	4 of 4
5.	Mr D O'Connor	7 of 7	4 of 4
6.	Ms N Sithole (Appointed 01 May 2018)	N/A	1 of 4
7.	Mr M Tarr (Appointed 01 May 2018)	N/A	N/A*

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

The table below discloses relevant information on the audit committee members

Name	Qualifications	Internal or External member	If Internal, position in the Department	Date Appointed	Date Contract Renewed	Contract Review Date	No of PARC Meetings Attended
Mr S P Simelane (Acting Chairperson of PARC and Economic CARC)	CA(SA)	External	N/A	23 February 2015	30 October 2015	31 October 2018	7 of 7
Mr P Christianson (Economic CARC)	CA(SA)	External	N/A	23 February 2015	30 October 2015	31 October 2018	7 of 7
Mr V Ramphal (Economic CARC)	CA(SA)	External	N/A	23 February 2015	30 October 2015	31 October 2018	7 of 7
Ms T Njozela	MBA	External	N/A	23 February 2015	30 October 2015	31 October 2018	6 of 7
Mr D O'Connor	CA(SA)	External	N/A	23 February 2015	30 October 2015	31 October 2018	7 of 7
Ms N Sithole	CA (SA)	External	N/A	01 May 2018	31 May 2021	31 May 2021	N/A

11. AUDIT COMMITTEE REPORT

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is pleased to present its report for the financial year ended 31 March 2018.

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 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 Social 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	Social CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC)	7 of 7	N/A*
2	Mr V Ramphal	7 of 7	N/A*
3.	Mr P Christianson (Acting Chairperson of Social CARC)	7 of 7	4 of 4
4.	Ms T Njozela	6 of 7	4 of 4
5.	Mr D O'Connor	7 of 7	4 of 4
6.	Ms N Sithole (Appointed 01 May 2018)	N/A	1 of 4
7.	Mr M Tarr (Appointed 01 May 2018)	N/A	N/A*

refers to PARC members who did not serve on the Social 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:

- Asset Management with respect to Loss Control
- Supply Chain Management
- Curriculum Coverage
- Teacher development
- Learner teacher support material
- Early childhood development
- Debtors Management
- Conditional Grants
- School Management
- School Governance
- Curriculum Delivery and Management
- Expenditure Management – irregular expenditure
- Expenditure Management- Unauthorised Expenditure
- Performance Information
- Management of School Funds
- School Infrastructure
- Human Resources Management

The Committee notes the significant number of areas in which control weaknesses 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. The significant number of unresolved and re-reported items on the consolidated logs is a cause for concern for the Committee.

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 planned to conduct eighteen audit assignments for the period under review, of which sixteen were finalised and two were carried over to the next financial year with the approval of the Audit Committee.

The PIAS performed effectively during the period under review even though the Committee noted with concern, the financial and human resource limitations imposed upon it. During the 2018/19 financial year, the Committee will monitor the progress made by the PIAS 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 end of this financial year, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of Identified Risks	6	14	32	0	0	52
Number of Identified Action Plans	33	62	81	0	0	176
Number of Completed Action Plans.	24	25	13	0	0	62

The Committee has, throughout the period under review, been concerned about the poor quality and completeness of the Department's risk register; mainly with respect to the Department's failure to update its risk register regularly on a quarterly basis, as well as the slow progress in addressing long outstanding risk mitigation plans. The failure to update the register on a quarterly basis was a result of the Department only having held one Risk Management Committee meeting during the year. The Department is urged to expedite the implementation of the outstanding risk mitigation plans and to regard the risk register as a dynamic document which should be reviewed and updated on a quarterly basis.

Although the Department is commended on the implementation of action plans relating to Business Continuity, the Committee is concerned about the slow progress made in addressing Risk Maturity, Fraud Prevention, and Occupational Health and Safety. The department is, once again, urged to improve its performance in this regard during the 2018/19 financial year through ensuring the effective capacitation and co-ordination of the Risk Management Function and the Internal Risk Management Committee.

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

The Committee was satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance, 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, except for accruals and payables that

exceeded the voted funds to be surrendered which could have constituted unauthorised expenditure.

Based on the reports of the PIAS and the Auditor General, the Committee notes with concern the deficiencies identified in the usefulness and reliability of reported performance information due to the failure of the Department to implement adequate systems to collect, collate, verify and retain performance related data. The management of the department has been urged to implement the appropriate improvement strategies in order to address the identified shortcomings with immediate effect.

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 usefulness and reliability of performance information reported, poor procurement and contract management, failure to prevent irregular and unauthorised expenditure, the failure to make payments within 30 days, and to manage conditional grants.
- Reviewed the conclusions regarding the usefulness and reliability of performance information and determined that record keeping has to be significantly improved to enable the production of accurate performance information.

7. **Forensics Investigations**

During the 2017/2018 financial year, the Committee noted that there were twenty six (26) forensic investigations all relating to alleged supply chain management and procurement irregularities and mismanagement of funds, NSNP irregularities, and foster care grants which the department has referred to the PIAS for investigation. Thirteen (13) of these investigations were completed and thirteen (13) are in-progress.

The Committee further noted that:

- Four (5) matters are currently under criminal investigation by the South African Police Service (SAPS);
- In ten (10) of the completed investigations, disciplinary proceedings had commenced of which eight (8) were finalised; and
- For a further two (2) of the completed investigations whereby disciplinary actions were recommended, disciplinary proceedings must be instituted by the Accounting Officer.

The department and the PIAS are urged to promptly finalize the outstanding investigations, and work together to implement recommendations made in the finalised investigations.

8. **Auditor-General's Report**

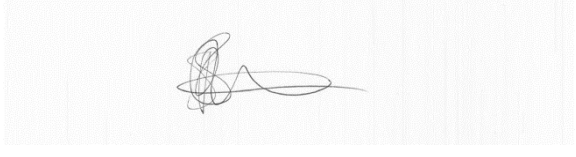
The Committee has monitored the implementation of action plans to address the audit issues raised by the Auditor General in the prior year and raised concern on the slow progress of the Department to clear the AG audit log. The Committee has met with the Auditor General of South Africa to discuss and evaluate the

major issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs and accepts the conclusion of the Auditor General's unqualified opinion on the Annual Financial Statements, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General. The Committee commends the Department for achieving an unqualified audit opinion.

9. **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 SP Simelane

Acting Chairman: Provincial Audit and Risk Committee

06 August 2018

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

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 Department had dealt with a number of projects that were of significant importance to the overall trajectory of human resources management. In this regard the development of standard operating procedures for leave management within the department as identified by the Cluster Audit Risk Committee (CARC) was critical to the manner in which such processes were delineated. Further the development of standard operating procedures for programme performance measures that relate to core professional functions within the areas of curriculum, assessment, examinations, information management, etc as required by the Office of the Auditor-General is a key component in which functionality in these disciplines are assessed.

The transportation of learners especially in rural areas was a great concern to the department and in line with an executive decision the function has been successfully transferred from the Department of Transport to the Department of Education.

The implementation of Education Labour Relations Council Resolution No.4 which essentially replaced the job descriptions outlined in the ELRC Resolution No. 2 of 2008 and the Personnel Administration Measures (PAM) will significantly impact on the roles and responsibilities of the office based educators in the department.

The Department in consultation with the Department of Public Service and Administration (DPSA) had conducted an organisational functionality assessment which in essence examines compliance to the relevant prescripts as they relate to the various strategic goals and objectives both within the core and support functions. The assessment was concluded and some of the recommendations were addressed in the revised organogram whilst others are being implemented.

- The status of human resources in the department.

In respect of the 2017/18 financial year the existing educator establishment comprises of 86 737 educators. This excludes 2 420 posts for the provision of substitute educators and 900 posts for the provision of Grade R educators. The allocation of posts to the respective schools was effected in accordance with the prescribed Post Provision Norms linked to learner enrolments. Variances in post allocation due to increase or decrease in learner enrolment were addressed through the redeployment of surplus educators. The filling of school based educator posts was not affected by the moratorium on the filling of posts. As such, all entry grade educator posts were filled with due regard to the needs of the schools. Moreover, vacant educator promotion posts at schools were advertised in 2 bulletins resulting in the filling of 2 429 posts.

Due to the moratorium on the filling of posts, vacant posts within the various offices were not filled. The moratorium also resulted in vacant attrition posts at schools not being filled with obvious implications for effective service delivery. However, its impact had been minimised through principals accepting additional administrative responsibilities or through the employment of support staff by school governing bodies.

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

Management of leave of absence

Revised procedures were implemented with a view to expediting the submission and timeous processing of application for leave. For this purpose District Offices have established nodal points to which a cluster of schools are required to submit leave forms and other documents requiring attention. These leave forms and other documents are collected from the nodal points on a weekly basis thus allowing for timeous processing.

In addition, measures have been implemented to ensure strict compliance with the time-frames for the completion and submission of leave forms. This has contributed significantly in improving leave management (HRM Circular No. 43 of 2017).

Movement of surplus educators

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

Filling of critical vacant post

Not withstanding the moratorium, all vacant educator posts at educational institutions were identified as being critical and consequently filled.

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

Develop the skills of employees at all levels

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

Effective recruitment and distribution of Human Resources

Educator posts at schools continued to be filled in keeping with the approved post allocation and in this regard all vacancies have been filled either through the redeployment of surplus educators or the employment of newly qualified educators. Moreover, vacant educator promotion posts at schools were advertised in 2 bulletins resulting in the filling of 2 429 posts. The filling of educator posts at schools ensured that learners were provided with quality teaching and learning.

Unfortunately, the filling of vacant posts for the provision of support services in the various offices and schools were not filled due to financial constraints. Whilst the non-filling of these vacant posts has resulted in a high vacancy rate, its effect on service delivery has been minimised through the re-distribution of work among existing employees. It is, however, recognised that this arrangement cannot be sustained as it is leading to low morale and high levels of frustration. As a result the Office of the Premier and Provincial Treasury are being engaged on an ongoing basis with a view to securing additional funding for the filling of vacant posts.

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

Various workshops were conducted with a view to empowering managers and other role players on matters relating to discipline, teacher attendance, school management, professional conduct as well as curriculum management. In addition various workshops were held with regard to the revised Personnel Administration Measures (PAM) as well as the new Public Service Regulations, 2016.

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 their 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

In respect of the 2017/18 assessment cycle all eligible employees were assessed in keeping with the prescribed assessment instruments resulting in all eligible employees being paid their pay progressions. Employees eligible for grade progression were identified and their progressions have been effected. In addition, the Department effected performance bonus payments to 154 well deserving employees.

- 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

- Highlight achievements and challenges faced by the department, as well as future human resource plans / goals

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.

Employment Equity

Whilst the workforce comprises of approximately 69% of women, only 41% of schools have women as principals. The need to increase the number of women occupying principal and other management posts is recognised and to this end it is intended to ensure strict compliance with the prescripts which requires school governing bodies to nominate 3 candidates for each post. The appointment of the successful candidate will thereafter be effected with due regard to the equity targets of the Department. In this way it is envisaged that significant progress will be made in increasing the representation of women in principal and other promotion posts.

It is also acknowledged that very little progress has been made in increasing the representation of persons with disabilities in the workforce. However the current moratorium coupled with the non-availability of qualified persons with disabilities for employment as educators is a serious challenge.

Provision of support staff to LSEN schools

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

Management of leave

The revised procedure relating to the submission and processing of application for leave has contributed significantly to the improvement in the management of leave of absence. However there is still a need to develop principals on their roles and responsibilities relating to the management of leave and this is currently receiving attention.

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 2017 to 31 March 2018

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	1 760 169	1 151 332	0	0	65,40	10,01
EARLY CHILDHOOD DEVELOPMENT	1 133 067	934 359	0	0	82,50	8,13
EXAMINATION & EDUCATION REL SERV	1 560 798	978 723	0	0	62,70	8,51
INDEPENDENT SCHOOL SUBS	86 038	0	0	0	0,00	0,00
INFRASTRUCTURE DEVELOPMENT	2 680 413	22 582	0	0	0,80	0,20
PUBLIC ORDINARY SCHOOL EDUCA	39 936 795	35 993 428	0	0	90,10	313,06
PUBLIC SPECIAL SCHOOL EDUC	1 082 809	980 791	0	0	90,60	8,53

Total as on Financial Systems (BAS)	48 240 089	40 061 215	0	0	83,00	348,00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 to 31 March 2018

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)	609 362	1,50	4 046	150 609
02 Skilled (Levels 3-5)	2 863 652	7,10	12 620	226 914
03 Highly skilled production (Levels 6-8)	25 825 335	63,70	68 088	379 293
04 Highly skilled supervision (Levels 9-12)	10 305 394	25,40	18 331	562 184
05 Senior management (Levels 13-16)	66 813	0,20	54	1 237 278
09 Other	730	0,00	1	730 000
10 Contract (Levels 1-2)	245	0,00	3	81 667
11 Contract (Levels 3-5)	12 022	0,00	23	522 696
12 Contract (Levels 6-8)	9 548	0,00	19	502 526
13 Contract (Levels 9-12)	9 649	0,00	14	689 214
14 Contract (Levels 13-16)	5 436	0,00	3	1 812 000
18 Contract Other	27 437	0,10	443	61 935
19 Periodical Remuneration	36 698	0,10	3 512	10 449
20 Abnormal Appointment	458 166	1,10	7 815	58 626
TOTAL	40 230 487	99,20	114 972	349 916

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 to 31 March 2018

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	819 213	86,00	35 951	3,80	34 291	3,60	62 652	6,60
EARLY CHILDHOOD DEVELOPMENT	487 199	97,10	0	0,00	5 320	1,10	9 342	1,90
EXAMINATION & EDUCATION REL SERV	513 340	87,30	31 477	5,40	14 745	2,50	28 639	4,90
INFRASTRUCTURE DEVELOPMENT	17 424	94,70	7	0,00	353	1,90	615	3,30
PUBLIC ORDINARY SCHOOL EDUCA	26 800 325	90,40	2 560	0,00	1 101 276	3,70	1 726 776	5,80
PUBLIC SPECIAL SCHOOL EDUC	702 592	87,50	1 130	0,10	37 565	4,70	61 840	7,70
TOTAL	29340 093	90,30	71 125	0,20	1193 550	3,70	1 889 864	5,80

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 to 31 March 2018

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)	400 925	80,30	545	0,10	53 758	10,80	44 041	8,80
02 Skilled (Levels 3-5)	1 989 806	84,90	33 556	1,40	149 460	6,40	169 634	7,20
03 Highly skilled production (Levels 6-8)	18 827 682	90,10	23 506	0,10	772 444	3,70	1 276 432	6,10
04 Highly skilled supervision (Levels 9-12)	7 578 574	92,40	11 613	0,10	217 452	2,60	398 252	4,90
05 Senior management (Levels 13-16)	51 867	97,80	0	0,00	210	0,40	948	1,80
09 Other	461	76,10	0	0,00	53	8,70	92	15,20
10 Contract (Levels 1-2)	191	86,40	30	13,60	0	0,00	0	0,00
11 Contract (Levels 3-5)	10 034	94,50	428	4,00	57	0,50	97	0,90
12 Contract (Levels 6-8)	7 166	86,60	833	10,10	65	0,80	212	2,60
13 Contract (Levels 9-12)	7 597	95,00	212	2,70	51	0,60	136	1,70
14 Contract (Levels 13-16)	4 387	99,50	0	0,00	0	0,00	20	0,50
18 Contract Other	23 931	98,30	402	1,70	0	0,00	0	0,00
19 Periodical Remuneration	32 487	100,00	0	0,00	0	0,00	0	0,00
20 Abnormal Appointment	404 985	100,00	0	0,00	0	0,00	0	0,00
TOTAL	29 340 093	90,30	71 125	0,20	1 193 550	3,70	1 889 864	5,80

3.1. 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 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATION, Permanent		3 181	25	467
EARLY CHILDHOOD DEVELOPMENT, Permanent	1 647	1 596	3	8
EXAMINATION & EDUCATION REL SERV, Permanent	1 609	1 244	23	4
INFRASTRUCTURE DEVELOPMENT, Permanent	55	49	11	1
PUBLIC ORDINARY SCHOOL EDUCA, Permanent	103098	94 422	8	1912
PUBLIC ORDINARY SCHOOL EDUCA, Temporary	2	2	0	0
PUBLIC SPECIAL SCHOOL EDUC, Permanent	3 668	3 151	14	48
TOTAL	114 341	103 645	9	2 440

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

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	4 799	4 046	16	3
02 Skilled (Levels 3-5), Permanent	15 165	12 618	17	209
02 Skilled (Levels 3-5), Temporary	2	2	0	0
03 Highly Skilled Production (Levels 6-8), Permanent	73 305	68 088	7	1 687
04 Highly Skilled Supervision (Levels 9-12), Permanent	20 341	18 331	10	86
05 Senior Management (Levels 13-16), Permanent	74	54	27	0
09 Other, Permanent	593	444	25	443
10 Contract (Levels 1-2), Permanent	3	3	0	3
11 Contract (Levels 3-5), Permanent	23	23	0	5
12 Contract (Levels 6-8), Permanent	19	19	0	0
13 Contract (Levels 9-12), Permanent	14	14	0	3
14 Contract (Levels 13-16), Permanent	3	3	0	1
TOTAL	114 341	103 645	9	2 440

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	252	215	15	160
AGRICULTURE RELATED, Permanent	7	7	0	0
APPRAISERS-VALUERS AND RELATED PROFESSIONALS, Permanent	1	0	100	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS, Permanent	5	4	20	0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS, Permanent	1	1	0	0
AUXILIARY AND RELATED WORKERS, Permanent	940	739	21	1
BOILER AND RELATED OPERATORS, Permanent	14	10	29	0
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	243	180	26	0

BUS AND HEAVY VEHICLE DRIVERS, Permanent	114	85	25	0
CIVIL ENGINEERING TECHNICIANS, Permanent	1	0	100	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	4 012	3 452	14	1
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	8	7	13	0
COMMUNICATION AND INFORMATION RELATED, Permanent	9	9	0	0
CONSERVATION LABOURERS, Permanent	6	6	0	0
EDUCATIONISTS., Permanent	3	0	100	0
ENGINEERING SCIENCES RELATED, Permanent	5	2	60	0
ENGINEERS AND RELATED PROFESSIONALS, Permanent	42	39	7	3
FARM HANDS AND LABOURERS, Permanent	73	65	11	0
FARMING FORESTRY ADVISORS AND FARM MANAGERS, Permanent	2	2	0	0
FINANCE AND ECONOMICS RELATED, Permanent	20	12	40	0
FINANCIAL AND RELATED PROFESSIONALS, Permanent	71	34	52	1
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	303	249	18	0
FOOD SERVICES AIDS AND WAITERS, Permanent	162	141	13	0
FOOD SERVICES WORKERS, Permanent	1	1	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	2	2	0	0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF, Permanent	1	1	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	2	1	50	0
HEALTH SCIENCES RELATED, Permanent	1	0	100	0
HOUSEHOLD AND LAUNDRY WORKERS, Permanent	671	547	19	1
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED, Permanent	20	20	0	0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS, Permanent	159	94	41	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	67	39	42	0
HUMAN RESOURCES CLERKS, Permanent	814	689	15	280
HUMAN RESOURCES RELATED, Permanent	110	63	43	0
INFORMATION TECHNOLOGY RELATED, Permanent	6	6	0	6
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	5	5	0	0
LEGAL RELATED, Permanent	6	3	50	0
LIBRARIANS AND RELATED PROFESSIONALS, Permanent	8	3	63	0
LIBRARY MAIL AND RELATED CLERKS, Permanent	198	151	24	0
LIGHT VEHICLE DRIVERS, Permanent	85	64	25	0

LOGISTICAL SUPPORT PERSONNEL, Permanent	7	5	29	0
MATERIAL-RECORDING AND TRANSPORT CLERKS, Permanent	91	68	25	0
MESSENGERS PORTERS AND DELIVERERS, Permanent	62	30	52	0
MOTOR VEHICLE DRIVERS, Permanent	8	8	0	0
OCCUPATIONAL THERAPY, Permanent	2	2	0	1
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	4 886	4 202	14	7
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Temporary	2	2	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	88	52	41	0
OTHER INFORMATION TECHNOLOGY PERSONNEL., Permanent	52	47	10	1
OTHER MACHINE OPERATORS, Permanent	4	1	75	0
OTHER OCCUPATIONS, Permanent	94 898	88 800	6	1975
OTHER PRINTING TRADE WORKERS, Permanent	2	0	100	0
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS, Permanent	10	9	10	0
PHYSIOTHERAPY, Permanent	2	1	50	0
PRINTING AND RELATED MACHINE OPERATORS, Permanent	12	8	33	0
PROFESSIONAL NURSE, Permanent	33	24	27	0
Rank: DEPARTMENTAL HEAD TRANSITIONAL, Permanent	1	0	100	0
Rank: DEPARTMENTAL HEAD, Permanent	191	0	100	0
Rank: DEPUTY PRINCIPAL, Permanent	9	0	100	0
Rank: EDUCATION SPECIALIST DEPUTY CHIEF (OFFICE BASED), Permanent	5	0	100	0
Rank: PRINCIPAL P1, Permanent	4	0	100	0
Rank: PRINCIPAL P2, Permanent	37	0	100	0
Rank: PRINCIPAL P3, Permanent	6	0	100	0
Rank: TEACHER, Permanent	1 577	14	99	0
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	7	7	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	220	170	23	0
SECURITY GUARDS, Permanent	3 561	3 169	11	2
SECURITY OFFICERS, Permanent	12	12	0	0
SENIOR MANAGERS, Permanent	71	43	39	1
SOCIAL SCIENCES RELATED, Permanent	1	1	0	0
SOCIAL SCIENCES SUPPLEMENTARY WORKERS, Permanent	13	10	23	0
SPEECH THERAPY AND AUDIOLOGY, Permanent	1	0	100	0
STAFF NURSES AND PUPIL NURSES, Permanent	5	4	20	0
TRADE LABOURERS, Permanent	11	8	27	0
TOTAL	114 341	103 645	9	2 440

3.1. 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 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	2	50	2	50
Salary Level 14	14	11	79	3	21
Salary Level 13	52	39	75	13	25
Total	71	53	76	18	25

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	3	75	1	25
Salary Level 14	14	12	86	2	14
Salary Level 13	52	42	81	10	19
Total	71	58	82	13	18

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	4	2	50	2	50
Salary Level 14	14	11	79	3	21
Salary Level 13	52	39	75	13	25
Total	71	53	75	18	25

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 2017 to 31 March 2018

Reason for vacancies not advertised within six months
Cost cutting measures prevents the Department from advertising vacancies

Reason for vacancies not filled within six months
Cost cutting measures prevents the Department from filling vacancies within six 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 2017 to 31 March 2018

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

3.2. 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 2017 and 31 March 2018

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)	4799	0	0	0	0	0	0
Skilled (Levels 3-5)	15167	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	73305	6	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	20341	0	0	0	0	0	0
Senior Management Service Band A	56	0	0	0	0	0	0
Senior Management Service Band B	13	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
Other	593	0	0	0	0	0	0
Contracts	62	0	0	0	0	0	0
Total	114 341	6	0	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

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 2017 to 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
-	0	0	0	0
-	0	0	0	0
-	0	0	0	0

-	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 2017 to 31 March 2018

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

3.3. Employment Change

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 2017 to 31 March 2018

Salary band	Number of employees at beginning of period-1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	7 775	4	175	2
02 Skilled (Levels 3-5) Permanent	13 450	1 437	2 139	16
02 Skilled (Levels 3-5) Temporary	2	-	-	-
03 Highly Skilled Production (Levels 6-8) Permanent	73 494	6 151	8 207	11
04 Highly Skilled Supervision (Levels 9-12) Permanent	10 720	15	1 273	12
05 Senior Management Service Band A Permanent	48	1	8	17
06 Senior Management Service Band B Permanent	10	-	1	10
07 Senior Management Service Band C Permanent	3	-	1	33
08 Senior Management Service Band D Permanent	1	-	-	-
09 Other Permanent	439	511	444	101
10 Contract (Levels 1-2) Permanent	3	3	6	200
11 Contract (Levels 3-5) Permanent	40	136	137	343
12 Contract (Levels 6-8) Permanent	34	9	12	35
13 Contract (Levels 9-12) Permanent	10	1	2	20
14 Contract Band A Permanent	1	-	1	100
15 Contract Band B Permanent	1	-	-	-
17 Contract Band D Permanent	1	-	-	-
TOTAL	106 032	8 268	12 406	12

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	353	167	306	87
AGRICULTURE RELATED Permanent	8	-	1	13
ARCHITECTS TOWN AND TRAFFIC PLANNERS Permanent	4	-	-	-
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS Permanent	1	-	-	-
ARTISAN PROJECT AND RELATED SUPERINTENDENTS Permanent	1	-	1	100
AUXILIARY AND RELATED WORKERS Permanent	780	2	33	4
BOILER AND RELATED OPERATORS Permanent	12	-	1	8
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	183	1	6	3
BUS AND HEAVY VEHICLE DRIVERS Permanent	91	-	7	8
CIVIL ENGINEERING TECHNICIANS Permanent	1	-	1	100
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	3 614	1	162	5
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS) Permanent	9	-	1	11
COMMUNICATION AND INFORMATION RELATED Permanent	11	3	3	27
CONSERVATION LABOURERS Permanent	6	-	-	-
ENGINEERING SCIENCES RELATED Permanent	2	-	-	-
ENGINEERS AND RELATED PROFESSIONALS Permanent	35	7	2	6
FARM HANDS AND LABOURERS Permanent	70	-	3	4
FARMING FORESTRY ADVISORS AND FARM MANAGERS Permanent	2	-	-	-
FINANCE AND ECONOMICS RELATED Permanent	13	1	1	8
FINANCIAL AND RELATED PROFESSIONALS Permanent	35	2	3	9
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	251	-	4	2
FOOD SERVICES AIDS AND WAITERS Permanent	148	-	8	5
FOOD SERVICES WORKERS Permanent	1	-	-	-
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	2	-	-	-
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF Permanent	1	-	-	-
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	1	-	-	-
HOUSEHOLD AND LAUNDRY WORKERS Permanent	582	-	36	6
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED Permanent	20	-	-	-
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS Permanent	100	-	7	7

HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	44	-	6	14
HUMAN RESOURCES CLERKS Permanent	515	340	164	32
HUMAN RESOURCES RELATED Permanent	67	-	3	5
INFORMATION TECHNOLOGY RELATED Permanent	6	-	-	-
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	2	-	-	-
LEGAL RELATED Permanent	3	-	-	-
LIBRARIANS AND RELATED PROFESSIONALS Permanent	4	-	1	25
LIBRARY MAIL AND RELATED CLERKS Permanent	160	-	8	5
LIGHT VEHICLE DRIVERS Permanent	67	-	3	5
LOGISTICAL SUPPORT PERSONNEL Permanent	7	-	2	29
MATERIAL-RECORDING AND TRANSPORT CLERKS Permanent	68	-	1	2
MESSENGERS PORTERS AND DELIVERERS Permanent	29	-	-	-
MOTOR VEHICLE DRIVERS Permanent	8	-	-	-
OCCUPATIONAL THERAPY Permanent	1	-	-	-
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	4 348	149	283	7
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Temporary	2	-	-	-
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	56	-	4	7
OTHER INFORMATION TECHNOLOGY PERSONNEL. Permanent	47	-	-	-
OTHER MACHINE OPERATORS Permanent	1	-	-	-
OTHER OCCUPATIONS Permanent	90 673	7 589	240	12
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS Permanent	10	-	1	10
PHYSIOTHERAPY Permanent	2	-	1	50
PRINTING AND RELATED MACHINE OPERATORS Permanent	8	-	-	-
PROFESSIONAL NURSE Permanent	25	-	2	8
Rank: TEACHER Permanent	5	-	-	-
RISK MANAGEMENT AND SECURITY SERVICES Permanent	7	-	-	-
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	177	3	4	2
SECURITY GUARDS Permanent	3 264	3	85	3
SECURITY OFFICERS Permanent	12	-	-	-
SENIOR MANAGERS Permanent	50	-	10	20
SOCIAL SCIENCES RELATED Permanent	1	-	-	-
SOCIAL SCIENCES SUPPLEMENTARY WORKERS Permanent	12	-	1	8
SOCIAL WORK AND RELATED PROFESSIONALS Permanent	1	-	1	100
STAFF NURSES AND PUPIL NURSES Permanent	4	-	-	-
TRADE LABOURERS Permanent	9	-	-	-
TOTAL	106 032	8 268	12 406	12

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 2017 to 31 March 2018

Termination Type	Number	% of Total Resignations
01 Death, Permanent	467	4
02 Resignation, Permanent	1 779	14
03 Expiry of contract, Permanent	8 444	68
04 Transfers, Permanent	1	-
06 Discharged due to ill health, Permanent	94	1
07 Dismissal-misconduct, Permanent	64	1
08 Dismissal-inefficiency, Permanent	1	-
09 Retirement, Permanent	1 552	13
10 Other, Permanent	4	-
TOTAL	12 406	100
Total number of employees who left as a % of total employment	12%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 to 31 March 2018

Occupation	Employees 1 April 2017	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	353	0	0	66	18,7
AGRICULTURE RELATED	8	0	0	7	87,5
ARCHITECTS TOWN AND TRAFFIC PLANNERS	4	1	25	1	25,0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS	1	0	0	0	0,0
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	1	0	0	0	0,0
AUXILIARY AND RELATED WORKERS	780	0	0	673	86,3
BOILER AND RELATED OPERATORS	12	0	0	7	58,3
BUILDING AND OTHER PROPERTY CARETAKERS	183	0	0	155	84,7
BUS AND HEAVY VEHICLE DRIVERS	91	0	0	41	45,1
CIVIL ENGINEERING TECHNICIANS	1	0	0	0	0,0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	3 614	0	0	3211	88,8
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	9	0	0	5	55,6
COMMUNICATION AND INFORMATION RELATED	11	0	0	7	63,6
CONSERVATION LABOURERS	6	0	0	5	83,3
ENGINEERING SCIENCES RELATED	2	0	0	0	0,0
ENGINEERS AND RELATED PROFESSIONALS	35	0	0	19	54,3
FARM HANDS AND LABOURERS	70	0	0	62	88,6
FARMING FORESTRY ADVISORS AND FARM MANAGERS	2	0	0	1	50,0
FINANCE AND ECONOMICS RELATED	13	0	0	9	69,2
FINANCIAL AND RELATED PROFESSIONALS	35	0	0	21	60,0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	251	0	0	184	73,3
FOOD SERVICES AIDS AND WAITERS	148	0	0	111	75,0

FOOD SERVICES WORKERS	1	0	0	1	100,0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	2	0	0	2	100,0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	1	0	0	1	100,0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0	0	0,0
HOUSEHOLD AND LAUNDRY WORKERS	582	0	0	449	77,1
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	20	0	0	17	85,0
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	100	0	0	80	80,0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	44	0	0	29	65,9
HUMAN RESOURCES CLERKS	515	1	0	269	52,2
HUMAN RESOURCES RELATED	67	0	0	50	74,6
INFORMATION TECHNOLOGY RELATED	6	0	0	6	100,0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	2	0	0	1	50,0
LEGAL RELATED	3	0	0	3	100,0
LIBRARIANS AND RELATED PROFESSIONALS	4	0	0	2	50,0
LIBRARY MAIL AND RELATED CLERKS	160	0	0	76	47,5
LIGHT VEHICLE DRIVERS	67	0	0	34	50,7
LOGISTICAL SUPPORT PERSONNEL	7	0	0	1	14,3
MATERIAL-RECORDING AND TRANSPORT CLERKS	68	0	0	36	52,9
MESSENGERS PORTERS AND DELIVERERS	29	0	0	25	86,2
MOTOR VEHICLE DRIVERS	8	0	0	7	87,5
OCCUPATIONAL THERAPY	1	0	0	0	0,0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	4 350	0	0	3 283	75,5
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	56	0	0	39	69,6
OTHER INFORMATION TECHNOLOGY PERSONNEL.	47	0	0	44	93,6
OTHER MACHINE OPERATORS	1	0	0	1	100,0
OTHER OCCUPATIONS	90 673	569	1	75 158	82,9
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	10	0	0	8	80,0
PHYSIOTHERAPY	2	0	0	1	50,0
PRINTING AND RELATED MACHINE OPERATORS	8	0	0	7	87,5
PROFESSIONAL NURSE	25	0	0	5	20,0
Rank: TEACHER	5	0	0	0	0,0
RISK MANAGEMENT AND SECURITY SERVICES	7	0	0	3	42,9
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	177	1	1	106	59,9
SECURITY GUARDS	3 264	0	0	3 020	92,5
SECURITY OFFICERS	12	0	0	4	33,3
SENIOR MANAGERS	50	3	6	32	64,0

SOCIAL SCIENCES RELATED	1	0	0	0	0,0
SOCIAL SCIENCES SUPPLEMENTARY WORKERS	12	0	0	2	16,7
SOCIAL WORK AND RELATED PROFESSIONALS	1	0	0	0	0,0
STAFF NURSES AND PUPIL NURSES	4	0	0	1	25,0
TRADE LABOURERS	9	0	0	8	88,9
TOTAL	106 032	575	1	87 396	82,4

Table 3.5.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018

Salary Band	Employees 1 April 2017	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
01 Lower Skilled (Levels 1-2), Permanent	7775	0	0,0	3671	47,2
02 Skilled (Levels 3-5), Permanent	13450	0	0,0	10879	80,9
02 Skilled (Levels 3-5), Temporary	2	0	0,0	0	0,0
03 Highly Skilled Production (Levels 6-8), Permanent	73494	278	0,4	55320	75,3
04 Highly Skilled Supervision (Levels 9-12), Permanent	10720	294	2,7	17441	162,7
05 Senior Management (Levels 13-16), Permanent	62	2	3,2	44	71,0
09 Other, Permanent	439	0	0,0	24	5,5
10 Contract (Levels 1-2), Permanent	3	0	0,0	0	0,0
11 Contract (Levels 3-5), Permanent	40	0	0,0	7	17,5
12 Contract (Levels 6-8), Permanent	34	0	0,0	3	8,8
13 Contract (Levels 9-12), Permanent	10	1	10,0	7	70,0
14 Contract (Levels 13-16), Permanent	3	0	0,0	0	0,0
TOTAL	106 032	575	0,5	87 396	82,4

3.4. 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 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - SENIOR OFFICIALS AND MANAGERS	29	0	3	1	16	1	3	0	53
02 - PROFESSIONALS	22 396	202	2320	476	54 757	590	5974	2150	88 869
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	250	4	23	5	691	13	48	15	1 049
04 - CLERKS	1 199	4	196	9	3 399	55	472	203	5 537
05 - SERVICE SHOP AND MARKET SALES WORKERS	2 909	7	17	4	341	3	12	10	3 303
07 - CRAFT AND RELATED TRADE WORKERS	6	0	0	0	3	0	0	0	9
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	115	2	49	1	9	0	0	0	176
09 - LABOURERS AND RELATED WORKERS	1 845	15	78	16	2 529	32	88	50	4 653
TOTAL	28 749	234	2 686	512	61 745	694	6597	2428	103 645
Employees with disabilities	11	1	4	0	13	1	3	2	35

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	2	0	0	0	3
02 Senior Management, Permanent	28	0	3	1	14	1	3	0	50
03 Profesionally qualified and experienced specialists and mid-management, Permanent	5 893	100	1 426	247	7 834	195	1 947	689	18 331
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	15 396	109	1 026	232	45 137	413	4 232	1 544	68 089
05 Semi-skilled and discretionary decision making, Permanent	5 848	17	174	20	5 969	63	339	188	12 618
05 Semi-skilled and discretionary decision making, Temporary	0	0	0	0	0	0	0	2	2
06 Unskilled and defined decision making, Permanent	1 554	8	57	11	2 758	22	75	5	4 490
08 Contract (Top Management), Permanent	1	0	0	0	0	0	0	0	1
09 Contract (Senior Management), Permanent	1	0	0	0	1	0	0	0	2
10 Contract (Professionaly Qualified), Permanent	10	0	0	1	3	0	0	0	14
11 Contract (Skilled Technical), Permanent	9	0	0	0	10	0	0	0	19
12 Contract (Semi-Skilled), Permanent	5	0	0	0	17	0	1	0	23
13 Contract (Unskilled), Permanent	3	0	0	0	0	0	0	0	3
TOTAL	28 749	234	2 686	512	61 745	694	6 597	2 428	103 645

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	0	0	0	0	0	0	0	0	0
03 Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	0	8	0	3	0	15
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1 555	5	69	9	4538	23	344	117	6 660
05 Semi-skilled and discretionary decision making, Permanent	375	1	9	3	990	2	46	11	1 437
06 Unskilled and defined decision making, Permanent	0	0	0	0	4	1	1	0	6
10 Contract (Professionally qualified), Permanent	0	0	0	0	1	0	0	0	1
11 Contract (Skilled technical), Permanent	3	0	0	0	6	0	0	0	9
12 Contract (Semi-skilled), Permanent	66	0	2	0	61	0	6	1	136
13 Contract (Unskilled), Permanent	3	0	0	0	0	0	0	0	3
TOTAL	2 006	6	80	12	5 608	26	400	129	8 267
Employees with disabilities									

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	1	0	0	0	2
02 Senior Management, Permanent	24	0	3	1	12	1	3	0	44
03 Professionally qualified and experienced specialists and mid-management, Permanent	5501	97	1378	240	7663	198	1 975	683	17735
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	12 101	93	731	188	37 765	344	3 271	1105	55598
05 Semi-skilled and discretionary decision making, Permanent	5429	14	115	15	4888	50	222	146	10879
06 Unskilled and defined decision making, Permanent	1245	8	51	8	2298	18	65	2	3 695
10 Contract (Professionally qualified), Permanent	5	0	0	1	2	0	0	0	8
11 Contract (Skilled technical), Permanent	0	0	0	0	3	0	0	0	3
12 Contract (Semi-skilled), Permanent	0	0	0	0	7	0	0	0	7
TOTAL	24 306	212	2 278	453	52 639	611	5536	196	8791
Employees with disabilities									

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	3	0	0	0	5	1	0	0	9
03 Professionally qualified and experienced specialists and mid-management, Permanent	364	11	100	28	537	17	148	68	1 273
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2094	18	90	25	5749	56	417	197	8 646
05 Semi-skilled and discretionary decision making, Permanent	809	3	14	4	1231	10	50	23	2 144
06 Unskilled and defined decision making, Permanent	70	0	3	0	100	0	2	0	175
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally qualified), Permanent	1	0	0	1	0	0	0	0	2
11 Contract (Skilled technical), Permanent	6	0	0	0	6	0	0	0	12
12 Contract (Semi-skilled), Permanent	66	0	2	0	63	0	5	1	137
13 Contract (Unskilled), Permanent	6	0	0	0	0	0	0	0	6
TOTAL	3 421	32	209	58	7 691	84	622	289	12406
Employees with Disabilities									

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
DEMOTION	2								2
DISMISSAL	17	1	4	2	2		1		27
FINAL WRITTEN WARNING	9		6		7		1	1	24
NO OUTCOME	56	5	15	7	15		15	2	122
SUSPENDED WITHOUT PAYMENT	10	1	4		9		3	2	29
TOTAL	94	7	29	9	33		20	5	204

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	0	0	0	0	0	0	0	0	0
Professionals	424	0	10	3	1 292	12	54		1 792
Technicians and Associate Professionals	0	0	0	0	0	0	0	0	0
Clerks	102	0	2	1	150	7	3	1	268
Service and Sales Workers	0	0	0	0	0	0	0	0	0
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0
TOTAL	526		2	4	1 424	19	57	1	2 060
Employees with disabilities	0	0	0	0	0	0	0	0	0

3. 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 2017

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	3	3	2	67
Salary Level 14	11	11	9	82
Salary Level 13	47	47	44	94
Total	62	62	56	90

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018

Reasons
Level 15 = 1 suspended
Level 14 = 1 suspended, 1 on long sick leave

Level 13 = 1 deceased, 2 suspended

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2018

Reasons

3.5. 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 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	38	28 738	0	705	18 847
Female	72	61 732	0	1273	17 684
Asian					
Male	13	2 682	1	304	23 368
Female	22	6 594	0	508	23 097
Coloured					
Male	0	233	0	0	0
Female	3	693	0	65	21 585
White					
Male	0	512	0	0	0
Female	6	2426	0	128	21386
Employees with a disability	0	35	0	0	0
TOTAL	154	103 645	0,1	2 983	19 370

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

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)	17	4 046	0	176	10 326	
Skilled (level 3-5)	65	12 620	0,1	1 097	16 877	
Highly skilled production (level 6-8)	58	68 088	0,1	1 272	21 937	
Highly skilled supervision (level 9-12)	14	18 331	0	438	31 293	
Other	0	503	0	0	0	
Total	154	103 588	0,10	2 983	19 370	

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2017 to 31 March 2018

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	7	249	3	143	20 359
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	0	20	0	0	0
HUMAN RESOURCES CLERKS	25	689	4	510	20 384
SECURITY OFFICERS	0	12	0	0	0
HOUSEHOLD AND LAUNDRY WORKERS	0	547	0	0	0
GEOLOGISTS GEOPHYSICISTS HYDROLOGISTS & RELAT PROF	0	1	0	0	0
MESSENGERS PORTERS AND DELIVERERS	0	30	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	3	39	8	56	18 753
RISK MANAGEMENT AND SECURITY SERVICES	1	7	14	23	22 919
PHOTOGRAPHIC LITHOGRAPHIC AND RELATED WORKERS	1	9	11	13	13 391
BOILER AND RELATED OPERATORS	0	10	0	0	0
SOCIAL SCIENCES RELATED	0	1	0	0	0
LOGISTICAL SUPPORT PERSONNEL	0	5	0	0	0
FINANCE AND ECONOMICS RELATED	0	12	0	0	0
FOOD SERVICES WORKERS	0	1	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	44	4 204	1	869	19 739
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS	0	94	0	0	0
AUXILIARY AND RELATED WORKERS	1	739	0	14	13 796
OTHER OCCUPATIONS	3	88 800	0	78	26 062
LEGAL RELATED	0	3	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	2	34	6	56	28172
BUILDING AND OTHER PROPERTY CARETAKERS	3	180	2	31	10450
OCCUPATIONAL THERAPY	0	2	0	0	0
Rank: TEACHER	0	14	0	0	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS	0	4	0	0	0
SOCIAL SCIENCES SUPPLEMENTARY WORKERS	0	10	0	0	0
ADMINISTRATIVE RELATED	2	215	1	74	37155
COMMUNICATION AND INFORMATION RELATED	0	9	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	11	170	7	218	19 798
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	20	3452	1	238	11 918
LIBRARY MAIL AND RELATED CLERKS	6	151	4	110	18 415
HUMAN RESOURCES RELATED	9	63	14	236	26 238
PRINTING AND RELATED MACHINE OPERATORS	0	8	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	1	0	0	0
TRADE LABOURERS	0	8	0	0	0
PHYSIOTHERAPY	0	1	0	0	0

LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	0	5	0	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	0	2	0	0	0
ARCHIVISTS CURATORS AND RELATED PROFESSIONALS	1	1	100	34	33 504
MATERIAL-RECORDING AND TRANSPORT CLERKS	4	68	6	84	20 897
FARM HANDS AND LABOURERS	0	65	0	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	5	52	10	115	22 944
PROFESSIONAL NURSE	0	24	0	0	0
BUS AND HEAVY VEHICLE DRIVERS	1	85	1	12	12 430
SENIOR MANAGERS	0	43	0	0	0
FARMING FORESTRY ADVISORS AND FARM MANAGERS	0	2	0	0	0
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS)	0	7	0	0	0
ENGINEERS AND RELATED PROFESSIONALS	0	39	0	0	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	1	47	2	20	19 793
LIGHT VEHICLE DRIVERS	0	64	0	0	0
ENGINEERING SCIENCES RELATED	0	2	0	0	0
MOTOR VEHICLE DRIVERS	0	8	0	0	0
SECURITY GUARDS	4	3169	0	49	12 247
FOOD SERVICES AIDS AND WAITERS	0	141	0	0	0
OTHER MACHINE OPERATORS	0	1	0	0	0
CONSERVATION LABOURERS	0	6	0	0	0
INFORMATION TECHNOLOGY RELATED	0	6	0	0	0
LIBRARIANS AND RELATED PROFESSIONALS	0	3	0	0	0
AGRICULTURE RELATED	0	7	0	0	0
STAFF NURSES AND PUPIL NURSES	0	4	0	0	0
TOTAL	154	103 645	0	2 983	19 370

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	39	0	0	0	0
Band B	0	11	0	0	0	0
Band C	0	2	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	53	0	0	0	0

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 to 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Levels 1-2)	1	0	1	0	0	0
Skilled (Levels 3-5)	50	12	23	7	-27	33
Highly skilled production (Levels 6-8)	365	85	312	89	-53	65
Highly skilled supervision (Levels 9-12)	14	3	13	4	-1	1
TOTAL	430	100	349	100	-81	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	2	1	3	1	1	-1
Elementary occupations	2	1	2	1	0	0
Other occupations	426	99	344	99	-82	101
TOTAL	430	100	349	100	-81	100

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

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)
Contract (Levels 13-16)	5	100	1	0	5	20
Contract (Levels 3-5)	48	48	18	0	3	37
Contract (Levels 6-8)	58	78	13	0	4	77
Contract (Levels 9-12)	7	71	2	0	4	18
Contract Other	323	62	125	0	3	105
Highly skilled production (Levels 6-8)	183 833	79	29 138	65	6	256 198
Highly skilled supervision (Levels 9-12)	52 896	77	8 602	19	6	112 493
Lower skilled (Levels 1-2)	9 228	77	1 619	4	6	4 425
Senior management (Levels 13-16)	245	96	25	0	10	971
Skilled (Levels 3-5)	30 373	78	5 050	11	6	23 134
TOTAL	277 016	78	44 593	100	6	397 478

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2018

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)
Highly skilled production (Levels 6-8)	59 160	100	1 407	72	42	83 426
Highly skilled supervision (Levels 9-12)	15 581	100	370	19	42	32 538
Lower skilled (Levels 1-2)	1 423	100	43	2	33	688
Senior management (Levels 13-16)	19	100	1	0	19	68
Skilled (Levels 3-5)	4 188	100	141	7	30	3 356
TOTAL	80 371	100	1 962	100	41	120 076

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 2017 to 31 December 2018

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	12	6	2
Contract (Levels 3-5)	343	10	33
Contract (Levels 6-8)	288	10	29
Contract (Levels 9-12)	105	9	12
Contract Other	3 284	6	542
Highly skilled production (Levels 6-8)	36 416	17	2 166
Highly skilled supervision (Levels 9-12)	27 920	13	2 222
Lower skilled (Levels 1-2)	82 750	21	3 860
Senior management (Levels 13-16)	578	13	44
Skilled (Levels 3-5)	151 510	23	6 677
TOTAL	303 206	19	15 587

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

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 2018
Highly skilled production (Levels 6-8)	4 193	889	5	45
Highly skilled supervision (Levels 9-12)	4 816	957	5	63
Lower skilled (Levels 1-2)	54	4	14	22
Senior management (Levels 13-16)	0	0	0	85
Skilled (Levels 3-5)	512	121	4	50
TOTAL	9 575	1 971	5	54

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

Table 3.10.5 Leave payouts for the period 1 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 20XX/YY due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2017/18	159 102	1 523	104 466
Current leave payout on termination of service for 2017/18	67	3	22 333
Total	159 169	1 526	104 305

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.	yes		Acting Director: Mr VB Maphumulo
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	yes		10 EH& W Practitioners
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	yes		Wellness Health Screening: Test Diabetes, High Blood Pressure, Cholesterol, HIV and TB
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	yes		ELRC Wellness Task Team:Mr Dolin Singh (Secretary for KZN ELRC), SADTU, NATU, EH&W Management. Wellness Committee: Ms H. Goba(Assistant Director: EH&W, Mr C.N Ngcobo(Director: ER, Mr J. Govender: OHS,Ms N Sithole: HRS
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	yes		HIV/AIDS and TB Management Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	yes		Adherence to the Policy. District support groups
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	yes		1075 participated in testing. 3 were found positive
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	yes		Evaluation Form, Quarterly Reports to DPSA, SMT

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2017 to 31 March 2018

Subject matter	Date
Total number of Collective agreements	None

Notes

- If there were no agreements, keep the heading and replace the table with the following:

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 2017 to 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
DEMOTION	2	2
DISMISSAL	27	27
FINAL WRITTEN WARNING	24	24
NO OUTCOME	122	122
SUSPENDED WITHOUT PAYMENT	29	21
TOTAL	204	100

Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
ABSENCE WITHOUT PERMISSION(EDU)	3	2
ASSAULT/ATTEMPTS OR THREATENS TO ASSAULT A PERSON	9	6
ATTEMPT/ASSAULT ANOTHER PERSON(EDU)	4	3
COMMIT ACT OF DISHONESTY(EDU)	20	14
DISPLAY DISRESPECT/DEMONST ABUSIVE BEHAVIOUR(EDU)	-	-
DISRESPECT/ABUSIVE OR INSOLENT BEHAVIOUR	1	1
FAIL TO CARRY OUT ORDER/INSTRUCTION(EDU)	5	4
FAILS TO CARRY OUT ORDER OR INSTRUCTION	1	1
FAILS TO COMPLY/CONTRAVENE LEGAL OBLIGATION(EDU)	2	1
IMPROPER/UNACCEPTABLE CONDUCT(EDU)	42	30
MISUSE POSITION TO PREJUDICE INTERESTS(EDU)	1	1
PREJUDICES ADMIN/DISCIPLINE OF STATE(EDU)	4	3
SEXUAL ASSAULT-LEARNER EMPLOYEE(EDU)	13	9
SEXUAL RELATIONSHIP WITH LEARNER(EDU)	28	20
SLEEPS ON DUTY(EDU)	-	-
WRONGFULLY POSSESS/USE STATE PROPERTY(EDU)	7	5
TOTAL	140	100

Table 3.12.4 Grievances logged for the period 1 April 2017 to 31 March 2018

Grievances	Number	% of Total
Finalised	117	91
pending	11	9
TOTAL:	128	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 to 31 March 2018

Disputes	Number	% of Total
Dismissed	5	45
Upheld	6	55
TOTAL:	11	100

Table 3.12.6 Strike actions for the period 1 April 2017 to 31 March 2018

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 2017 to 31 March 2018

Number of people suspended	28
Number of suspension exceeded 90 days	28
number of suspensions within 90 days	-
Amount	9 188 207,00

3.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	0	0	0	0
	Male	36	0	0	0	0
Professionals	Female	64 437	467	81	810	1 358
	Male	26 184	68	68	301	437
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	5 669	0	35	126	161
	Male	4 865	0	23	81	104
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	2 344	0	0	0	0
	Male	2 052	0	0	0	0
Sub Total	Female	72 476	467	116	936	1 519
	Male	33 137	68	91	382	541
Total		105 613	535	207	1 318	2 060

Table 3.13.2 Training provided for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	-	-	-	-
	Male	36	-	-	-	-
Professionals	Female	64 437	467	81	810	1 358
	Male	26 184	68	68	301	437
Technicians and associate professionals	Female	0	-	-	-	-
	Male	0	-	-	-	-
Clerks	Female	5 669	-	35	126	161
	Male	4 865	-	23	81	104
Service and sales workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Skilled agriculture and fishery workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Craft and related trades workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Plant and machine operators and assemblers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Elementary occupations	Female	2 344	-	-	-	-
	Male	2 052	-	-	-	-
Sub Total	Female	72 476	467	116	936	1 519
	Male	33 137	68	91	382	541
Total		105 613	535	207	1 318	2 060

1.14 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 2017 to 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	16	94,1
Temporary Total Disablement	1	5,9
Permanent Disablement	0	0,0
Fatal	0	0,0
Total	17	

1.15 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 20YY to 31 March 20ZZ

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Various	-	261	R715 p.h.
			R4.119 p.Km
			R 1 625 227 000

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 to 31 March 2018

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2017 to 31 March 2018

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 to 31 March 2018

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

1.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 to 31 March 2018

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

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

PART E







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 143 to 233, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes 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 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (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 auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the 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.

Emphasis of matter

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

Unauthorised expenditure

7. As disclosed in note 8 to the financial statements, unauthorised expenditure of R485,86 million was incurred, due to overspending on programme 2 (public ordinary schools), programme 4 (public special school education), and programme 7 (examination and education related services). The majority of the unauthorised expenditure (56,8%) related to compensation of employees as well as transfers and subsidies. Moreover, had the balance on the accruals and payables not recognised above 30 days been paid at year-end, this would have increased the unauthorised expenditure by a further R244,11 million to R729,97 million.

Impairments

8. As disclosed in note 10.5 to the financial statements, staff debt receivables of R318,50 million were impaired, as a result of debts owed by ex-employees, which were outstanding for 3 or more years.

Restatement of corresponding figures

9. As disclosed in note 19.2 to the financial statements, the contingent asset (strike debt) corresponding figure for 31 March 2017 had been restated as a result of a prior period error in the financial statements of the department at, and for the year ended 31 March 2018. The prior period error related to the strike debt of R606,33 million which was incorrectly disclosed as a contingent asset.

Contingent asset (Strike debt) – Prior period financial statements

10. The accounting officer's report along with note 34 to the financial statements draws attention to a material misstatement in the prior years' financial statements (2011-12 to 2016-17) for the contingent asset of R606,33 million. The strike debt ceased to exist when the Labour Court of South Africa ruled in favour of the employees and the South African Supreme Court of Appeal dismissed the department's leave to appeal on the Labour Court's judgement ruled on 12 January 2012. This disclosure was made as it was considered to be impractical by the accounting officer to reissue the prior years' financial statements.

Other matter

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

Unaudited supplementary schedules

12. The supplementary information set out on pages 234 to 251 do not form part of the financial statements and is presented as additional information. I have not audited these schedules, and accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

13. 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.

14. In preparing the financial statements, the accounting officer is responsible for assessing the Department of Education'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 accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. 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.

16. 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

Introduction and scope

17. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

18. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

19. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – public ordinary schools	52 - 54
Programme 5 – early childhood development	56 - 57
Programme 6 – infrastructure development	57 - 59
Programme 7 – examination and education related services	59 - 65

20. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

21. The material findings in respect of the usefulness and reliability for programme 2 are as follows:

Programme 2 – Public ordinary school education programme

Programme performance measure 204 - Number of schools provided with media resources

22. The planned target for the number of schools provided with media resources was 650 schools. The achievement as per the annual performance report was 214 schools. However, the audited evidence indicated that the estimated achievement should be 203 schools.

Statistical indicator - Number of learners eligible to benefit from learner transport

23. The planned target for the number of learners eligible to benefit from learner transport was 50 000 learners. The achievement as per the annual performance report was 58 591 learners. However, the audited evidence indicated that the estimated achievement should be 98 184 learners.

Statistical indicator - Number of learners screened through integrated school health programme

24. The planned target for the number of learners screened through integrated school health programme was 950 learners. An error was made by the department in setting the original planned target, which should have been 95 000 learners. The achievement as per the annual performance report was 173 886 learners. However, the audited evidence indicated that the estimated achievement should be 176 543 learners.

Programme 5 – Early childhood development n Programme 6 – Infrastructure development n Programme 7 – Examination and education related services

25. I did not raise any material findings on the usefulness and reliability of the reported performance information for Programme 5 (early childhood development), Programme 6 (infrastructure development) as well as Programme 7 (examination and education related services).

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

27. The annual performance report on pages 50 to 65 sets out information on the over and under-achievement of planned targets for the year and provides explanations for the under-achievement of a significant number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information for Programme 2 (public ordinary schools), in paragraphs 22 to 24 of this report.

Adjustment of material misstatements

28. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information for Programme 2 (public ordinary schools) and Programme 5 (early childhood development programmes). I raised material findings only on the reliability of the reported performance information for programme 2, as management subsequently corrected some of the misstatements. Those that were not corrected, are reported in paragraphs 22 to 24 of this report.

Report on the audit of compliance with legislation

Introduction and scope

29. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

30. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

31. Effective and appropriate steps were not taken to prevent irregular expenditure, 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 (97,6%) was caused by the department not complying with the validity period for the completion of the bid process for national school nutrition programme during the financial year under review. After the bid process was declared invalid, the department had to continue with the school feeding scheme on a month to month basis until a new SCM process is finalised.

32. Some payments were not always made within 30 days after the receipt of invoices or within an agreed upon period, as required by treasury regulation 8.2.3.

Other information

33. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information 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 in this auditor's report.

32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

33. In connection with my audit, my responsibility is to read the other information, and in doing so, consider whether the other information 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.

34. The other information I obtained prior to the date of this auditor's report, is the foreword of the Member of Executive Council (MEC) and the report of the accounting officer. The audit committee's report is expected to be made available to me after 31 July 2018.

35. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, 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.

36. After I receive and read the audit committee's report, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

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

Financial and performance management

39. Management did not adequately reconcile the reported performance information in the annual performance report to the supporting records. There was also a lack of adequate monitoring and review by management relating to compliance with SCM and other applicable legislation.

Other reports

40. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. 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.

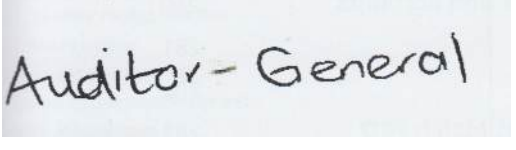
Performance audit

41. A performance audit on the education sector was conducted at the department during the 2017-18 financial period and covered the areas of school management, curriculum coverage, teacher development, learner teacher support material, school infrastructure, and early childhood development (Grade R). The report will be issued to Department of Basic Education in due course.

Investigations

42. Ninety-three cases relating to various allegations of mismanagement of school funds, false qualifications, employees unaccounted for, and invalid payments, were referred to the department's internal control and risk management directorate. Fifty-four cases were finalised and thirty-nine cases were still in progress.

43. Twenty-six (26) cases were referred by the department to provincial treasury's forensic unit to be investigated. These investigations related mainly to allegations of procurement irregularities and mismanagement of funds. Thirteen (13) investigations had been completed and thirteen (13) were still in progress. Of the completed cases, seven (7) disciplinary processes were finalised, with six (6) criminal cases registered with the South African Police Services. In two (2) cases disciplinary hearings were in progress, in three (3) cases, the employees resigned prior to disciplinary hearings, and in one (1) case) the employee passed away prior to the disciplinary process being completed.



Pietermaritzburg

28 August 2018

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-General's responsibility for the audit

1. 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 selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer
- conclude on the appropriateness of the accounting officer's 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 related to events or conditions that may cast significant doubt on the Department of Education's ability 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 the 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 continuing as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. 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.

4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

KWAZULU-NATAL DEPARTMENT OF EDUCATION
VOTE 5
Annual Financial Statements
For the year ended 31 March 2018

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KWA-ZULU NATAL – DEPARTMENT OF EDUCATION
VOTE 5
Report of the Accounting Officer for the year ended 31 March 2018

1. Overview of the financial results of the department

1.1 Departmental Receipts

Total actual revenue collected by the department amounted to R107,96 million in 2017/18, exceeding the revenue budget of R92,39 million by R15,57 million. The main reasons for the over-collection can be explained as follows:

- *Transactions in financial assets and liabilities collected* were R40,25 million against a budget of R33,47 million. The over-collection of R6,78 million was due to the recovery of staff debts.
- *Sale of goods and services other than capital assets* which collected R62,19 million against a budget of R58,56 million resulting in an over collection of R3,63 million. This was as a result of an unanticipated collection in respect of boarding and exam fees.
- *Interest, dividends and rent on land* was over collected by R906 thousand. The over-collection of R906 thousand is related to the higher than anticipated recovery of staff debts.
- *Sale of capital assets* amounted to R4,25 million against no budget. The revenue collected from this category mainly relates to an unplanned auction of the department's redundant motor vehicles.

1.2 DISCUSSION

The main appropriation of the Department of Education was R47,48 billion in 2017/18. During the year the department's budget was adjusted by R763,49 million.
This was due to the following:

- A roll-over of R116,81 million was approved by National Treasury in respect of the National School Nutrition Programme (NSNP) grant, based on the audited under-spending against this grant.
- Additional funding of R200 million was allocated towards the department's spending pressures in Programmes 2 and 7 against, *Compensation of employees* and *Goods and services*, respectively.
- Additional funding of R106,69 million was allocated to *Buildings and other fixed structures* in Programme 6: Infrastructure Development. This relates to additional funding to repair numerous schools that were damaged by a severe wind storm on 17 September 2017 (R36,69 million), as well as a flood disaster on 10 October 2017 (R70 million).
- In addition, a Post Adjustment with an amount of R339,99 million was received as funding in March 2018 for Programme 6: Infrastructure Development.

Hence, the final budget accumulates to R48,24 billion for the financial year.

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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:

FROM					TO					Reasons
Programme	Sub Programme	Economic Classification	Item Classification	Amount R ('000)	Programme	Sub Programme	Economic Classification	Item Classification	Amount R ('000)	
Programme 2: Public Ordinary School Education	Public Primary Schools	Goods and services	Bursaries	17 541	Programme 1: Administration	Office of the MEC	Goods and services	Bursaries	17 541	Due to a savings realised in P2 for Bursaries for employees.
Programme 1: Administration	Education Management	Compensation of employees	Social contributions	64 720	Programme 2: Public Ordinary School Education	Public Secondary Schools	Compensation of employees	Salaries and wages	64 720	Due to savings realised as a result on non-filling of posts.
Programme 5: Early Childhood Development	Grade R In Public Schools	Compensation of employees	Social contributions	98 528	Programme 2: Public Ordinary School Education	Public Secondary Schools	Compensation of employees	Salaries and wages	98 528	This was due to the delayed process of identifying Grade R educators while the budget was moved during budget adjustment. This is still work in progress.
Programme 7: Examination and Education Related Services	Professional Services	Compensation of employees	Salaries and wages	15 519	Programme 2: Public Ordinary School Education	Public Secondary Schools	Compensation of employees	Salaries and wages	15 519	This was due to savings realised in Professional services due to non-filling of subject advisors posts.
Programme 7: Examination and Education Related Services	Examination Services	Compensation of employees	Social contributions	24 494	Programme 2: Public Ordinary School Education	Public Secondary Schools	Compensation of employees	Salaries and wages	24 494	This was due lower than anticipated social contributions in examinations.
Programme 6: Infrastructure Development	Early Childhood Development	Goods and services	Property payments	48 292	Programme 7: Examination and Education Related Services	Examination Services	Goods and services	Travel & Operating payments	48 292	Due to enforced savings in goods and services.

1.2.1.2. Shifts

The following shifts were undertaken with the approval of Provincial Treasury:

FROM					TO					
Programme	Sub Programme	Economic Classifica	Item Classification	Amount R ('000)	Programme	Sub Programme	Economic Classification	Item Classification	Amount R ('000)	Reasons
Programme 6: Infrastructure Development	Public Ordinary Schools	Payment of Capital Assets	Buildings and other fixed structures	119 179	Programme 6: Infrastructure Development	Public Ordinary Schools	Goods and services	Property payments	119 179	The department had inadvertently allocated funds against Buildings and other fixed structures and had not correctly provided for escalation of prices on maintenance and repairs and VAT increases.
Programme 2: Public Ordinary School Education	Maths, Science and Technology Grant	Payment of Capital Assets	Other machinery and equipment Software and other intangible assets	19 000 1 000	Programme 2: Public Ordinary School Education	Maths, Science and Technology Grant	Goods and services	Minor assets	20 000	The shift was undertaken to correctly allocate funds for minor assets for the purchase of maths and science workshop equipment and mathematics equipment and technology equipment.

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1.3 Programme Expenditure

		2017/2018					2016/17		
	PROGRAMMES	Adjusted Appropriation	Virement	Final Appropriation	Actual Expenditure	Variance	Final Appropriation	Actual Expenditure	Variance
				R'000	R'000	R'000	R'000	R'000	R'000
1	Administration	1 833 503	(73 334)	1 760 169	1 760 169	-	1 855 558	1 824 322	31 236
2	Public Ordinary Schools	39 721 781	215 014	39 936 795	40 228 039	(291 244)	37 942 993	37 826 186	116 807
3	Independent Schools	86 038	-	86 038	82 980	3 058	81 941	80 900	1 041
4	Public Speacial Schools	1 082 809	-	1 082 809	1 124 496	(41 687)	1 052 128	1 047 943	4 185
5	Early Childhood Development	1 231 595	(98 528)	1 133 067	971 251	161 816	894 684	973 523	(78 839)
6	Infrastructure Development	2 754 830	(74 417)	2 680 413	2 574 788	105 625	2 596 391	2 593 445	2 946
7	Examination and Education Related services	1 529 533	31 265	1 560 798	1 574 762	(13 964)	1 316 314	1 316 238	76
	TOTAL	48 240 089	-	48 240 089	48 316 485	(76 396)	45 740 009	45 662 557	77 452

Programme 1: Administration budget after appropriation of R1,760 billion was fully spent in the 2017/18 financial year.

The main expenditure movements in Programme 1 were as follows:

- *Compensation of employees* was under-spent by R110,88 million which was due to the non-filling of posts such as Office Based Educators, Subject Advisors, Circuit Managers, Human Resources Officers and other Administrative Officers.
- *Machinery and equipment* was under-spent by R7,51 million due to internal cost containment measures that were initiated during the year as a result of spending pressures experienced by the department. The vacant posts resulted in savings of budgeted office furniture and other tools of trade such as laptops that could not be purchased.
- *Transfers and subsidies* were under-spent by R13,55 million due to household transfers that were less than anticipated. It is difficult to accurately budget for this item as the numbers exiting the system cannot be accurately predicted due to deaths etc.
- *Goods and services* was over-spent by R131,94 million due to higher than budgeted costs for communication, property payments such as cleaning services, fumigation, security services, domestic accounts for district offices, travel and subsistence for monitoring in various district offices as well as legal services for litigation and arbitration cases.

Programme 2: Public Ordinary Schools is over-spent by R291,24 million.

The main expenditure movements in Programme 2 were as follows:

- *The Compensation of employees* was over-spent by R189,17 million. This was as a result of the budget cuts that were implemented to fund the remuneration of *Izinduna*. as well as Provincial Equitable Share (PES) and Provincial Own Revenue of R238,35 million which affected this category in this programme due to funding limitations in other programmes.

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- The number of educators in the establishment is capped at 90 057 including the appointment of temporary educators. The department exceeded this by 823 in December which increased the over-expenditure in this programme.
- *Transfers and subsidies: Non-profit institutions* was over-spent by R143,23 million as follows:
    - Transfers to non-profit institutions was overspent by R48,20 million. This was due to that most of the Section 21 schools met the transfer requirements.
    - Furthermore, R20 million was transferred to a new school, namely Mandla Mthethwa School of Excellence in order to capacitate the school with relevant technical workshop materials and Mathematics and Science materials in respect of the MST grant.
- *Transfers and subsidies: Households* was over-spent by R95,02 million due to higher than anticipated staff exit costs. It is difficult to accurately budget for this item as the numbers exiting the system cannot be accurately predicted due to deaths etc.

Programme 3: Independent Schools Subsidies is under-spent by R3,06 million. The under-expenditure was as a result of claims that were not made by the qualifying schools.

Programme 4: Public Special schools are overspent by R41,69 million. The main expenditure movements in this programme were as follows:

- *Compensation of employees:* exceeded the Final Appropriation by R45,70 million. This was due to the below inflationary cost of living adjustment budget growth, while preparing the 2017/18 MTEF budget, as previously stated.
- *Transfers and subsidies: Households* was over-spent by R733 000 due to higher than anticipated staff exit costs. It is difficult to accurately budget for this item as the number of staff exiting the system cannot be accurately predicted due to deaths etc.
- *Goods and services:* was under-spent by R4,05 million mainly against training and development ascribed to delays in the implementation of the LPID grant activities since the business plan for the grant was only approved in June 2018, while employees were only appointed in September 2018.
- *Transfers and subsidies: Non-profit institutions* was under-spent by R131 000 due to the non-compliance by some schools due to late submission of financial statements as part of the transfer requirements.
- *Machinery and equipment:* was under-spent by R569 000. This was attributed to the non-purchase of tools of trade in respect of the LPID grant, as there were delays in procuring office furniture because the grant activities commenced late in the year.

Programme 5: Early Childhood Development was under-spent by R161,82 million.

The main expenditure movements in Programme 5 were as follows:

- *Compensation of employees:* was under-spent by R47,21 million.

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- *Goods and services:* was under-spent by R113,75 million, mainly due to internal cost-containment measures and enforced savings, implemented against various items such as training and development, travel and subsistence. etc.

Programme 6: Infrastructure Development was under-spent by R105,63 million.

The under-spending mainly relates to the following:

- *Compensation of employees:* was under-spent by R5,69 million which relates to delays in the filling of technical infrastructure posts funded through DORA. It should be noted that the department filled only 78 posts out of a total of 86 posts. This was mainly due to the challenges in attracting suitable candidates as well as lengthy re-advertisement processes.
- *Transfers and subsidies: Households* was over-spent by R62 000 due to staff exit costs which were unanticipated.
- *Building and other fixed structures:* was under-spent by R99,99 million. This was due to the additional funds of R339,99 million received from National in March 2018.

Programme 7: Examination and Education Related Services is over-spent by R13,96 million.

- *Goods and services:* was over-spent by R9,98 million. This was mainly due to the following:
    - accruals from travel and subsistence for accommodation and transport in respect of accruals from the previous year for the HIV and AIDS (Life-Skills Education) grant resulted in an over-expenditure of R7,55 million.
- *Transfers and subsidies: Households* was over-spent by R5,79 million due to higher than anticipated staff exit costs.
- *Machinery and equipment:* has a slight over-expenditure of R30 000 against the Final Appropriation mainly due to the purchasing of replacement strapping machines, which are to be used for binding documents as the old machines were worn out.

1.3.1 Compensation of employees

The table below reflects the fluctuation in employee numbers during the year bearing in mind that a budgetary provision had been made for 115 635 which consists of 107 433 permanent employees and 8 202 periodic payments.

		Post Approved	April 2017	May 2017	June 2017	July 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018
TOTAL	EDUC	90 057	89 041	89 126	90 026	89 515	89 579	89 736	90 168	90 417	90 877	86 663	86 755	87 256
TOTAL	PS	17 376	16 436	16 310	16 282	16 214	16 168	16 088	16 079	16 037	16 130	16 009	15 835	15 782
TOTAL		**107 433**	**105 477**	**105 436**	**106 308**	**105 729**	**105 747**	**105 824**	**106 247**	**106 454**	**107 007**	**102 672**	**102 590**	**103 038**
TOTAL	OTHER	8 202	6 695	7 363	7 336	7 597	8 061	7 444	7 745	6 726	6 884	6 393	6 402	6 666
GRAND TOTAL		**115 635**	**112 172**	**112 799**	**113 644**	**113 326**	**113 808**	**113 268**	**113 992**	**113 180**	**113 891**	**109 065**	**108 992**	**109 704**
TOTAL COST		**39 991 963**	**3 283 688**	**3 317 552**	**3 307 776**	**3 390 245**	**3 312 931**	**3 359 128**	**3 345 868**	**3 333 390**	**3 632 728**	**3 224 369**	**3 168 982**	**3 389 231**

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1.3.2 Conditional Grants and Rollovers

2017-18								
Conditional Grant Name								
	Budget	**Additional Funding**	**Budget After Additional Funding**	**Year to Date Expenditure**	**% Spent to Date 31 March 2018**	**(Over) / Under Expenditure**	**Request for Roll Over**	**Surrender of funds**
	R'000	**R'000**	**R'000**	**R'000**		**R'000**	**R'000**	**R'000**
National School Nutrition Programme	1 566 894		1 566 894	1 437 448	92%	129 446	129 337	129 446
Infrastructure Grant	1 993 145	339 996	2 333 141	2 333 383	100%	(242)	0	0
HIV and AIDs Grant	56 115		56 115	64 262	115%	(8 147)	0	0
Mathematics, Science and Technology	61 660		61 660	55 512	90%	6 148	6 149	6 148
EPWP Social Sector	4 808		4 808	4 297	89%	511	0	511
EPWP Integrated Grant for Provinces	2 000		2 000	2 123	106%	(123)	0	0
Learners with Profound Intellectual Disabilities grant	5 558		5 558	2 696	49%	2 862	1 600	2 862
	3 690 180	**339 996**	**4 030 176**	**3 899 721**	**97%**	**130 455**	**137 086**	**138 967**

- The National School Nutrition Programme (NSNP) was under-spent by R129,45 million. This was in relation to the NSNP grant for unpaid March 2018 invoices. A roll-over has been requested through Provincial Treasury.
- The HIV and AIDS grant was over-spent by R8,15 million. Accruals from travel and subsistence for accommodation and transport from the previous year for the HIV and AIDS (Life-Skills Education) grant resulted in this over-expenditure.
- The Mathematics, Science and Technology (MST ICT) was under-spent by R6,15 million due to late receipt of invoices related to equipment and training under the MST grant. A roll-over has been requested.
- The Learner for profound Intellectual Disabilities (LPID) was under-spent by R2,86 million. A roll-over of R1,60 million has been requested from Provincial Treasury.

1.4 *Unauthorized, irregular and fruitless expenditure*

Unauthorised expenditure amounted to R485,86 million. This was as a result of the budget cuts that were implemented to fund the remuneration of *Izinduna* as well as Provincial Equitable Share (PES) and Provincial Own Revenue of R238 347. This affected Programme 2 and 4 mainly. Included in the unauthorised expenditure is an amount of R138,97 million for unspent conditional grants and a request has been made to Provincial Treasury for roll–overs. Another contributing factor was the unfunded inflationary wage agreement.

Irregular expenditure for the year amounts to R1,10 billion as disclosed in Note 25, and is largely due to not following supply chain management processes.

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The department's Fruitless and Wasteful expenditure for the year amounts to R1,44 million as disclosed in Note 26. 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 be not be able to continue in the MTEF period.

1.6 Discontinued activities/activities to be discontinued.

There were no discontinued activities during the year.

1.7 New or proposed activities

There were no new activities introduced or proposed.

1.8 Supply Chain Management

The Department has fully implemented the use of the Central Suppliers Database (CSD). This is to ensure compliance with all relevant legislation in the selection of suppliers. There were no unsolicited bids that were concluded for the year under review. All bids followed a normal supply chain management process, and where such processes could not be followed due to impracticality or urgency of the situations. The approval from the Accounting Officer as per Treasury Regulation 16.A6.4 was sought and reasons were recorded as such, in the accompanying requests submitted for approval. Any bids that did not meet any of the above requirements were recorded as irregular expenditure and disclosed accordingly in the disclosure notes.

The pressure on the budget for compensation of employees with the resultant non-filling of posts is creating an emerging risk with respect to the separation of duties as well as general execution of processes within the supply chain environment.

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

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

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

1.10 Exemptions and deviations received from National Treasury

No deviations or exemptions were received from National Treasury.

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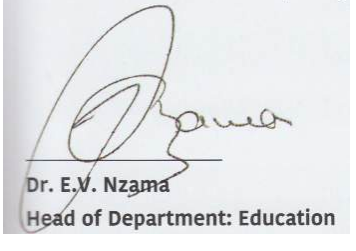
1.11 Events after the reporting date

There are no events after the reporting date that require reporting.

1.12 Prior periods' error

"Strike debt 2010/11 recovery" amount of 606 325 ('000) rand value, relates to salaries paid to employees who were absent from work due to the strike action in August 2010. The Union of the affected employees took the matter to the Labour Court of South Africa, which ruled in favour of the employees whereby the department was interdicted from recovering the funds from the affected employees. The Department applied to the South African Supreme Court of Appeal to contest the judgement of the Labour Court of South Africa. The application for leave to appeal was dismissed on the 12 January 2012. The Supreme Court of Appeal was of the view that the intended appeal has no reasonable prospects of success and there is no other compelling reason why it should be heard.
Subsequent to the Supreme Court of Appeal's ruling the department should have removed this matter from the contingent asset disclosure note. The department incorrectly continued to disclose the matter from 2011/12 to 2016/17 financial periods. This prior period error has subsequently been adjusted for by re-stating the comparative year figure to zero and it was considered impractical to re-issue the prior years' financial statements due to prior periods' annual reports having been tabled and it was more effective to rectify the issue by including the matter in the Accounting Officer's report and adequately disclosed in this financial statements.

<u>Prior periods' annual financial statements (AFS):</u>
The strike debt contingent asset was also incorrectly disclosed in the 2011/12 to 2016/17 financial statements, in order to have corrected this error the department would have needed to withdraw those AFS's in order to correct and re-issue. However, it was considered impractical to re-issue the prior years' financial statements due to prior periods' annual reports having been tabled and it was more effective to rectify the issue by including the matter in the Accounting Officer's report and adequately disclosed in this financial statements.



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APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per programme									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programmes									
1. Administration	1 833 503	-	(73 334)	1 760 169	1 760 169	-	100.0%	1 855 558	1 824 322
2. Public Ordinary School Education	39 721 781	-	215 014	39 936 795	40 228 039	(291 244)	100.7%	37 942 993	37 826 186
3. Independent School Subsidies	86 038	-	-	86 038	82 980	3 058	96.4%	81 941	80 900
4. Public Special School Education	1 082 809	-	-	1 082 809	1 124 496	(41 687)	103.8%	1 052 128	1 047 943
5. Early Childhood Development	1 231 595	-	(98 528)	1 133 067	971 251	161 816	85.7%	894 684	973 523
6. Infrastructure Development	2 754 830	-	(74 417)	2 680 413	2 574 788	105 625	96.1%	2 596 391	2 593 445
7. Examination and Education Related Services	1 529 533	-	31 265	1 560 798	1 574 762	(13 964)	100.9%	1 316 314	1 316 238
TOTAL (carried forward)	**48 240 089**	**-**	**-**	**48 240 089**	**48 316 485**	**(76 396)**	**100.2%**	**45 740 009**	**45 662 557**

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	2017/18			2016/17	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
TOTAL (brought forward)	**48 240 089**	**48 316 485**		**45 740 009**	**45 662 557**
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	107 964			123 639	
NRF Receipts	-			-	
Aid assistance	-			-	
Actual amounts per statement of financial performance (total revenue)	**48 348 053**			**45 863 648**	
ADD					
Aid assistance		-			-
Prior year unauthorised expenditure approved without funding		-			-
Actual amounts per statement of financial performance (total expenditure)		**48 316 485**			**45 662 557**

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Appropriation per economic classification									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**44 234 596**	**139 179**	**-**	**44 373 775**	**44 442 185**	**(68 410)**	**100.2%**	**41 541 532**	**41 467 331**
Compensation of employees	39 991 963	-	-	39 991 963	40 061 215	(69 252)	100.2%	37 631 034	37 608 395
Salaries and wages	31 803 769	-	2 546 595	34 350 364	34 477 123	(126 759)	100.4%	32 329 376	32 393 937
Social contributions	8 188 194	-	(2 546 595)	5 641 599	5 584 092	57 507	99.0%	5 301 658	5 214 458
Goods and services	4 242 460	139 179	(1 063)	4 380 576	4 379 734	842	100.0%	3 909 970	3 858 408
Administrative fees	2 456	-	10 755	13 211	15 647	(2 436)	118.4%	12 585	12 585
Advertising	6 157	-	(400)	5 757	5 757	-	100.0%	5 283	5 283
Minor assets	-	20 000	1 514	21 514	1 514	20 000	7.0%	1 772	1 772
Audit costs: External	9 894	-	1 937	11 831	11 831	-	100.0%	12 099	12 099
Bursaries: Employees	67 248	-	(5 128)	62 120	62 120	-	100.0%	66 590	67 898
Catering: Departmental activities	33 101	-	37 056	70 157	69 310	847	98.8%	68 537	68 537
Communication	10 543	-	4 292	14 835	38 536	(23 701)	259.8%	37 272	37 272
Computer services	72 842	-	(7 113)	65 729	65 729	-	100.0%	84 619	84 619
Consultants: Business and advisory services	103 985	-	(17 676)	86 309	141 649	(55 340)	164.1%	103 125	103 125
Infrastructure and planning services	-	-	-	-	-	-	-	95	95
Laboratory services	2 567	-	(2 567)	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 685	-	-	3 685	30 883	(27 198)	838.1%	12 820	12 820
Contractors	-	-	6 214	6 214	6 214	-	100.0%	6 053	6 053
Agency and support / outsourced services	1 397 330	-	158 425	1 555 755	1 446 481	109 274	93.0%	1 356 915	1 255 940

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Entertainment	-	-	13	13	13	-	100.0%	6	6
Fleet services	41 564	-	5 463	47 027	46 658	369	99.2%	39 403	39 403
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	249	249	249	-	100.0%	156	156
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	549	-	(510)	39	39	-	100.0%	23	23
Inventory: Fuel, oil and gas	292	-	(167)	125	125	-	100.0%	393	393
Inventory: Learner and teacher support material	753 250	-	35 877	789 127	705 106	84 021	89.4%	625 286	625 286
Inventory: Materials and supplies	19 782	-	(19 782)	-	-	-	-	769	769
Inventory: Medical supplies	7 069	-	(7 069)	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	214 661	-	(58 812)	155 849	155 849	-	100.0%	209 149	242 251
Consumable supplies	87 498	-	(18 479)	69 019	108 458	(39 439)	157.1%	19 490	19 490
Consumable: Stationery, printing and office supplies	50 174	-	4 280	54 454	52 879	1 575	97.1%	25 402	25 402
Operating leases	103 133	-	1 058	104 191	104 191	-	100.0%	68 730	80 837
Property payments	578 855	119 179	(80 633)	617 401	680 271	(62 870)	110.2%	493 248	493 443
Transport provided: Departmental activity	30 185	-	(23 934)	6 251	5 935	316	94.9%	10 047	10 047
Travel and subsistence	215 660	-	104 571	320 231	347 221	(26 990)	108.4%	377 541	380 242
Training and development	149 812	-	(116 558)	33 254	8 746	24 508	26.3%	9 451	9 451
Operating payments	263 782	-	(19 519)	244 263	245 484	(1 221)	100.5%	238 755	238 755
Venues and facilities	16 386	-	4 174	20 560	21 162	(602)	102.9%	23 155	23 155
Rental and hiring	-	-	1 406	1 406	1 677	(271)	119.3%	1 201	1 201
Interest and rent on land	173	-	1 063	1 236	1 236	-	100.0%	528	528
Interest	173	-	1 063	1 236	1 236	-	100.0%	528	528
Rent on land	-	-	-	-	-	-	-	-	-

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

Transfers and subsidies	**1 752 699**	**-**	**-**	**1 752 699**	**1 884 913**	**(132 214)**	**107.5%**	**1 879 623**	**1 945 524**
Provinces and municipalities	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Provinces	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Provincial agencies and funds	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Departmental agencies and accounts	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
Departmental agencies and accounts	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
Non-profit institutions	1 577 759	-	(268)	1 577 491	1 621 649	(44 158)	102.8%	1 684 192	1 692 709
Households	84 358	-	(473)	83 885	171 206	(87 321)	204.1%	110 843	168 227
Social benefits	83 003	-	(985)	82 018	169 339	(87 321)	206.5%	110 682	167 615
Other transfers to households	1 355	-	512	1 867	1 867	-	100.0%	161	612
Payments for capital assets	**2 220 901**	**(139 179)**	**-**	**2 081 722**	**1 957 495**	**124 227**	**94.0%**	**2 286 961**	**2 217 809**
Buildings and other fixed structures	2 175 434	(119 179)	-	2 056 255	1 946 262	109 993	94.7%	2 178 493	2 170 374
Buildings	2 165 434	(119 179)	-	2 046 255	1 946 262	99 993	95.1%	2 178 493	2 170 374
Other fixed structures	10 000	-	-	10 000	-	10 000	-	-	-
Machinery and equipment	40 729	(19 000)	-	21 729	11 095	10 634	51.1%	104 221	47 188
Transport equipment	9 840	-	2 197	12 037	9 659	2 378	80.2%	40 210	33 140
Other machinery and equipment	30 889	(19 000)	(2 197)	9 692	1 436	8 256	14.8%	64 011	14 048
Software and other intangible assets	4 738	(1 000)	-	3 738	138	3 600	3.7%	4 247	247
Payments for financial assets	**31 893**	**-**	**-**	**31 893**	**31 892**	**1**	**100.0%**	**31 893**	**31 893**
TOTAL	**48 240 089**	**-**	**-**	**48 240 089**	**48 316 485**	**(76 396)**	**100.2%**	**45 740 009**	**45 662 557**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

Statutory Appropriation per economic classification									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**44 234 596**	**139 179**	**-**	**44 373 775**	**44 442 185**	**(68 410)**	**100.2%**	**41 541 532**	**41 467 331**
Compensation of employees	39 991 963	-	-	39 991 963	40 061 215	(69 252)	100.2%	37 631 034	37 608 395
Goods and services	4 242 460	139 179	(1 063)	4 380 576	4 379 734	842	100.0%	3 909 970	3 858 408
Interest and rent on land	173	-	1 063	1 236	1 236	-	100.0%	528	528
Transfers and subsidies	**1 752 699**	**-**	**-**	**1 752 699**	**1 884 913**	**(132 214)**	**107.5%**	**1 879 623**	**1 945 524**
Provinces and municipalities	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Departmental agencies and accounts	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
Non-profit institutions	1 577 759	-	(268)	1 577 491	1 621 649	(44 158)	102.8%	1 684 192	1 692 709
Households	84 358	-	(473)	83 885	171 206	(87 321)	204.1%	110 843	168 227
Payments for capital assets	**2 220 901**	**(139 179)**	**-**	**2 081 722**	**1 957 495**	**124 227**	**94.0%**	**2 286 961**	**2 217 809**
Buildings and other fixed structures	2 175 434	(119 179)	-	2 056 255	1 946 262	109 993	94.7%	2 178 493	2 170 374
Machinery and equipment	40 729	(19 000)	-	21 729	11 095	10 634	51.1%	104 221	47 188
Software and other intangible assets	4 738	(1 000)	-	3 738	138	3 600	3.7%	4 247	247
Payments for financial assets	**31 893**	**-**	**-**	**31 893**	**31 892**	**1**	**100.0%**	**31 893**	**31 893**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 1: Administration									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.1 Office of the MEC	37 422	-	10 453	47 875	47 875	-	100.0%	25 320	26 661
1.2 Corporate Services	869 273	-	16 092	885 365	971 875	(86 510)	109.8%	1 000 930	989 833
1.3 Education Management	856 989	-	(62 045)	794 944	708 434	86 510	89.1%	791 553	771 558
1.4 Human Resource Development	13 974	-	(12 608)	1 366	1 366	-	100.0%	10 433	10 433
1.5 Education Mgt. Information System (EMIS)	55 845	-	(25 226)	30 619	30 619	-	100.0%	27 322	25 837
Total for sub programmes	**1 833 503**	**-**	**(73 334)**	**1 760 169**	**1 760 169**	**-**	**100.0%**	**1 855 558**	**1 824 322**
Economic classification									
Current payments	**1 751 932**	**-**	**(73 334)**	**1 678 598**	**1 699 659**	**(21 061)**	**101.3%**	**1 738 505**	**1 739 813**
Compensation of employees	1 366 107	-	(103 894)	1 262 213	1 151 332	110 881	91.2%	1 124 805	1 124 805
Salaries and wages	1 097 712	-	(14 949)	1 082 763	987 241	95 522	91.2%	966 077	966 077
Social contributions	268 395	-	(88 945)	179 450	164 091	15 359	91.4%	158 728	158 728
Goods and services	385 652	-	29 507	415 159	547 101	(131 942)	131.8%	613 277	614 585
Administrative fees	1 106	-	2 601	3 707	3 707	-	100.0%	3 172	3 172
Advertising	5 194	-	563	5 757	5 757	-	100.0%	5 183	5 183
Minor assets	-	-	1 423	1 423	1 423	-	100.0%	1 408	1 408
Audit costs: External	9 894	-	1 629	11 523	11 523	-	100.0%	11 835	11 835
Bursaries: Employees	22 000	-	27 630	49 630	49 630	-	100.0%	66 590	67 898
Catering: Departmental activities	3 851	-	(2 243)	1 608	1 608	-	100.0%	2 981	2 981
Communication	7 543	-	6 094	13 637	37 338	(23 701)	273.8%	36 287	36 287
Computer services	65 526	-	(5 527)	59 999	59 999	-	100.0%	79 567	79 567

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

Consultants: Business and advisory services	16 754	-	(16 120)	634	634	-	100.0%	2 655	2 655
Laboratory services	469	-	(469)	-	-	-	-	-	-
Legal services	3 685	-	-	3 685	30 883	(27 198)	838.1%	7 420	7 420
Contractors	-	-	1 850	1 850	1 850	-	100.0%	3 629	3 629
Agency and support / outsourced services	5 221	-	10 611	15 832	15 832	-	100.0%	13 367	13 367
Entertainment	-	-	13	13	13	-	100.0%	6	6
Fleet services	40 615	-	6 043	46 658	46 658	-	100.0%	39 366	39 366
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	232	232	232	-	100.0%	33	33
Inventory: Food and food supplies	549	-	(510)	39	39	-	100.0%	23	23
Inventory: Fuel, oil and gas	147	-	(66)	81	81	-	100.0%	101	101
Inventory: Learner and teacher support material	-	-	170	170	170	-	100.0%	560	560
Inventory: Materials and supplies	-	-	-	-	-	-	-	57	57
Inventory: Medical supplies	4 560	-	(4 560)	-	-	-	-	-	-
Inventory: Other supplies	-	-	900	900	900	-	100.0%	51	51
Consumable supplies	7 689	-	(5 176)	2 513	2 513	-	100.0%	3 383	3 383
Consumable: Stationery, printing and office supplies	17 651	-	(4 011)	13 640	13 640	-	100.0%	13 678	13 678
Operating leases	34 962	-	(22 096)	12 866	12 866	-	100.0%	9 685	9 685
Property payments	38 135	-	9 899	48 034	110 904	(62 870)	230.9%	87 921	87 921
Transport provided: Departmental activity	170	-	115	285	285	-	100.0%	1 561	1 561
Travel and subsistence	82 283	-	22 771	105 054	123 227	(18 173)	117.3%	126 504	126 504
Training and development	13 974	-	(13 787)	187	187	-	100.0%	650	650
Operating payments	3 674	-	9 499	13 173	13 173	-	100.0%	90 718	90 718
Venues and facilities	-	-	1 383	1 383	1 383	-	100.0%	4 241	4 241
Rental and hiring	-	-	646	646	646	-	100.0%	645	645

Interest and rent on land	173	-	1 053	1 226	1 226	-	100.0%	423	423
Interest	173	-	1 053	1 226	1 226	-	100.0%	423	423
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**36 160**	**-**	**-**	**36 160**	**22 611**	**13 549**	**62.5%**	**32 570**	**20 433**
Provinces and municipalities	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Provinces	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Provincial agencies and funds	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Households	34 340	-	(741)	33 599	20 050	13 549	59.7%	31 239	19 102
Social benefits	32 985	-	(1 253)	31 732	18 183	13 549	57.3%	31 078	18 941
Other transfers to households	1 355	-	512	1 867	1 867	-	100.0%	161	161
Payments for capital assets	**13 518**	**-**	**-**	**13 518**	**6 007**	**7 511**	**44.4%**	**52 590**	**32 183**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13 380	-	-	13 380	5 869	7 511	43.9%	52 535	32 128
Transport equipment	3 000	-	1 657	4 657	4 657	-	100.0%	25 000	18 545
Other machinery and equipment	10 380	-	(1 657)	8 723	1 212	7 511	13.9%	27 535	13 583
Software and other intangible assets	138	-	-	138	138	-	100.0%	55	55
Payments for financial assets	**31 893**	**-**	**-**	**31 893**	**31 892**	**1**	**100.0%**	**31 893**	**31 893**
Total	**1 833 503**	**-**	**(73 334)**	**1 760 169**	**1 760 169**	**-**	**100.0%**	**1 855 558**	**1 824 322**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.1 Office of the MEC

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**36 067**	**-**	**11 808**	**47 875**	**47 875**	**-**	**100.0%**	**25 320**	**25 320**
Compensation of employees	7 710	-	(5 733)	1 977	1 977	-	100.0%	1 976	1 976
Goods and services	28 357	-	17 541	45 898	45 898	-	100.0%	23 344	23 344
Transfers and subsidies	**1 355**	**-**	**(1 355)**	**-**	**-**	**-**	**-**	**-**	**1 269**
Households	1 355	-	(1 355)	-	-	-	-	-	1 269
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**72**
Machinery and equipment	-	-	-	-	-	-	-	-	72

1.2 Corporate Services									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**857 723**	**-**	**12 026**	**869 749**	**956 259**	**(86 510)**	**109.9%**	**948 842**	**950 150**
Compensation of employees	620 986	-	(10 530)	610 456	610 456	-	100.0%	591 245	591 245
Goods and services	236 573	-	21 539	258 112	344 622	(86 510)	133.5%	357 188	358 496
Interest and rent on land	164	-	1 017	1 181	1 181	-	100.0%	409	409
Transfers and subsidies	**6 852**	**-**	**3 633**	**10 485**	**10 485**	**-**	**100.0%**	**9 897**	**9 897**
Provinces and municipalities	1 820	-	741	2 561	2 561	-	100.0%	1 331	1 331
Households	5 032	-	2 892	7 924	7 924	-	100.0%	8 566	8 566
Payments for capital assets	**4 698**	**-**	**433**	**5 131**	**5 131**	**-**	**100.0%**	**42 191**	**29 786**
Machinery and equipment	4 560	-	571	5 131	5 131	-	100.0%	42 136	29 731
Software and other intangible assets	138	-	(138)	-	-	-	-	55	55

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.3 Education Management

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**788 323**	**-**	**(58 620)**	**729 703**	**664 254**	**65 449**	**91.0%**	**728 588**	**728 588**
Compensation of employees	695 033	-	(68 524)	626 509	515 628	110 881	82.3%	508 768	508 768
Goods and services	93 281	-	9 868	103 149	148 581	(45 432)	144.0%	219 806	219 806
Interest and rent on land	9	-	36	45	45	-	100.0%	14	14
Transfers and subsidies	**27 953**	**-**	**(2 278)**	**25 675**	**12 126**	**13 549**	**47.2%**	**22 673**	**9 267**
Households	27 953	-	(2 278)	25 675	12 126	13 549	47.2%	22 673	9 267
Payments for capital assets	**8 820**	**-**	**(1 147)**	**7 673**	**162**	**7 511**	**2.1%**	**8 399**	**1 810**
Machinery and equipment	8 820	-	(1 147)	7 673	162	7 511	2.1%	8 399	1 810
Payments for financial assets	**31 893**	**-**	**-**	**31 893**	**31 892**	**1**	**100.0%**	**31 893**	**31 893**

1.4 Human Resource Development

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**13 974**	**-**	**(12 653)**	**1 321**	**1 321**	**-**	**100.0%**	**10 433**	**10 433**
Compensation of employees	-	-	17	17	17	-	100.0%	23	23
Goods and services	13 974	-	(12 670)	1 304	1 304	-	100.0%	10 410	10 410
Payments for capital assets	**-**	**-**	**45**	**45**	**45**	**-**	**100.0%**	**-**	**-**
Machinery and equipment	-	-	45	45	45	-	100.0%	-	-

1.5 Education Mgt Information System (Emis)									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**55 845**	**-**	**(25 895)**	**29 950**	**29 950**	**-**	**100.0%**	**25 322**	**25 322**
Compensation of employees	42 378	-	(19 124)	23 254	23 254	-	100.0%	22 793	22 793
Goods and services	13 467	-	(6 771)	6 696	6 696	-	100.0%	2 529	2 529
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	**-**	**-**	**669**	**669**	**669**	**-**	**100.0%**	**2 000**	**515**
Machinery and equipment	-	-	531	531	531	-	100.0%	2 000	515
Software and other intangible assets	-	-	138	138	138	-	100.0%	-	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 2: Public Ordinary School Education									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
2.1 Public Primary Schools	22 910 255	-	(454 179)	22 456 076	22 602 301	(146 225)	100.7%	21 159 845	21 096 233
2.2 Public Secondary Schools	15 051 176	-	687 703	15 738 879	16 011 249	(272 370)	101.7%	15 099 968	15 163 441
2.3 Human Resource Development	70 177	-	17 373	87 550	87 550	-	100.0%	175 847	175 847
2.4 School Sport, Culture and Media Services	54 811	-	(35 883)	18 928	27 559	(8 631)	145.6%	50 989	50 012
2.5 National School Nutrition Programme	1 566 894	-	-	1 566 894	1 437 448	129 446	91.7%	1 363 783	1 246 976
2.6 EPWP Integrated Grant for Provinces	2 000	-	-	2 000	2 123	(123)	106.2%	2 790	2 844
2.7 Social Sector EPWP Incentive Grant for Provinces	4 808	-	-	4 808	4 297	511	89.4%	27 318	27 365
2.8 Maths Science and Technology Grant	61 660	-	-	61 660	55 512	6 148	90.0%	62 453	63 468
Total for sub programmes	**39 721 781**	**-**	**215 014**	**39 936 795**	**40 228 039**	**(291 244)**	**100.7%**	**37 942 993**	**37 826 186**
Economic classification									
Current payments	**38 305 074**	**20 000**	**215 014**	**38 540 088**	**38 704 290**	**(164 202)**	**100.4%**	**36 398 408**	**36 240 565**
Compensation of employees	35 561 821	-	242 435	35 804 256	35 993 428	(189 172)	100.5%	33 837 472	33 747 306
Salaries and wages	28 199 710	-	2 452 988	30 652 698	30 841 870	(189 172)	100.6%	28 945 757	28 936 624
Social contributions	7 362 111	-	(2 210 553)	5 151 558	5 151 558	-	100.0%	4 891 715	4 810 682
Goods and services	2 743 253	20 000	(27 427)	2 735 826	2 710 856	24 970	99.1%	2 560 835	2 493 158
Administrative fees	850	-	6 103	6 953	6 953	-	100.0%	7 532	7 532
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	20 000	-	20 000	-	20 000	-	-	-

Audit costs: External	-	-	308	308	308	-	100.0%	259	259
Bursaries: Employees	45 248	-	(32 758)	12 490	12 490	-	100.0%	-	-
Catering: Departmental activities	3 005	-	21 552	24 557	24 662	(105)	100.4%	18 557	18 557
Communication	3 000	-	(2 810)	190	190	-	100.0%	98	98
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	84 420	-	(1 556)	82 864	141 015	(58 151)	170.2%	100 470	100 470
Infrastructure and planning services	-	-	-	-	-	-	-	95	95
Laboratory services	2 098	-	(2 098)	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	5 400	5 400
Contractors	-	-	397	397	397	-	100.0%	286	286
Agency and support / outsourced services	1 386 465	-	152 875	1 539 340	1 430 172	109 168	92.9%	1 343 191	1 242 216
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	580	-	(580)	-	-	-	-	29	29
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	6	6	6	-	100.0%	64	64
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	145	-	(145)	-	-	-	-	-	-
Inventory: Learner and teacher support material	667 570	-	35 545	703 115	703 115	-	100.0%	547 098	547 098
Inventory: Materials and supplies	19 782	-	(19 782)	-	-	-	-	482	482
Inventory: Medical supplies	2 509	-	(2 509)	-	-	-	-	-	-
Inventory: Other supplies	189 661	-	(59 004)	130 657	130 657	-	100.0%	186 795	219 897
Consumable supplies	67 424	-	(2 458)	64 966	105 511	(40 545)	162.4%	14 055	14 055

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Consumable: Stationery, printing and office supplies	7 135	-	8 741	15 876	15 876	-	100.0%	5 134	5 134
Operating leases	3 171	-	1 140	4 311	4 311	-	100.0%	3 955	3 955
Property payments	25 600	-	4 950	30 550	30 550	-	100.0%	49 567	49 762
Transport provided: Departmental activity	-	-	1 989	1 989	2 723	(734)	136.9%	6 842	6 842
Travel and subsistence	24 779	-	26 314	51 093	56 398	(5 305)	110.4%	112 581	112 582
Training and development	96 491	-	(91 932)	4 559	1 430	3 129	31.4%	7 397	7 397
Operating payments	111 820	-	(71 867)	39 953	41 567	(1 614)	104.0%	140 171	140 171
Venues and facilities	1 500	-	152	1 652	2 254	(602)	136.4%	10 660	10 660
Rental and hiring	-	-	-	-	271	(271)	-	117	117
Interest and rent on land	-	-	6	6	6	-	100.0%	101	101
Interest	-	-	6	6	6	-	100.0%	101	101
Transfers and subsidies	**1 375 867**	**-**	**-**	**1 375 867**	**1 519 093**	**(143 226)**	**110.4%**	**1 505 644**	**1 585 607**
Non-profit institutions	1 327 574	-	-	1 327 574	1 375 777	(48 203)	103.6%	1 429 549	1 446 314
Households	48 293	-	-	48 293	143 316	(95 023)	296.8%	76 095	139 293
Social benefits	48 293	-	-	48 293	143 316	(95 023)	296.8%	76 095	138 842
Other transfers to households	-	-	-	-	-	-	-	-	451
Payments for capital assets	**40 840**	**(20 000)**	**-**	**20 840**	**4 656**	**16 184**	**22.3%**	**38 941**	**14**
Buildings and other fixed structures	10 000	-	-	10 000	-	10 000	-	-	-
Other fixed structures	10 000	-	-	10 000	-	10 000	-	-	-
Machinery and equipment	26 240	(19 000)	-	7 240	4 656	2 584	64.3%	34 941	14
Transport equipment	6 840	-	-	6 840	4 462	2 378	65.2%	-	-
Other machinery and equipment	19 400	(19 000)	-	400	194	206	48.5%	34 941	14
Software and other intangible assets	4 600	(1 000)	-	3 600	-	3 600	-	4 000	-
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**39 721 781**	**-**	**215 014**	**39 936 795**	**40 228 039**	**(291 244)**	**100.7%**	**37 942 993**	**37 826 186**

2.1 Public Primary Schools

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**22 085 468**	**-**	**(473 920)**	**21 611 548**	**21 669 699**	**(58 151)**	**100.3%**	**20 203 450**	**20 123 348**
Compensation of employees	21 444 368	-	(451 692)	20 992 676	20 992 676	-	100.0%	19 676 391	19 596 289
Goods and services	641 100	-	(22 231)	618 869	677 020	(58 151)	109.4%	527 058	527 058
Interest and rent on land	-	-	3	3	3	-	100.0%	1	1
Transfers and subsidies	**824 787**	**-**	**19 741**	**844 528**	**932 602**	**(88 074)**	**110.4%**	**956 395**	**972 885**
Non-profit institutions	793 370	-	19 741	813 111	841 314	(28 203)	103.5%	926 474	880 333
Households	31 417	-	-	31 417	91 288	(59 871)	290.6%	29 921	92 552
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-

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2.2 Public Secondary

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**14 500 096**	**-**	**707 444**	**15 207 540**	**15 444 758**	**(237 218)**	**101.6%**	**14 550 821**	**14 550 821**
Compensation of employees	14 056 539	-	710 783	14 767 322	14 963 995	(196 673)	101.3%	14 091 228	14 091 228
Goods and services	443 557	-	(3 342)	440 215	480 760	(40 545)	109.2%	459 493	459 493
Interest and rent on land	-	-	3	3	3	-	100.0%	100	100
Transfers and subsidies	**551 080**	**-**	**(19 741)**	**531 339**	**566 491**	**(35 152)**	**106.6%**	**549 147**	**612 620**
Non-profit institutions	534 204	-	(19 741)	514 463	514 463	-	100.0%	503 075	565 981
Households	16 876	-	-	16 876	52 028	(35 152)	308.3%	46 072	46 639
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-

2.3 Human Resource Development

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**70 177**	**-**	**17 373**	**87 550**	**87 550**	**-**	**100.0%**	**175 847**	**175 847**
Compensation of employees	-	-	19 227	19 227	19 227	-	100.0%	18 288	18 288
Goods and services	70 177	-	(1 854)	68 323	68 323	-	100.0%	157 559	157 559

2.4 School Sport, Culture and Media Services

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**54 811**	**-**	**(35 883)**	**18 928**	**27 559**	**(8 631)**	**145.6%**	**50 887**	**49 910**
Compensation of employees	47 206	-	(35 883)	11 323	11 323	-	100.0%	12 465	11 488
Goods and services	7 605	-	-	7 605	16 236	(8 631)	213.5%	38 422	38 422
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**102**	**102**
Households	-	-	-	-	-	-	-	102	102

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2.5 National School Nutrition Programme

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 549 054**	**-**	**-**	**1 549 054**	**1 432 986**	**116 068**	**92.5%**	**1 356 943**	**1 246 976**
Compensation of employees	6 900	-	-	6 900	-	6 900	-	8 992	-
Goods and services	1 542 154	-	-	1 542 154	1 432 986	109 168	92.9%	1 347 951	1 246 976
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payments for capital assets	**17 840**	**-**	**-**	**17 840**	**4 462**	**13 378**	**25.0%**	**6 840**	**-**
Buildings and other fixed structures	10 000	-	-	10 000	-	10 000	-	-	-
Machinery and equipment	7 240	-	-	7 240	4 462	2 778	61.6%	6 840	-
Software and other intangible assets	600	-	-	600	-	600	-	-	-

2.6 EPWP Integrated Grant for Provinces

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2 000**	**-**	**-**	**2 000**	**1 929**	**71**	**96.5%**	**2 790**	**2 844**
Compensation of employees	2 000	-	-	2 000	1 910	90	95.5%	2 790	2 649
Goods and services	-	-	-	-	19	(19)	-	-	195
Payments for capital assets	**-**	**-**	**-**	**-**	**194**	**(194)**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	194	(194)	-	-	-

2.7 Social Sector EPWP Incentive Grant for Provinces

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4 808**	**-**	**-**	**4 808**	**4 297**	**511**	**89.4%**	**27 318**	**27 365**
Compensation of employees	4 808	-	-	4 808	4 297	511	89.4%	27 318	27 364
Goods and services	-	-	-	-	-	-	-	-	1

2.8 Maths Science and Technology Grant

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**38 660**	**20 000**	**-**	**58 660**	**35 512**	**23 148**	**60.5%**	**30 352**	**63 454**
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	38 660	20 000	-	58 660	35 512	23 148	60.5%	30 352	63 454
Transfers and subsidies	**-**	**-**	**-**	**-**	**20 000**	**(20 000)**	**-**	**-**	**-**
Non-profit institutions	-	-	-	-	20 000	(20 000)	-	-	-
Payments for capital assets	**23 000**	**(20 000)**	**-**	**3 000**	**-**	**3 000**	**-**	**32 101**	**14**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	19 000	(19 000)	-	-	-	-	-	28 101	14
Software and other intangible assets	4 000	(1 000)	-	3 000	-	3 000	-	4 000	-

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Programme 3: Independent School Subsidies									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
3.1 Primary Phase	52 799	-	-	52 799	50 787	2 012	96.2%	52 153	52 153
3.2 Secondary Phase	33 239	-	-	33 239	32 193	1 046	96.9%	29 788	28 747
Total for sub programmes	**86 038**	**-**	**-**	**86 038**	**82 980**	**3 058**	**96.4%**	**81 941**	**80 900**
Economic classification									
Current payments	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**86 038**	**-**	**-**	**86 038**	**82 980**	**3 058**	**96.4%**	**81 941**	**80 900**
Non-profit institutions	86 038	-	-	86 038	82 980	3 058	96.4%	81 941	80 900
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	**86 038**	**-**	**-**	**86 038**	**82 980**	**3 058**	**96.4%**	**81 941**	**80 900**

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3.1 Primary Phase

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**52 799**	**-**	**-**	**52 799**	**50 787**	**2 012**	**96.2%**	**52 153**	**52 153**
Non-profit institutions	52 799	-	-	52 799	50 787	2 012	96.2%	52 153	52 153
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

3.2 Secondary Phase

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**33 239**	**-**	**-**	**33 239**	**32 193**	**1 046**	**96.9%**	**29 788**	**28 747**
Non-profit institutions	33 239	-	-	33 239	32 193	1 046	96.9%	29 788	28 747
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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Programme 4: Public Special School Education									
	2017/18							**2016/17**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programmes									
4.1 Public Special Schools	1 069 320	-	5 830	1 075 150	1 121 070	(45 920)	104.3%	1 052 086	1 047 901
4.2 Human Resource Development	7 931	-	(5 830)	2 101	730	1 371	34.7%	42	42
4.3 Learners with Profound Intellectual Disabilities Grant	5 558	-	-	5 558	2 696	2 862	48.5%	-	-
Total for sub programmes	**1 082 809**	**-**	**-**	**1 082 809**	**1 124 496**	**(41 687)**	**103.8%**	**1 052 128**	**1 047 943**
Economic classification									
Current payments	**946 356**	**-**	**-**	**946 356**	**988 010**	**(41 654)**	**104.4%**	**898 518**	**898 518**
Compensation of employees	935 088	-	-	935 088	980 791	(45 703)	104.9%	897 252	897 252
Salaries and wages	788 326	-	-	788 326	828 964	(40 638)	105.2%	758 613	758 613
Social contributions	146 762	-	-	146 762	151 827	(5 065)	103.5%	138 639	138 639
Goods and services	11 268	-	-	11 268	7 219	4 049	64.1%	1 266	1 266
Administrative fees	-	-	415	415	415	-	100.0%	10	10
Catering: Departmental activities	-	-	245	245	245	-	100.0%	40	40
Communication	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	558	-	(558)	-	-	-	-	191	191
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	2 315	2 315	2 315	-	100.0%	603	603
Consumable supplies	-	-	5	5	5	-	100.0%	11	11

Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	30	30
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	33	33	33	-	100.0%	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	4 198	4 198	4 198	-	100.0%	341	341
Training and development	10 710	-	(6 653)	4 057	8	4 049	0.2%	40	40
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**135 344**	**-**	**-**	**135 344**	**135 946**	**(602)**	**100.4%**	**138 400**	**134 830**
Non-profit institutions	133 619	-	-	133 619	133 488	131	99.9%	136 757	130 964
Households	1 725	-	-	1 725	2 458	(733)	142.5%	1 643	3 866
Social benefits	1 725	-	-	1 725	2 458	(733)	142.5%	1 643	3 866
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	**1 109**	**-**	**-**	**1 109**	**540**	**569**	**48.7%**	**15 210**	**14 595**
Machinery and equipment	1 109	-	-	1 109	540	569	48.7%	15 210	14 595
Transport equipment	-	-	540	540	540	-	100.0%	15 210	14 595
Other machinery and equipment	1 109	-	(540)	569	-	569	-	-	-
Total	**1 082 809**	**-**	**-**	**1 082 809**	**1 124 496**	**(41 687)**	**103.8%**	**1 052 128**	**1 047 943**

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4.1 Public Special Schools

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**933 976**	**-**	**5 830**	**939 806**	**985 124**	**(45 318)**	**104.8%**	**898 476**	**898 476**
Compensation of Employees	933 976	-	-	933 976	979 294	(45 318)	104.9%	897 252	897 252
Goods and services	-	-	5 830	5 830	5 830	-	100.0%	1 224	1 224
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**135 344**	**-**	**-**	**135 344**	**135 946**	**(602)**	**100.4%**	**138 400**	**134 830**
Non-profit institutions	133 619	-	-	133 619	133 488	131	99.9%	136 757	130 964
Households	1 725	-	-	1 725	2 458	(733)	142.5%	1 643	3 866
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15 210**	**14 595**
Machinery and equipment	-	-	-	-	-	-	-	15 210	14 595
Payments for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

4.2 Human Resource Development

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**7 931**	**-**	**(5 830)**	**2 101**	**730**	**1 371**	**34.7%**	**42**	**42**
Goods and services	7 931	-	(5 830)	2 101	730	1 371	34.7%	42	42

4.3 Learners with Profound Intellectual Disabilities Grant									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4 449**	**-**	**-**	**4 449**	**2 156**	**2 293**	**48.5%**	**-**	**-**
Compensation of Employees	1 112	-	-	1 112	1 497	(385)	134.6%	-	-
Goods and services	3 337	-	-	3 337	659	2 678	19.7%	-	-
Payments for capital assets	**1 109**	**-**	**-**	**1 109**	**540**	**569**	**48.7%**	**-**	**-**
Machinery and equipment	1 109	-	-	1 109	540	569	48.7%	-	-

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Programme 5: Early Childhood Development									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
5.1 Grade R Public Schools	1 144 461	-	(113 156)	1 031 305	908 751	122 554	88.1%	779 609	858 448
5.2 Grade R Early Childhood Development Centres	22 596	-	31 502	54 098	46 588	7 510	86.1%	70 612	70 612
5.3 Pre-Grade R Training	58 449	-	(16 874)	41 575	15 912	25 663	38.3%	44 463	44 463
5.4 Human Resource Development	6 089	-	-	6 089	-	6 089	-	-	-
Total for sub programmes	**1 231 595**	**-**	**(98 528)**	**1 133 067**	**971 251**	**161 816**	**85.7%**	**894 684**	**973 523**
Economic classification									
Current payments	**1 201 067**	**-**	**(98 528)**	**1 102 539**	**941 579**	**160 960**	**85.4%**	**874 419**	**954 521**
Compensation of employees	1 080 100	-	(98 528)	981 572	934 359	47 213	95.2%	794 090	874 192
Salaries and wages	838 735	-	69 171	907 906	907 906	-	100.0%	775 372	855 474
Social contributions	241 365	-	(167 699)	73 666	26 453	47 213	35.9%	18 718	18 718
Goods and services	120 967	-	-	120 967	7 220	113 747	6.0%	80 329	80 329
Administrative fees	-	-	1	1	1	-	100.0%	68	68
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 050	-	-	1 050	98	952	9.3%	272	272
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	2 811	-	-	2 811	-	2 811	-	-	-
Contractors	-	-	1	1	1	-	100.0%	-	-
Agency and support / outsourced services	106	-	-	106	-	106	-	-	-

Fleet services	369	-	-	369	-	369	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	11	11
Inventory: Learner and teacher support material	84 672	-	(651)	84 021	-	84 021	-	76 382	76 382
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 328	-	(222)	1 106	-	1 106	-	113	113
Consumable: Stationery, printing and office supplies	2 100	-	(232)	1 868	293	1 575	15.7%	1 195	1 195
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	1 155	-	(20)	1 135	85	1 050	7.5%	-	-
Travel and subsistence	4 035	-	1 048	5 083	1 049	4 034	20.6%	2 257	2 257
Training and development	22 945	-	-	22 945	5 615	17 330	24.5%	-	-
Operating payments	396	-	69	465	72	393	15.5%	-	-
Venues and facilities	-	-	-	-	-	-	-	10	10
Rental and hiring	-	-	6	6	6	-	100.0%	21	21
Transfers and subsidies	**30 528**	**-**	**-**	**30 528**	**29 672**	**856**	**97.2%**	**20 265**	**19 002**
Non-profit institutions	30 528	-	(268)	30 260	29 404	856	97.2%	20 265	18 851
Households	-	-	268	268	268	-	100.0%	-	151
Social benefits	-	-	268	268	268	-	100.0%	-	151
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Total	**1 231 595**	**-**	**(98 528)**	**1 133 067**	**971 251**	**161 816**	**85.7%**	**894 684**	**973 523**

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5.1 Grade R in Public Schools

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**1 113 933**	**-**	**(112 967)**	**1 000 966**	**879 268**	**121 698**	**87.8%**	**759 344**	**839 446**
Compensation of Employees	1 039 347	-	(112 967)	926 380	879 167	47 213	94.9%	718 556	798 658
Goods and services	74 586	-	-	74 586	101	74 485	0.1%	40 788	40 788
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**30 528**	**-**	**(189)**	**30 339**	**29 483**	**856**	**97.2%**	**20 265**	**19 002**
Non-profit institutions	30 528	-	(268)	30 260	29 404	856	97.2%	20 265	18 851
Households	-	-	79	79	79	-	100.0%	-	151
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-	-	-	-	-

5.2 Grade R Early Childhood Development Centres

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**22 596**	**-**	**31 313**	**53 909**	**46 399**	**7 510**	**86.1%**	**70 612**	**70 612**
Compensation of Employees	13 583	-	31 313	44 896	44 896	-	100.0%	61 707	61 707
Goods and services	9 013	-	-	9 013	1 503	7 510	16.7%	8 905	8 905
Transfers and subsidies	**-**	**-**	**189**	**189**	**189**	**-**	**100.0%**	**-**	**-**
Households	-	-	189	189	189	-	100.0%	-	-

5.3 Pre-Grade R Training									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**58 449**	**-**	**(16 874)**	**41 575**	**15 912**	**25 663**	**38.3%**	**44 463**	**44 463**
Compensation of Employees	27 170	-	(16 874)	10 296	10 296	-	100.0%	13 827	13 827
Goods and services	31 279	-	-	31 279	5 616	25 663	18.0%	30 636	30 636

5.4 Human Resource Development									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6 089**	**-**	**-**	**6 089**	**-**	**6 089**	**-**	**-**	**-**
Goods and services	6 089	-	-	6 089	-	6 089	-	-	-

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Programme 6: Infrastructure Development

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
6.1 Administration	95 276	-	72 423	167 699	162 067	5 632	96.6%	293 519	298 692
6.2 Public Ordinary School Education	2 233 726	-	14 451	2 248 177	2 248 177	-	100.0%	2 109 678	2 109 678
6.3 Public Special School Education	197 934	-	(80 171)	117 763	115 334	2 429	97.9%	64 879	64 879
6.4 Early Childhood Development	227 894	-	(81 120)	146 774	49 210	97 564	33.5%	128 315	120 196
Total for sub programmes	**2 754 830**	**-**	**(74 417)**	**2 680 413**	**2 574 788**	**105 625**	**96.1%**	**2 596 391**	**2 593 445**
Economic classification									
Current payments	**589 396**	**119 179**	**(74 417)**	**634 158**	**628 464**	**5 694**	**99.1%**	**416 398**	**422 756**
Compensation of employees	28 276	-	-	28 276	22 582	5 694	79.9%	25 100	19 351
Salaries and wages	28 276	-	(1 706)	26 570	20 876	5 694	78.6%	23 150	17 401
Social contributions	-	-	1 706	1 706	1 706	-	100.0%	1 950	1 950
Goods and services	561 120	119 179	(74 417)	605 882	605 882	-	100.0%	391 298	403 405
Advertising	-	-	-	-	-	-	-	100	100
Minor assets	-	-	-	-	-	-	-	2	2
Contractors	-	-	3 472	3 472	3 472	-	100.0%	2 051	2 051
Inventory: Other supplies	25 000	-	(3 886)	21 114	21 114	-	100.0%	21 700	21 700
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	56	56
Operating leases	42 000	-	41 233	83 233	83 233	-	100.0%	52 138	64 245
Property payments	494 120	119 179	(117 123)	496 176	496 176	-	100.0%	313 588	313 588
Travel and subsistence	-	-	1 868	1 868	1 868	-	100.0%	1 613	1 613
Operating payments	-	-	19	19	19	-	100.0%	50	50

Transfers and subsidies	**-**	**-**	**-**	**-**	**62**	**(62)**	**-**	**-**	**-**
Households	-	-	-	-	62	(62)	-	-	-
Social benefits	-	-	-	-	62	(62)	-	-	-
Payments for capital assets	**2 165 434**	**(119 179)**	**-**	**2 046 255**	**1 946 262**	**99 993**	**95.1%**	**2 179 993**	**2 170 689**
Buildings and other fixed structures	2 165 434	(119 179)	-	2 046 255	1 946 262	99 993	95.1%	2 178 493	2 170 374
Buildings	2 165 434	(119 179)	-	2 046 255	1 946 262	99 993	95.1%	2 178 493	2 170 374
Machinery and equipment	-	-	-	-	-	-	-	1 308	123
Other machinery and equipment	-	-	-	-	-	-	-	1 308	123
Software and other intangible assets	-	-	-	-	-	-	-	192	192
Total	**2 754 830**	**-**	**(74 417)**	**2 680 413**	**2 574 788**	**105 625**	**96.1%**	**2 596 391**	**2 593 445**

6.1 Administration

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**53 276**	**-**	**64 431**	**117 707**	**112 013**	**5 694**	**95.2%**	**58 413**	**64 771**
Compensation of employees	28 276	-	-	28 276	22 582	5 694	79.9%	5 749	-
Goods and services	25 000	-	64 431	89 431	89 431	-	100.0%	52 664	64 771
Transfers and subsidies	**-**	**-**	**-**	**-**	**62**	**(62)**	**-**	**-**	**-**
Households	-	-	-	-	62	(62)	-	-	-
Payments for capital assets	**42 000**	**-**	**7 992**	**49 992**	**49 992**	**-**	**100.0%**	**235 106**	**233 921**
Buildings and other fixed structures	42 000	-	7 992	49 992	49 992	-	100.0%	233 798	233 798
Machinery and equipment	-	-	-	-	-	-	-	1 308	123

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6.2 Public Ordinary School Education

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**437 000**	**119 179**	**(39 728)**	**516 451**	**516 451**	**-**	**100.0%**	**357 896**	**357 896**
Compensation of employees	-	-	-	-	-	-	-	19 351	19 351
Goods and services	437 000	119 179	(39 728)	516 451	516 451	-	100.0%	338 545	338 545
Payments for capital assets	**1 796 726**	**(119 179)**	**54 179**	**1 731 726**	**1 731 726**	**-**	**100.0%**	**1 751 782**	**1 751 782**
Buildings and other fixed structures	1 796 726	(119 179)	54 179	1 731 726	1 731 726	-	100.0%	1 751 590	1 751 590
Software and other intangible assets	-	-	-	-	-	-	-	192	192

6.3 Public Special School Education

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**18 000**	**-**	**(18 000)**	**-**	**-**	**-**	**-**	**89**	**89**
Goods and services	18 000	-	(18 000)	-	-	-	-	89	89
Payments for capital assets	**179 934**	**-**	**(62 171)**	**117 763**	**115 334**	**2 429**	**97.9%**	**64 790**	**64 790**
Buildings and other fixed structures	179 934	-	(62 171)	117 763	115 334	2 429	97.9%	64 790	64 790

6.4 Early Childhood Development									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**81 120**	**-**	**(81 120)**	**-**	**-**	**-**	**-**	**-**	**-**
Goods and services	81 120	-	(81 120)	-	-	-	-	-	-
Payments for capital assets	**146 774**	**-**	**-**	**146 774**	**49 210**	**97 564**	**33.5%**	**128 315**	**120 196**
Buildings and other fixed structures	146 774	-	-	146 774	49 210	97 564	33.5%	128 315	120 196

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Programme 7: Examination and Education Related Services									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programmes									
7.1 Payments to SETA	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
7.2 Professional Services	626 417	-	7 466	633 883	638 474	(4 591)	100.7%	617 344	621 394
7.3 External Examinations	758 239	-	23 799	782 038	782 529	(491)	100.1%	562 617	556 513
7.4 HIV and AIDS (Life-Skills) Grant	56 115	-	-	56 115	64 262	(8 147)	114.5%	53 096	55 074
Total for sub programmes	**1 529 533**	**-**	**31 265**	**1 560 798**	**1 574 762**	**(13 964)**	**100.9%**	**1 316 314**	**1 316 238**
Economic classification									
Current payments	**1 440 771**	**-**	**31 265**	**1 472 036**	**1 480 183**	**(8 147)**	**100.6%**	**1 215 284**	**1 211 158**
Compensation of employees	1 020 571	-	(40 013)	980 558	978 723	1 835	99.8%	952 315	945 489
Salaries and wages	851 010	-	41 091	892 101	890 266	1 835	99.8%	860 407	859 748
Social contributions	169 561	-	(81 104)	88 457	88 457	-	100.0%	91 908	85 741
Goods and services	420 200	-	71 274	491 474	501 456	(9 982)	102.0%	262 965	265 665
Administrative fees	500	-	1 635	2 135	4 571	(2 436)	214.1%	1 803	1 803
Advertising	963	-	(963)	-	-	-	-	-	-
Minor assets	-	-	91	91	91	-	100.0%	362	362
Audit costs: External	-	-	-	-	-	-	-	5	5
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	25 195	-	17 502	42 697	42 697	-	100.0%	46 687	46 687
Communication	-	-	1 008	1 008	1 008	-	100.0%	887	887
Computer services	7 316	-	(1 586)	5 730	5 730	-	100.0%	5 052	5 052
Contractors	-	-	494	494	494	-	100.0%	87	87

Agency and support / outsourced services	5 538	-	(5 061)	477	477	-	100.0%	357	357
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	8	8
Inventory: Clothing material and supplies	-	-	11	11	11	-	100.0%	48	48
Inventory: Fuel, oil and gas	-	-	44	44	44	-	100.0%	292	292
Inventory: Learner and teacher support material	450	-	1 371	1 821	1 821	-	100.0%	1 055	1 055
Inventory: Materials and supplies	-	-	-	-	-	-	-	230	230
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	863	863	863	-	100.0%	-	-
Consumable supplies	11 057	-	(10 628)	429	429	-	100.0%	1 928	1 928
Consumable: Stationery, printing and office supplies	23 288	-	(218)	23 070	23 070	-	100.0%	5 309	5 309
Operating leases	23 000	-	(19 219)	3 781	3 781	-	100.0%	2 952	2 952
Property payments	21 000	-	21 608	42 608	42 608	-	100.0%	42 172	42 172
Transport provided: Departmental activity	28 860	-	(26 018)	2 842	2 842	-	100.0%	1 644	1 644
Travel and subsistence	104 563	-	48 372	152 935	160 481	(7 546)	104.9%	134 245	136 945
Training and development	5 692	-	(4 186)	1 506	1 506	-	100.0%	1 364	1 364
Operating payments	147 892	-	42 761	190 653	190 653	-	100.0%	7 816	7 816
Venues and facilities	14 886	-	2 639	17 525	17 525	-	100.0%	8 244	8 244
Rental and hiring	-	-	754	754	754	-	100.0%	418	418
Interest and rent on land	-	-	4	4	4	-	100.0%	4	4
Interest	-	-	4	4	4	-	100.0%	4	4
Transfers and subsidies	**88 762**	**-**	**-**	**88 762**	**94 549**	**(5 787)**	**106.5%**	**100 803**	**104 752**
Departmental agencies and accounts	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
Departmental agencies	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257
Non-profit institutions	-	-	-	-	-	-	-	15 680	15 680

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Households	-	-	-	-	5 052	(5 052)	-	1 866	5 815
Social benefits	-	-	-	-	5 052	(5 052)	-	1 866	5 815
Payments for capital assets	**-**	**-**	**-**	**-**	**30**	**(30)**	**-**	**227**	**328**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	30	(30)	-	227	328
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	30	(30)	-	227	328
Total	**1 529 533**	**-**	**31 265**	**1 560 798**	**1 574 762**	**(13 964)**	**100.9%**	**1 316 314**	**1 316 238**

7.1 Payments to SETA

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**88 762**	**-**	**-**	**88 762**	**89 497**	**(735)**	**100.8%**	**83 257**	**83 257**
Departmental agencies and accounts	88 762	-	-	88 762	89 497	(735)	100.8%	83 257	83 257

7.2 Professional Services

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**626 417**	**-**	**7 466**	**633 883**	**633 883**	**-**	**100.0%**	**617 344**	**617 344**
Compensation of Employees	551 235	-	(15 519)	535 716	535 716	-	100.0%	519 683	519 683
Goods and services	75 182	-	22 982	98 164	98 164	-	100.0%	97 657	97 657
Interest and rent on land	-	-	3	3	3	-	100.0%	4	4
Transfers and subsidies	**-**	**-**	**-**	**-**	**4 591**	**(4 591)**	**-**	**-**	**3 949**
Households	-	-	-	-	4 591	(4 591)	-	-	3 949
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**101**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	101

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VOTE 5
APPROPRIATION STATEMENT
for the year ended 31 March 2018

7.3 External Examinations

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**758 239**	**-**	**23 799**	**782 038**	**782 038**	**-**	**100.0%**	**560 594**	**554 490**
Compensation of Employees	443 879	-	(24 494)	419 385	419 385	-	100.0%	412 177	406 073
Goods and services	314 360	-	48 292	362 652	362 652	-	100.0%	148 417	148 417
Interest and rent on land	-	-	1	1	1	-	100.0%	-	-
Transfers and subsidies	**-**	**-**	**-**	**-**	**461**	**(461)**	**-**	**1 866**	**1 866**
Households	-	-	-	-	461	(461)	-	1 866	1 866
Payments for capital assets	**-**	**-**	**-**	**-**	**30**	**(30)**	**-**	**157**	**157**
Machinery and equipment	-	-	-	-	30	(30)	-	157	157

7.4 HIV and AIDS (Life-Skills) Grant									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**56 115**	**-**	**-**	**56 115**	**64 262**	**(8 147)**	**114.5%**	**37 346**	**39 324**
Compensation of Employees	25 457	-	-	25 457	23 622	1 835	92.8%	20 455	19 733
Goods and services	30 658	-	-	30 658	40 640	(9 982)	132.6%	16 891	19 591
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15 680**	**15 680**
Non-profit institutions	-	-	-	-	-	-	-	15 680	15 680
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**70**	**70**
Machinery and equipment	-	-	-	-	-	-	-	70	70

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION

VOTE 5

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

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

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

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

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

3. Detail on payments for financial assets:

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	1 760 169	1 760 169	-	0.0%
Public Ordinary School Education	39 936 795	40 228 039	(291 244)	(0.7%)
Independent School Subsidies	86 038	82 980	3 058	3.6%
The learner numbers dropped in the last two quarters.				
Public Special School Education	1 082 809	1 124 496	(41 687)	(3.8%)
Due to the above inflationary adjustment to the wage agreement.				
Early Childhood Development	1 133 067	971 251	161 816	14.3%
Cost cutting measures implemented to reduce over spending in Compensation of Employees.				
Infrastructure Development	2 680 413	2 574 788	105 625	3.9%
Cost cutting measures implemented to reduce over spending in Compensation of Employees.				
Examinations and Education Related Services	1 560 798	1 574 762	(13 964)	(0.9%)

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
VOTE 5
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	39 991 963	40 061 215	(69 252)	(0.2%)
Goods and services	4 380 576	4 379 734	842	0.0%
Interest and rent on land	1 236	1 236	-	0.0%
Transfers and subsidies				
Provinces and municipalities	2 561	2 561	-	0.0%
Departmental agencies and accounts	88 762	89 497	(735)	(0.8%)
Non-profit institutions	1 577 491	1 621 649	(44 158)	(2.8%)
Funds transferred to Mandla Mthethwa School of Excellence for the MST Grant.				
Households	83 885	171 206	(87 321)	(104.1%)
This is due to the payment of leave that would have been accrued to employees on exit, due to death or retirement and is also extremely difficult to forecast.				
Payments for capital assets				
Buildings and other fixed structures	2 056 255	1 946 262	109 993	5.3%
Cost cutting measures implemented to reduce over spending in Compensation of Employees.				
Machinery and equipment	21 729	11 095	10 634	48.9%
Cost cutting measures implemented to off-set the over expenditure in other classifications.				
Software and other intangible assets	3 738	138	3 600	96.3%
Cost cutting measures implemented to off-set the over expenditure in other classifications.				
Payments for financial assets	31 893	31 892	1	0.0%

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
National School Nutrition Programme (NSNP)	1 566 894	1 437 448	129 446	8.3%
EPWP Integrated Grant For Provinces Grant	2 000	2 123	(123)	(6.2%)
Social Sector EPWP Incentive Grant For Provinces Grant	4 808	4 297	511	10.6%
Maths, Science and Technology Grant (MST)	61 660	55 512	6 148	10.0%
Learners With Profound Intellectual Disabilities (LSPID)	5 558	2 696	2 862	51.5%
HIV and Aids (Life-Skills Education) Grants (HIV/Aids)	56 115	64 262	(8 147)	(14.5%)
Education Infrastructure Grant	2 333 142	2 333 383	(241)	(0.0%)

NSNP - This is for March 2018 invoices to be paid (rollover requested). EPWP Social Sector Incentive Grant - payments not effected timeously for food handlers. MST – March 2018 orders as commitments to be requested for carry through in 2018/19. LSPID - The business plan was delayed resulting in late appointments of personnel and the roll out of the Grant.

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STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	48 240 089	45 740 009
Departmental revenue	2	107 964	123 639
TOTAL REVENUE		**48 348 053**	**45 863 648**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	40 061 215	37 608 395
Goods and services	4	4 379 734	3 858 408
Interest and rent on land	5	1 236	528
Total current expenditure		**44 442 185**	**41 467 331**
Transfers and subsidies			
Transfers and subsidies	6	1 884 913	1 945 524
Total transfers and subsidies		**1 884 913**	**1 945 524**
Expenditure for capital assets			
Tangible assets	7	1 957 357	2 217 562
Intangible assets	7	138	247
Total expenditure for capital assets		**1 957 495**	**2 217 809**
Unauthorised expenditure approved without funding	8	**31 892**	**31 893**
Payments for financial assets		**-**	**-**
TOTAL EXPENDITURE		**48 316 485**	**45 662 557**
SURPLUS FOR THE YEAR		**31 568**	**201 091**
Reconciliation of Net Surplus for the year			
Voted funds		(76 396)	77 452
Annual appropriation		(215 363)	(39 355)
Conditional grants		138 967	116 807
Departmental revenue and NRF Receipts	2	107 964	123 639
Aid assistance		-	-
SURPLUS FOR THE YEAR		**31 568**	**201 091**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION

VOTE 5

STATEMENT OF FINANCIAL POSITION

as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		**644 219**	**266 700**
Unauthorised expenditure	*8*	564 701	155 905
Cash and cash equivalents		-	-
Prepayments and advances	*9*	-	-
Receivables	*10*	79 518	110 795
Loans		-	-
Aid assistance prepayments		-	-
Aid assistance receivable		-	-
Non-current assets		**498 287**	**418 142**
Investments	*11*	1 686	1 589
Receivables	*10*	496 601	416 553
Loans		-	-
TOTAL ASSETS		**1 142 506**	**684 842**
LIABILITIES			
Current liabilities		**909 627**	**481 804**
Voted funds to be surrendered to the Revenue Fund	*12*	69 470	69 406
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*13*	16 602	8 301
Bank overdraft	*14*	773 552	362 798
Payables	*15*	50 003	41 299
Aid assistance repayable		-	-
Aid assistance unutilised		-	-
Non-current liabilities			
Payables	*16*	1 689	1 592
TOTAL LIABILITIES		**911 316**	**483 396**
NET ASSETS		**231 190**	**201 446**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION

VOTE 5

STATEMENT OF FINANCIAL POSITION

as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		231 190	201 446
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		**231 190**	**201 446**

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STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:		-	-
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		201 446	161 043
Transfers:		**29 744**	**40 403**
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		-	-
Debts raised		29 744	40 403
Closing balance		**231 190**	**201 446**
Retained funds			
Opening balance		-	-
Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)		-	-
Utilised during the year		-	-
Other transfers		-	-
Closing balance		-	-
Revaluation Reserve			
Opening balance		-	-
Revaluation adjustment (Housing departments)		-	-
Transfers		-	-
Other		-	-
Closing balance		-	-
TOTAL		**231 190**	**201 446**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION

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CASH FLOW STATEMENT

for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**48 090 694**	**45 765 202**
Annual appropriated funds received	1.1	47 986 983	45 653 119
Departmental revenue received	2	102 447	111 491
Interest received	2.2	1 264	592
Net (increase)/decrease in working capital		(448 863)	(139 479)
Surrendered to Revenue Fund		(255 959)	(451 418)
Surrendered to RDP Fund/Donor		-	-
Current payments		(43 986 979)	(41 419 857)
Interest paid	5	(1 236)	(528)
Payments for financial assets		-	-
Transfers and subsidies paid		(1 884 913)	(1 945 524)
Net cash flow available from operating activities	17	**1 512 744**	**1 808 396**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(1 957 495)	(2 217 809)
Proceeds from sale of capital assets	2.3	4 253	11 556
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		(97)	(80)
(Increase)/decrease in other financial assets		-	-
Net cash flows from investing activities		**(1 953 339)**	**(2 206 333)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		29 744	40 403
Increase/(decrease) in non-current payables		97	81
Net cash flows from financing activities		**29 841**	**40 484**
Net increase/(decrease) in cash and cash equivalents		(410 754)	(357 453)
Cash and cash equivalents at beginning of period		(362 798)	(5 345)
Cash and cash equivalents at end of period	14	**(773 552)**	**(362 798)**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION

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ACCOUNTING POLICIES

for the year ended 31 March 2018

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

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

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

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

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

1.2 Going concern

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

1.3 Presentation currency

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

1.4 Rounding

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

1.5 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been

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ACCOUNTING POLICIES
for the year ended 31 March 2018

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 subsequent period.

1.7 Comparative figures - Appropriation Statement

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

2. Revenue

2.1 Appropriated funds

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

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

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

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

2.2 Departmental revenue

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

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

2.2.1 Sales of goods and services other than capital assets

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

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ACCOUNTING POLICIES
for the year ended 31 March 2018

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.

2.3 Aid assistance

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

All in-kind local and foreign aid assistance are disclosed at fair value in the Annexures to the Annual Financial Statements.

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

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for the year ended 31 March 2018

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

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

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

All other payments are classified as current expenses.

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

3.1.2 Post-retirement benefits

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

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

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

3.1.3 Termination benefits

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

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ACCOUNTING POLICIES
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3.1.4 Other long-term employee benefits

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

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

3.2 Goods and services

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

3.3 Interest and rent on land

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

3.4 Financial transactions in assets and liabilities

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

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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.

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

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

3.7 Fruitless and wasteful expenditure

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

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

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

3.8 Irregular expenditure

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

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

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

3.9 Expenditure for capital assets

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

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4. Assets

4.1 Cash and cash equivalents

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

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

4.2 Other financial assets

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

4.3 Prepayments and advances

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

Prepayments 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 de-recognised upon recovery or write-off.

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

4.5 Investments

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

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

4.6 Loans

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

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

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4.7 Inventory

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

4.8 Contingent assets

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

4.9 Capital assets

4.9.1 Movable assets

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

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

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

4.9.2 Immovable assets

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

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

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

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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.

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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.

5.8 Payables not recognised

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

5.9 Employee benefits

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

5.10 Lease commitments

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

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

5.11 Provisions

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

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6. Accrued departmental revenue

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

7. Net assets

7.1 Capitalisation reserve

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

7.2 Recoverable revenue

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

8. Related party transactions

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

9. Key management personnel

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

10. Principal-Agent

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

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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:

	2017/18			2016/17	
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/not received R'000	Final Appropriation R'000	Appropriation received R'000
Administration	1 760 169	1 760 169	-	1 855 558	1 855 558
Public Ordinary School Education	39 936 795	39 936 795	-	37 942 993	37 942 993
Independent School Subsidies	86 038	86 038	-	81 941	81 941
Public Special School Education	1 082 809	1 082 809	-	1 052 128	1 052 128
Early Childhood Development	1 133 067	1 133 067	-	894 684	894 684
Infrastructure Development	2 680 413	2 427 307	253 106	2 596 391	2 509 501
Examination and Education Related Services	1 560 798	1 560 798	-	1 316 314	1 316 314
Total	**48 240 089**	**47 986 983**	**253 106**	**45 740 009**	**45 653 119**

Additional budget received amounting to R 339 996 ('000) through Provincial Treasury after adjustments estimates, and at reporting date no funds had been received for Infrastructure Development. Additional budget received amounting to R 86 890 ('000) from Provincial Treasury (after adjustment estimates) in 2016/17 was received in the 2017/18 financial year.

1.2 Conditional grants

	Note	2017/18 R'000	2016/17 R'000
Total grants received	*35*	3 690 181	3 467 761
Provincial grants included in Total Grants received		1 993 146	1 958 321

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2. Departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	2.1	62 193	56 377
Interest, dividends and rent on land	2.2	1 264	592
Sales of capital assets	2.3	4 253	11 556
Transactions in financial assets and liabilities	2.4	40 254	55 114
Total revenue collected		107 964	123 639
Less: Own revenue included in appropriation		-	-
Departmental revenue collected		**107 964**	**123 639**

2.1 Sales of goods and services other than capital assets

	Note 2	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department		62 193	56 377
Sales by market establishment		1 909	2 004
Administrative fees		-	-
Other sales		60 284	54 373
Sales of scrap, waste and other used current goods		-	-
Total		**62 193**	**56 377**

2.2 Interest, dividends and rent on land

	Note 2	2017/18 R'000	2016/17 R'000
Interest		1 264	592
Dividends		-	-
Rent on land		-	-
Total		**1 264**	**592**

2.3 Sale of capital assets

	Note 2	2017/18 R'000	2016/17 R'000
Tangible assets		4 253	11 556
Buildings and other fixed structures		-	-
Machinery and equipment	30.2	4 253	11 556
Total		**4 253**	**11 556**

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2.4 Transactions in financial assets and liabilities

	Note 2	2017/18 R'000	2016/17 R'000
Loans and advances		-	-
Receivables		19 910	19 352
Forex gain		-	-
Stale cheques written back		-	-
Other Receipts including Recoverable Revenue		20 344	35 762
Gains on GFECRA		-	-
Total		**40 254**	**55 114**

3. Compensation of employees

3.1 Salaries and Wages

	Note	2017/18 R'000	2016/17 R'000
Basic salary		29 340 093	27 445 586
Performance award		31 787	33 600
Service Based		44 829	63 510
Compensative/circumstantial		636 726	581 112
Periodic payments		8 451	9 623
Other non-pensionable allowances		4 415 237	4 260 506
Total		**34 477 123**	**32 393 937**

3.2 Social contributions

	Note	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		3 682 681	3 420 515
Medical		1 889 864	1 785 210
UIF		687	672
Bargaining council		2 569	2 469
Official unions and associations		8 291	5 592
Insurance		-	-
Total		**5 584 092**	**5 214 458**
Total compensation of employees		**40 061 215**	**37 608 395**
Average number of employees		**105 211**	**105 633**

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4. Goods and services

	Note	2017/18 R'000	2016/17 R'000
Administrative fees		15 647	12 585
Advertising		5 757	5 283
Minor assets	4.1	1 514	1 772
Bursaries (employees)		62 120	67 898
Catering		69 310	68 537
Communication		38 536	37 272
Computer services	4.2	65 729	84 619
Consultants: Business and advisory services		141 649	103 125
Infrastructure and planning services		-	95
Legal services		30 883	12 820
Contractors		6 214	6 053
Agency and support / outsourced services		1 446 481	1 255 940
Entertainment		13	6
Audit cost – external	4.3	11 831	12 099
Fleet services		46 658	39 403
Inventory	4.4	861 368	868 878
Consumables	4.5	161 337	44 892
Operating leases		104 191	80 837
Property payments	4.6	680 271	493 443
Rental and hiring		1 677	1 201
Transport provided as part of the departmental activities		5 935	10 047
Travel and subsistence	4.7	347 221	380 242
Venues and facilities		21 162	23 155
Training and development		8 746	9 451
Other operating expenditure	4.8	245 484	238 755
Total		**4 379 734**	**3 858 408**

4.1 Minor assets

	Note 4	2017/18 R'000	2016/17 R'000
Tangible assets			
Buildings and other fixed structures		-	-
Machinery and equipment		1 514	1 772
Transport assets		-	-
Intangible assets			
Software		-	-
Total		**1 514**	**1 772**

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4.2 Computer services

	Note 4	2017/18 R'000	2016/17 R'000
SITA computer services		59 391	84 336
External computer service providers		6 338	283
Total		**65 729**	**84 619**

4.3 Audit cost – External

	Note 4	2017/18 R'000	2016/17 R'000
Regularity audits		11 831	12 099
Performance audits		-	-
Total		**11 831**	**12 099**

4.4 Inventory

	Note 4	2017/18 R'000	2016/17 R'000
Clothing material and accessories		250	156
Farming supplies		-	-
Food and food supplies		39	23
Fuel, oil and gas		125	393
Learning, teaching and support material		705 105	625 286
Materials and supplies		6 346	769
Medical supplies		-	-
Medicine		-	-
Other supplies	4.4.1	149 503	242 251
Total		**861 368**	**868 878**

4.4.1 Other supplies

	Note 4.4	2017/18 R'000	2016/17 R'000
Assets for distribution		149 503	242 191
Machinery and equipment		-	-
School furniture		149 503	242 191
Sports and recreation		-	-
Library material		-	-
Other assets for distribution		-	-
Other		-	60
Total		**149 503**	**242 251**

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4.5 Consumables

	Note 4	2017/18 R'000	2016/17 R'000
Consumable supplies		108 459	19 490
Uniform and clothing		753	881
Household supplies		106 413	16 916
Building material and supplies		317	10
Communication accessories		-	-
IT consumables		-	-
Other consumables		976	1 683
Stationery, printing and office supplies		52 878	25 402
Total		**161 337**	**44 892**

4.6 Property payments

	Note 4	2017/18 R'000	2016/17 R'000
Municipal services		62 095	69 021
Property management fees		-	-
Property maintenance and repairs		500 197	316 538
Other		117 979	107 884
Total		**680 271**	**493 443**

4.7 Travel and subsistence

	Note 4	2017/18 R'000	2016/17 R'000
Local		345 746	377 281
Foreign		1 475	2 961
Total		**347 221**	**380 242**

4.8 Other operating expenditure

	Note 4	2017/18 R'000	2016/17 R'000
Professional bodies, membership and subscription fees		296	-
Resettlement costs		2 304	1 029
Other		242 884	237 726
Total		**245 484**	**238 755**

5. Interest and rent on land

	Note	2017/18 R'000	2016/17 R'000
Interest paid		1 236	528
Total		**1 236**	**528**

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6. Transfers and subsidies

	Note	2017/18 R'000	2016/17 R'000
Provinces and municipalities	*36*	2 561	1 331
Departmental agencies and accounts	*Annex 1A*	89 497	83 257
Non-profit institutions	*Annex 1B*	1 621 649	1 692 709
Households	*Annex 1C*	171 206	168 227
Total		**1 884 913**	**1 945 524**

7. Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		**1 957 357**	**2 217 562**
Buildings and other fixed structures		1 946 262	2 170 374
Machinery and equipment	*30.1*	11 095	47 188
Intangible assets		**138**	**247**
Software	*31*	138	247
Total		**1 957 495**	**2 217 809**

7.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**1 957 357**	**-**	**1 957 357**
Buildings and other fixed structures	1 946 262	-	1 946 262
Machinery and equipment	11 095	-	11 095
Intangible assets	**138**	**-**	**138**
Software	138	-	138
Total	**1 957 495**	**-**	**1 957 495**

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7.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	**2 217 562**	**-**	**2 217 562**
Buildings and other fixed structures	2 170 374	-	2 170 374
Machinery and equipment	47 188	-	47 188
Intangible assets	**247**	**-**	**247**
Software	247	-	247
Total	**2 217 809**	**-**	**2 217 809**

8. Unauthorised expenditure

8.1 Reconciliation of unauthorised expenditure

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		155 905	108 959
Prior period error		-	-
As restated		155 905	108 959
Unauthorised expenditure – discovered in current year (as restated)	12	485 862	78 839
Less: Amounts approved by Parliament/Legislature with funding		(45 174)	-
Less: Amounts approved by Parliament/Legislature without funding		(31 892)	(31 893)
Current		(31 892)	(31 893)
Unauthorised expenditure awaiting authorisation / written off		**564 701**	**155 905**
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		564 701	124 012
Unauthorised expenditure approved without funding and not derecognised		-	31 893
Total		**564 701**	**155 905**

8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2017/18	2016/17
	R'000	R'000
Current	564 701	155 905
Capital	-	-
Transfers and subsidies	-	-
Total	**564 701**	**155 905**

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8.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2017/18 R'000	2016/17 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	564 701	155 905
Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division	-	-
Total	**564 701**	**155 905**

8.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Programme 2	Public Ordinary School Education	427 349
Programme 4	Public Special School Education	44 549
Programme 7	Examination and Education Related Services	13 964
Total		**485 862**

Included in the current year unauthorised expenditure is the over spend per programme and the unspent portion of each of the conditional grants in that programme.

9. Prepayments and advances

	Note	2017/18 R'000	2016/17 R'000
Advances paid	9.1	-	-
Total		**-**	**-**

9.1 Advances paid

	Note	Balance as at 1 April 2017	Less: Amount expensed in current year	Add: Current Year prepayments	Balance as at 31 March 2018
	9	R'000	R'000	R'000	R'000
Public entities		-	-	-	-
Total		**-**	**-**	**-**	**-**

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10. Receivables

		2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	Note						
Claims recoverable	10.1	5 074	8 433	13 507	19 312	4 413	23 725
Staff debt	10.2	53 891	428 651	482 542	81 210	362 620	443 830
Fruitless and wasteful expenditure	10.4	-	19 924	19 924	-	19 924	19 924
Other debtors	10.3	20 553	39 593	60 146	10 273	29 596	39 869
Total		**79 518**	**496 601**	**576 119**	**110 795**	**416 553**	**527 348**

10.1 Claims recoverable

	Note 10	2017/18 R'000	2016/17 R'000
National departments		1 943	13 888
Provincial departments		11 564	9 837
Total		**13 507**	**23 725**

10.2 Staff debt

	Note 10	2017/18 R'000	2016/17 R'000
Staff Debt Account		482 435	443 822
Salary: Tax Debt		107	8
Total		**482 542**	**443 830**

10.3 Other debtors

	Note 10	2017/18 R'000	2016/17 R'000
Advances to Public Corporations and Private Enterprises		1 095	1 095
Disallowance Accounts		202	-
Salary Accounts		15 485	4 512
Debt Account: Supplier Debtors		1 838	1 105
Official Union Debt		41 526	33 157
Total		**60 146**	**39 869**

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10.4 Fruitless and wasteful expenditure

	Note 10	2017/18 R'000	2016/17 R'000
Opening balance		19 924	19 924
Less amounts recovered		-	-
Less amounts written off		-	-
Transfers from note 26 Fruitless and Wasteful Expenditure		-	-
Total		**19 924**	**19 924**

10.5 Impairment of receivables

	Note	2017/18 R'000	2016/17 R'000
Estimate of impairment of receivables		318 497	253 624
Total		**318 497**	**253 624**

Staff debts pertaining to ex-employees that is outstanding for 3 or more years. These debtors are still being traced through legal means in order to recover the debt.

11. Investments

	Note	2017/18 R'000	2016/17 R'000
Non-Current			
Securities other than shares			
JMNA Hershensohnn Funds		245	242
Robert Acutt Scholarship Fund		219	211
FL Johnsson Scholarship Fund		111	107
Harry Escombe Scholarship Fund		158	149
HA Koch Scholarship Fund		870	802
Jean Miller Memorial Prize Fund		83	78
Total		**1 686**	**1 589**
Total Non-Current		**1 686**	**1 589**

	2017/18 R'000	2016/17 R'000
Analysis of non-current investments		
Opening balance	1 589	1 509
Additions in cash	97	80
Closing balance	**1 686**	**1 589**

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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 2017/18 financial period the trusts earned R 96 253.07 (R 599 918 - from 2006/7 to 2016/17). The credit in respect of the interest is posted to the Payables-non-current - Note 16.

12. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		69 406	320 136
Prior period re-statement		-	-
As restated		69 406	320 136
Transfer from statement of financial performance (as restated)		(76 396)	77 452
Add: Unauthorised expenditure for current year	8	485 862	78 839
Voted funds not requested/not received	1.1	(253 106)	(86 890)
Paid during the year		(156 296)	(320 131)
Closing balance		**69 470**	**69 406**

The above closing balance consists of a 138 967 ('000) rand value to be surrendered to National Departments for unspent conditional grants and a 270 499 ('000) rand value to be surrendered to the Provincial Revenue Fund. The Department had been further allocated a 339 996 ('000) rand value after the mid-year adjustment estimates, which at reporting date was still not received from Provincial Treasury.
The Department had been further allocated an 86 890 ('000) rand value in 2016/17, which was received in the current financial period.

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		8 301	15 949
Prior period error		-	-
As restated		8 301	15 949
Transfer from Statement of Financial Performance (as restated)		107 964	123 639
Paid during the year		(99 663)	(131 287)
Closing balance		**16 602**	**8 301**

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14. Bank Overdraft

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		773 552	362 798
Total		**773 552**	**362 798**

15. Payables – current

	Note	2017/18 R'000	2016/17 R'000
Clearing accounts	15.1	29 191	40 703
Other payables	15.2	20 812	596
Total		**50 003**	**41 299**

15.1 Clearing accounts

	Note 15	2017/18 R'000	2016/17 R'000
Sal: ACB recalls		13 939	23 007
Online travel control account		4 193	-
Sal: Bargaining council		33	85
Sal: Finance institution study loans		829	818
Sal: Garnishee order		556	522
Sal: Income tax		7 967	14 173
Sal: Medical aid		1 674	1 755
Sal: Housing		-	1
Sal: Salary reversal account		-	342
Total		**29 191**	**40 703**

15.2 Other payables

	Note 15	2017/18 R'000	2016/17 R'000
Salary: Pension Debt Account		427	-
Sal: GEHS refund control		20 385	596
Total		**20 812**	**596**

16. Payables – non-current

		2017/18				2016/17
	Note	R'000 One to two years	R'000 Two to three years	R'000 More than three years	R'000 Total	R'000 Total
Other payables	16.1	178	53	1 458	1 689	1 592
Total		**178**	**53**	**1 458**	**1 689**	**1 592**

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16.1 Other payables

	Note 16	2017/18 R'000	2016/17 R'000
JMNA Hershensohnn Funds		248	245
Robert Acutt Scholarship Fund		219	211
FL Johnsson Scholarship Fund		111	107
Harry Escombe Scholarship Fund		158	149
HA Koch Scholarship Fund		869	801
Jean Miller Memorial Prize Fund		83	78
Umkomaas War Memorial Prize Fund		1	1
Total		**1 689**	**1 592**

17. Net cash flow available from operating activities

	Note	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance		31 568	201 091
Add back non-cash/cash movements not deemed operating activities		1 481 176	1 607 305
(Increase)/decrease in receivables – current		(48 771)	(79 800)
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		77 066	31 893
Increase/(decrease) in payables – current		8 704	(12 733)
Proceeds from sale of capital assets		(4 253)	(11 556)
Proceeds from sale of investments		-	-
(Increase)/decrease in other financial assets		-	-
Expenditure on capital assets		1 957 495	2 217 809
Surrenders to Revenue Fund		(255 959)	(451 418)
Surrenders to RDP Fund/Donor		-	-
Voted funds not requested/not received		(253 106)	(86 890)
Own revenue included in appropriation		-	-
Other non-cash items		-	-
Net cash flow generated by operating activities		**1 512 744**	**1 808 396**

18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		(773 552)	(362 798)
Total		**(773 552)**	**(362 798)**

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19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

		Note	2017/18 R'000	2016/17 R'000
Liable to	**Nature**			
Motor vehicle guarantees	Employees		-	-
Housing loan guarantees	Employees	*Annex 2A*	1 949	4 418
Other guarantees			-	-
Claims against the department		*Annex 2B*	911 462	805 535
Intergovernmental payables (unconfirmed balances)		*Annex 4*	196 631	126 185
Environmental rehabilitation liability			-	-
Other		*Annex 2B*	5 912	5 912
Total			**1 115 954**	**942 050**

"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

	Note	2017/18 R'000	2016/17 R'000
Nature of contingent asset			
Strike debt 2010/11 recovery	*34*	-	-
Termination Ex-employees (Without Reversals) and Frozen cases		5 076	6 003
Legal claims on behalf of the department		545	1 060
Transfers to other Departments		3 937	5 432
Disputed payments Ilembe Enterprises/NSNP		6 304	6 304
Total		**15 862**	**625 124**

"Strike debt 2010/11 recovery" amount of 606 325 ('000) rand value, relates to salaries paid to employees who were absent from work due to the strike action in August 2010. The Union of the affected employees took the matter to the Labour Court of South Africa, which ruled in favour of the employees whereby the department was interdicted from recovering the funds from the affected employees. The Department applied to the South African Supreme Court of Appeal to contest the judgement of the Labour Court of South Africa. The application for leave to appeal was dismissed on the 12 January 2012. The Supreme Court of Appeal was of the view that the intended appeal has no reasonable prospects of success and there is no other compelling reason why it should be heard.
Subsequent to the Supreme Court of Appeal's ruling the department should have removed this matter from

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the contingent asset disclosure note. The department incorrectly continued to disclose the matter from 2011/12 to 2016/17 financial periods. This prior period error has subsequently been adjusted for by re-stating the comparative year figure to zero and it was considered impractical to re-issue the prior years' financial statements due to prior periods' annual reports having been tabled and it was more effective to rectify the issue by including the matter in the Accounting Officer's report and adequately disclosed in this financial statements, as also detailed in the prior period error note 34.

20. Commitments

	Note	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		531 380	195 306
Approved but not yet contracted		-	2 145
		531 380	**197 451**
Capital expenditure			
Approved and contracted		2 873 343	3 451 010
Approved but not yet contracted		-	-
		2 873 343	**3 451 010**
Total Commitments		**3 404 723**	**3 648 461**

Capital commitments amounting to R 2 951 244 ('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

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	36 538	341 345	377 883	389 892
Interest and rent on land	-	-	-	-
Transfers and subsidies	-	20 884	20 884	12 736
Capital assets	-	78 039	78 039	200 778
Other	24 736	-	24 736	77 133
Total	**61 274**	**440 268**	**501 542**	**680 539**

Listed by programme level	Note	2017/18 R'000	2016/17 R'000
Administration		93 128	88 383
Public ordinary school education		285 782	251 639
Public special school education		631	1 360
Early childhood development		288	154
Infrastructure development		111 413	260 009
Examination and education related services		10 300	78 994
Total		**501 542**	**680 539**

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21.2 Payables not recognised

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	16 701	36 201	52 902	129 683
Interest and rent on land	19	-	19	-
Transfers and subsidies	-	358	358	409
Capital assets	-	-	-	162 405
Other	54 289	-	54 289	72 951
Total	**71 009**	**36 559**	**107 568**	**365 448**

Listed by programme level	*Note*	2017/18 R'000	2016/17 R'000
Administration		43 139	57 957
Public ordinary school education		59 882	139 181
Independent school subsidies		-	368
Public special school education		301	125
Early childhood development		151	693
Infrastructure development		-	161 460
Examination and education related services		4 095	5 664
Total		**107 568**	**365 448**

	Note	2017/18 R'000	2016/17 R'000
Included in the totals are the following:			
Confirmed balances with other departments	*Annex 4*	97 031	167 047
Confirmed balances with other government entities		-	-
Total		**97 031**	**167 047**

22. Employee benefits

	Note	2017/18 R'000	2016/17 R'000
Leave entitlement		144 201	147 901
Service bonus (Thirteenth cheque)		1 230 670	1 135 724
Performance awards		-	-
Capped leave commitments		2 604 212	2 634 846
Other		36 878	51 011
Total		**4 015 961**	**3 969 482**

The leave entitlement and capped leave balances as disclosed above are the net of negative balances. The negative balances amount is R 1 374 395.36 relating to 741 cases.

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23. Lease commitments

23.1 Operating leases expenditure

2017/18	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	4 388	72 216	101 673	178 277
Later than 1 year and not later than 5 years	-	17 554	149 272	30 422	197 248
Later than five years	-	-	104 897	-	104 897
Total lease commitments	**-**	**21 942**	**326 385**	**132 095**	**480 422**

2016/17	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	4 415	59 428	33 503	97 346
Later than 1 year and not later than 5 years	-	17 662	122 633	7 886	148 181
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**22 077**	**182 061**	**41 389**	**245 527**

Generally the lease commitments of the Department relates to leased buildings whose period may be between periods of one to ten years. The other category relates to the leasing of machinery whose period is less than or equal to three years. The final category relates to the renting of public schools on private land which are termed Section 14 agreements per the South African Schools Act of 1996. These agreements are in perpetuity, however the disclosure is made up of five years. The department has no renewal or purchase options. There is no lease restrictions.

24. Accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Interest, dividends and rent on land		7 417	7 417
Other		21 092	21 092
Total	*24.1*	**28 509**	**28 509**

These are funds due to the department for LTSM discounts and interest from Managing Agents.

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24.1 Analysis of accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Opening balance		28 509	22 706
Add: amounts recognised		-	5 803
Less: amounts written-off/reversed as irrecoverable		-	-
Closing balance	*24*	**28 509**	**28 509**

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		**3 632 146**	**2 811 105**
Prior period error		-	-
As restated		**3 632 146**	**2 811 105**
Add: Irregular expenditure – relating to prior year		1 321	2 251
Add: Irregular expenditure – relating to current year		1 103 000	822 209
Less: Prior year amounts condoned		(764)	(1 455)
Less: Current year amounts condoned		(9 263)	(1 964)
Less: Amounts not condoned and not recoverable		-	-
Closing balance		**4 726 440**	**3 632 146**
Analysis of awaiting condonation per age classification			
Current year		1 093 737	820 245
Prior years		3 632 703	2 811 901
Total		**4 726 440**	**3 632 146**

The Department initiated the bid process for the National School Nutrition Programme (NSNP), during the current financial period. Upon finalisation and award of the bid, the unsuccessful bidders appealed to the provincial treasury Bid Tribunal Committee about the validity period of the bid process. As per the Tribunal recommendations, the department's bid process was set aside and the department was instructed to start a new bid process. In order not to negatively impact on the service delivery of feeding at schools, the department was allowed to continue using the current NSNP service providers on a month to month basis until the new bid process has been finalised.

25.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Goods and Services	Still being investigated	1 104 321
Payment of Capital Assets	Still being investigated	-
Total		**1 104 321**

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25.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Goods and Services		10 027
Total		**10 027**

25.4 Details of irregular expenditure not recoverable (not condoned)

Incident	Not condoned by (condoning authority)	2017/18 R'000
		-
		-
Total		**-**

25.5 Details of irregular expenditures under investigation (not included in main note)

Incident	2017/18 R'000
Capital projects with outstanding supply chain documents.	32 810
Total	**32 810**

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		**168 523**	**161 043**
Prior period error		-	-
As restated		**168 523**	**161 043**
Fruitless and wasteful expenditure – relating to prior year		812	1 750
Fruitless and wasteful expenditure – relating to current year		631	5 730
Less: Amounts resolved		-	-
Fruitless and wasteful expenditure awaiting resolution		**169 966**	**168 523**

26.2 Analysis of awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	169 966	168 523
Total	**169 966**	**168 523**

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26.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Goods and Services	Still being investigated	1 443
Total		**1 443**

27. Related party transactions

The Department is involved in the KwaZulu-Natal Education Development Trust. This trust is operated in conjunction with major donors in the private sector. The Department exercises significant influence over the activities of the trust as majority of the Trustees are officials of the Department of Education. No voted funds were transferred to the trust during this 2017/18 financial period. No funds was received from the Flemish Government on behalf of the trust for 2017/18 financial period at year end, as a result no funds are credited to the KwaZulu-Natal Education Development Trust. The Department acts as an agent in respect of the receipt of these funds.

28. Key management personnel

	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers	1	1 978	1 902
Officials:			
Level 15 to 16	4	5 832	5 937
Level 14 (incl. CFO if at a lower level)	12	13 668	11 158
Family members of key management personnel	26	9 984	8 370
Total		**31 462**	**27 367**

29. Provisions

	Note	2017/18 R'000	2016/17 R'000
Provision 1 - Debtors ex-employees (3 yrs. and over)		-	-
Provision 2 - S14 Schools Unsigned Leases		594	627
Provision 3 - Retentions for Infrastructure Projects (Capital)		87 641	110 470
Provision 4 – Legal Claims to be paid to Third Parties		10 609	1 320
Total		**98 844**	**112 417**

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29.1 Reconciliation of movement in provisions – 2017/18

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	-	627	110 470	1 320	112 417
Increase in provision	-	-	-	9 289	9 289
Settlement of provision	-	(33)	(22 829)	-	(22 862)
Closing balance	**-**	**594**	**87 641**	**10 609**	**98 844**

Reconciliation of movement in provisions – 2016/17

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	-	728	85 386	-	86 114
Increase in provision	-	-	25 084	1 320	26 404
Unused amount reversed	-	(101)	-	-	(101)
Closing balance	**-**	**627**	**110 470**	**1 320**	**112 417**

Provision 1 - Debtors ex-employees (3 years and over) has been moved to the note 10.5 ("*Impairment of receivables*").
Provision 2 - S14 Schools Unsigned Leases - these leases may become recoverable if the landlords claim the rental.
Provision 3 - Retentions for Infrastructure Projects (Capital) - amounts due to contractors on final completion of projects.
Provision 4 - Legal claims to be paid to third parties – these are amounts to be paid to third parties where the department acts as a mediator.

30. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	**360 870**	**-**	**11 402**	**9 197**	**363 075**
Transport assets	220 229	-	9 659	9 197	220 691
Computer equipment	109 578	-	759	-	110 337
Furniture and office equipment	29 446	-	902	-	30 348
Other machinery and equipment	1 617	-	82	-	1 699
TOTAL MOVABLE TANGIBLE					

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CAPITAL ASSETS	**360 870**	**-**	**11 402**	**9 197**	**363 075**

30.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**11 095**	**-**	**-**	**307**	**11 402**
Transport assets	9 659	-	-	-	9 659
Computer equipment	759	-	-	-	759
Furniture and office equipment	595	-	-	307	902
Other machinery and equipment	82	-	-	-	82
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	**11 095**	**-**	**-**	**307**	**11 402**

30.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**9 197**	**-**	**9 197**	**4 253**
Transport assets	9 197	-	9 197	4 253
Computer equipment	-	-	-	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	**9 197**	**-**	**9 197**	**4 253**

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30.3 Movement for 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**340 343**	**6 956**	**45 251**	**31 680**	**360 870**
Transport assets	216 434	4 192	31 203	31 600	220 229
Computer equipment	96 920	1 888	10 770	-	109 578
Furniture and office equipment	25 884	715	2 847	-	29 446
Other machinery and equipment	1 105	161	431	80	1 617
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**340 343**	**6 956**	**45 251**	**31 680**	**360 870**

30.3.1 Prior period error

	Note 30.3	2016/17 R'000
Relating to prior 2015/16		**6 956**
Add - Transports asset (correction of duplicates, assets located & errors in disposals)		4 192
Add - Computer equipment (duplicates corrected and assets located)		1 888
Add - Furniture & Equipment and Other Machinery & Equipment (assets located)		876
Total		**6 956**

The prior period error was due to the assets that were not correctly accounted for in the Excel Fixed Asset Register (FAR) and had to be updated during the migration to the online HARDCAT asset register.

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30.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	106	-	53 517	-	**53 623**
Value adjustments	-	-	-	-	-	**-**
Additions	-	-	-	1 524	-	**1 524**
TOTAL MINOR ASSETS	**-**	**106**	**-**	**55 041**	**-**	**55 147**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	42 281	-	42 281
Number of minor assets at cost	-	-	-	32 056	-	32 056
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**74 337**	**-**	**74 337**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	106	-	50 364	-	**50 470**
Prior period error	-	-	-	1 381	-	**1 381**
Additions	-	-	-	1 772	-	**1 772**
Disposals	-	-	-	-	-	**-**
TOTAL MINOR ASSETS	**-**	**106**	**-**	**53 517**	**-**	**53 623**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	42 281	-	42 281
Number of minor assets at cost	-	-	-	31 351	-	31 351
TOTAL NUMBER OF MINOR ASSETS	**-**	**-**	**-**	**73 632**	**-**	**73 632**

30.4.1 Prior period error

	Note 30.4	2016/17 R'000
Nature of prior period error		
Relating to 2015/16 (affecting the opening balance)		1 381
Machinery & Equipment (assets located and valuations)		1 381
Total		**1 381**

31. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 496	-	138	-	1 634
TOTAL INTANGIBLE CAPITAL ASSETS	**1 496**	**-**	**138**	**-**	**1 634**

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31.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-Cash	(Develop-ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	138	-	-	-	138
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	**138**	**-**	**-**	**-**	**138**

31.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	**-**	**-**	**-**	**-**

31.3 Movement for 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 249	-	247	-	1 496
TOTAL INTANGIBLE CAPITAL ASSETS	**1 249**	**-**	**247**	**-**	**1 496**

32. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**5 948 909**	**-**	**1 536 018**	**-**	**7 484 927**
Non-residential buildings	5 948 909	-	1 536 018	-	7 484 927
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**5 948 909**	**-**	**1 536 018**	**-**	**7 484 927**

32.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	**1 946 262**	**923 769**	**(1 334 013)**	**-**	**1 536 018**
Non-residential buildings	1 946 262	923 769	(1 334 013)	-	1 536 018
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	**1 946 262**	**923 769**	**(1 334 013)**	**-**	**1 536 018**

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32.2 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**4 119 076**	**-**	**1 829 833**	**-**	**5 948 909**
Non-residential buildings	4 119 076	-	1 829 833	-	5 948 909
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**4 119 076**	**-**	**1 829 833**	**-**	**5 948 909**

32.3 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

	Note	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2018
	Annexure 6	R'000	R'000	R'000	R'000
Buildings and other fixed structures		3 336 513	1 946 262	1 818 232	3 464 543
TOTAL		**3 336 513**	**1 946 262**	**1 818 232**	**3 464 543**

Included in the WIP amount of R1 818 232 ('000) above, are the terminated projects to the value of R282 214 ('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 contractor and subcontractors, community unrest, negative interference by business forums, under-estimation of project costs by contractors, and poor workmanship.

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

	Note	Opening balance 1 April 2016	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2017
	Annexure 6	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		2 995 972	-	2 170 374	(1 829 833)	3 336 513
TOTAL		**2 995 972**	**-**	**2 170 374**	**(1 829 833)**	**3 336 513**

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	2 076	287	2 112 155
1 to 3 Years	497	741	1 106 580
3 to 5 Years	88	147	210 054
Longer than 5 Years	1	39	35 754
Total	**2 662**	**1 214**	**3 464 543**

33. Agent-principal arrangements

33.1 Department acting as the principal

	2017/18 R'000	2016/17 R'000
COEGA	27 072	16 898
IDT	22 693	39 574
Ethekwini Water	681	201
Umhlathuze Water	-	-
DBSA	12 812	8 149
Total	**63 258**	**64 822**

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.

34. Prior period errors

34.1 Correction of prior period errors

	Note	Amount bef. error correction R'000	Prior period error R'000	Restated Amount R'000
Assets:				
Movable Tangible Capital Assets - Transport	*30.3*	216 434	4 192	220 626
Net effect		**216 434**	**4 192**	**220 626**
Other:				
Contingent asset - Strike Debt 2010/11 recovery	*19.2*	606 325	(606 325)	220 626
Net effect		**216 434**	**4 192**	**220 626**

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The corresponding narrative on the "Contingent asset - Strike Debt 2010/11 recovery" refer to note 19.2.

Prior periods annual financial statements (AFS):

The strike debt contingent asset was also incorrectly disclosed in the 2011/12 to 2016/17 financial statements, in order to have corrected this error the department would have needed to withdraw those AFS's in order to correct and re-issue. However, it was considered impractical to re-issue the prior years' financial statements due to prior periods' annual reports having been tabled and it was more effective to rectify the issue by including the matter in the Accounting Officer's report and adequately disclosed in this financial statements.

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35. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION						SPENT			2016/17	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Division of Revenue Act:											
National Department of Education - HIV/AIDS	56 115	-	-	-	56 115	56 115	56 115	-	100%	53 096	53 096
National Department of Education - National School Nutrition Programme (NSNP)	1 450 087	116 807	-	-	1 566 894	1 566 894	1 437 448	129 446	92%	1 363 783	1 246 976
EPWP Integrated Grant for Provinces	2 000	-	-	-	2 000	2 000	2 000	-	100%	2 790	2 790
EPWP Social Sector Incentive Grant for Provinces	4 808	-	-	-	4 808	4 808	4 297	511	89%	27 318	27 318
Maths, Science and Technology Grant (MST)	61 660	-	-	-	61 660	61 660	55 512	6 148	90%	62 453	62 453
Learners with Profound Intellectual Disabilities grant (LSPID)	5 558	-	-	-	5 558	5 558	2 696	2 862	49%	-	-
Provincial Grants:											
Education Infrastructure Grant (EI)	1 993 146	-	-	339 996	2 333 142	1 993 146	2 333 142	-	117%	2 045 211	2 045 211
Total	**3 573 374**	**116 807**	**-**	**339 996**	**4 030 177**	**3 690 181**	**3 891 210**	**138 967**		**3 554 651**	**3 437 844**

The Conditional Grants are limited to the budget amount if they are overspent (per the BAS reports) for the "Amount spent by department". Additional budget funding was received for the Education Infrastructure Grant through Provincial Treasury after Adjustment Estimates (mid-year) to the value of R339 996 ('000). No funds were received at the reporting date, for this amount. NSNP - This is for March 2018 invoices to be paid (rollover requested). EPWP Social Sector Grant - payments not effected timeously for food handlers. MST – March 2018 order commitments requested for carry through in 2018/19. LSPID - The business plan was delayed resulting in late appointments of personnel and the roll out of the Grant.

36. STATEMENT OF CONDITIONAL/UNCONDITIONAL GRANTS AND TRANSFERS PAID TO PROVINCIAL DEPARTMENTS AND MUNICIPALITIES

NAME OF MUNICIPALITY / PROVINCIAL DEPARTMENTS	GRANT ALLOCATION				TRANSFER			2016/17
	Division of Revenue Act	Roll Overs / Shifting of Funds	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act
	R'000	R'000	R'000		R'000	R'000	%	R'000
KwaZulu-Natal Department of Transport	1 820	-	741	2 561	2 561	-	-	1 331
Total	**1 820**	**-**	**741**	**2 561**	**2 561**	**-**	**-**	**1 331**

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ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION				TRANSFER		2016/17
DEPARTMENT/ AGENCY/ ACCOUNT	Adjusted Appro-priation	Roll Overs / Shifting of Funds	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
EDTP SETA	88 762	-	-	88 762	89 497	101%	83 257
Total	**88 762**	**-**	**-**	**88 762**	**89 497**		**83 257**

ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs / Shifting of Funds	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Public Ordinary School Education	1 327 574	-	-	1 327 574	1 375 777	104%	1 429 549
Independent Schools	86 038	-	-	86 038	82 980	96%	81 941
Public Special School Education	133 619	-	-	133 619	133 488	100%	136 757
Early Childhood Development	30 528	-	(268)	30 260	29 404	97%	20 265
Examination and Education Related Services	-	-	-	-	-	-	15 680
Total	**1 577 759**	**-**	**(268)**	**1 577 491**	**1 621 649**		**1 684 192**

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ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2016/17
HOUSEHOLDS	Adjusted Appropriation Act	Roll Overs / Shifting of Funds	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro-priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employees	84 358	-	(473)	83 885	171 206	204%	110 843
Total	**84 358**	**-**	**(473)**	**83 885**	**171 206**		**110 843**

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2017	Guarantees draw downs during the year	Guarantees repayments / cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
Standard Bank		-	1 643	-	571	-	1 072	-	-
FNB		-	472	-	411	-	61	-	-
Nedbank		-	587	-	587	-	-	-	-
ABSA		-	1 458	-	743	-	715	-	-
Peoples Bank FBC		-	19	-	19	-	-	-	-
Ithala Limited		-	178	-	118	-	60	-	-
Green Start HL		-	41	-	-	-	41	-	-
Company Unique Finance		-	20	-	20	-	-	-	-
	Subtotal	**-**	**4 418**	**-**	**2 469**	**-**	**1 949**	**-**	**-**
	Total	**-**	**4 418**	**-**	**2 469**	**-**	**1 949**	**-**	**-**

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ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Legal Claims	805 535	105 927	-	-	911 462
Subtotal	**805 535**	**105 927**	**-**	**-**	**911 462**
Other					
Ithala (Utilisation of own funds to pay contractors)	5 912	-	-	-	5 912
Subtotal	**5 912**	**-**	**-**	**-**	**5 912**
TOTAL	**811 447**	**105 927**	**-**	**-**	**917 374**

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Gauteng Department of Education	-	-	3 775	2 705	3 775	2 705
Gauteng Department of Infrastructure and Development	-	-	5	5	5	5
Mpumalanga Department of Education	-	-	2 282	1 239	2 282	1 239
Eastern Cape Department of Education	-	-	924	1 360	924	1 360
KZN Agriculture	-	-	99	99	99	99
KZN Department of Social Development	-	-	693	694	693	694
KZN Arts & Culture	-	-	743	743	743	743
Free State Department of Education	-	-	1 305	914	1 305	914
KZN Department of Transport	-	-	373	603	373	603
Western Cape Department of Education	-	-	224	132	224	132
National Higher Education & Training	-	-	1 504	13 600	1 504	13 600
National Department of Correctional Services	-	-	269	197	269	197
North West Department of Education	-	-	238	291	238	291
Northern Cape Department of Education	-	-	71	71	71	71
KZN Safety and Security	-	-	163	163	163	163
Limpopo Department of Education	-	-	669	818	669	818
National Water Affairs	-	-	78	-	78	-
Total c/f	**-**	**-**	**13 415**	**23 634**	**13 415**	**23 634**

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ANNEXURE 3 (continued)
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Total b/f	**-**	**-**	**13 415**	**23 634**	**13 415**	**23 634**
South African Police Services	-	-	72	91	72	91
National Department of Justice	-	-	20	-	20	-
Total	**-**	**-**	**13 507**	**23 725**	**13 507**	**23 725**

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
KwaZulu-Natal Department of Transport	274	1 405	18 004	18 640	18 278	20 045
KwaZulu-Natal Department of Public Works	73 959	161 118	177 820	107 399	251 779	268 517
Department of Justice	2 984	4 450	767	106	3 751	4 556
KZN Provincial Treasury	19 814	-	-	-	19 814	-
KwaZulu-Natal Department of Health	-	24	-	-	-	24
Department of Basic Education	-	-	-	-	-	-
KwaZulu-Natal Department of Social Development	-	-	-	-	-	-
KwaZulu-Natal Premiers Office	-	-	-	-	-	-
Government Printers	-	-	-	-	-	-
Gauteng Provincial Treasury	-	50	-	-	-	50
National Department of Home Affairs	-	-	40	40	40	40
Total	**97 031**	**167 047**	**196 631**	**126 185**	**293 662**	**293 232**

KWA-ZULU NATAL - DEPARTMENT OF EDUCATION
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ANNEXURE 5
INVENTORY

Inventory	Note	Quantity	2017/18	Quantity	2016/17
			R'000		R'000
Opening balance		-	16 383	-	13 706
Add/(Less): Adjustments to prior year balance		-	-	-	208
Add: Additions/Purchases - Cash		-	721 743	-	619 843
Add: Additions - Non-cash		-	519	-	324
(Less): Disposals		-	-	-	-
(Less): Issues		-	(722 152)	-	(616 307)
Add/(Less): Adjustments		-	(57)	-	(1 391)
Closing balance		**-**	**16 436**	**-**	**16 383**

No quantities have been disclosed as the inventory consists of different types of inventory and each type of inventory has a different unit of measure. This annexure discloses opening, movements and closing values relating to the departments stores and Ndabase Printing Solutions Warehouse. This excludes "Inventory" as represented by certain directorates that purchase on their own behalf and any other that the department buys on behalf of schools.

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**3 336 513**	**1 946 262**	**(1 818 232)**	**3 464 543**
Non-residential buildings	3 336 513	1 946 262	(1 818 232)	3 464 543
Total	**3 336 513**	**1 946 262**	**(1 818 232)**	**3 464 543**

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	2 076	287	2 112 155
1 to 3 Years	497	741	1 106 580
3 to 5 Years	88	147	210 054
Longer than 5 Years	1	39	35 754
Total	**2 662**	**1 214**	**3 464 543**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**2 995 972**	**-**	**2 170 374**	**(1 829 833)**	**3 336 513**
Non-residential buildings	2 995 972	-	2 170 374	(1 829 833)	3 336 513
TOTAL	**2 995 972**	**-**	**2 170 374**	**(1 829 833)**	**3 336 513**

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ANNEXURE 7
INTER-ENTITY ADVANCES PAID (note 9)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
PUBLIC ENTITIES						
	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	-	-	-	-	-	-

Kwa-Zulu Natal Department of Education

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 1 946 262 000**.

Work-In-Progress

The work-in-progress as at 31 March 2018 recorded on *Buildings and other fixed structures* are **R 1 946 262 000**.

Disposals/Transfers

The department did not dispose of any additions on buildings for the 2017/18 financial year.

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

education
Department:
Education
PROVINCE OF KWAZULU-NATAL

PART F







General Information

CONCLUSION

The Department will continue to review systems and procedures in an attempt to ensure excellent service delivery to the people of KwaZulu-Natal in line with our aim of uplifting and empowering the nation. The accomplishment of the Department over the period under review can be measured by the numerous interventions, programmes and projects which collectively contributed to increasing access to suitable infrastructure, increasing access to knowledge and knowledge creation, increasing access to economic activities and promoting socio-cultural access that has been a barrier to the majority of people of KwaZulu-Natal.

The successes of the Department are largely due to the improved systems and procedures that we have in place to ensure compliance with the Public Finance Management Act and other related policies. The Department will continue to review systems and procedures in an attempt to ensure excellent service delivery to the people of KwaZulu-Natal in line with our aim of uplifting and empowering the nation.

GLOSSARY OF PLANNING TERMS

The definitions attached to particular terms in this document are provided below

Accessibility indicators	Reflect the extent to which the intended beneficiaries are able to access services or outputs. Such indicators could include distances to service points, traveling time, waiting time, affordability, language, accommodation of the physically challenged.
Activities	The processes or actions that use a range of inputs to produce an output and ultimately an outcome.
Adequacy indicators	Reflect the quantity of input or output relative to the need or demand. They respond to the question: "Is enough being done to address the problem?".
Baseline	Baseline refers to the current level of performance that the institution aims to improve. The initial step in setting performance targets is to identify the baseline, which in most instances is the level of performance recorded in the year prior to the planning period.
Cost or Price indicators	Important in determining the economy and efficiency of service delivery.
Dates and time frame indicators	Reflect timeliness of service delivery. They include service frequency measures, waiting times, response time, turnaround times, time frames for service delivery and timeliness of service delivery.
Distribution indicators	Relate to the distribution of capacity to deliver services and are critical to assessing equity across geographical areas, urban-rural divides or demographic categories. Such information could be presented using geographic information systems
Economy indicators	Explore whether specific inputs are acquired at the lowest cost and at the right time; and whether the method of producing the requisite outputs is economical.
Effectiveness indicators	Explore the extent to which the outputs of an institution achieve the desired outcomes. An effectiveness indicator assumes a model of how inputs and outputs relate to the achievement of an institution's strategic objectives and goals.
Efficiency indicators	Explore how productively inputs are translated into outputs. An efficient operation maximises the level of output for a given set of inputs, or it minimises the inputs required to produce a given level of output. Efficiency indicators are usually measured by an input: Output ratio or an output: input ratio. These indicators also only have meaning in a relative sense. To evaluate whether an institution is efficient, its efficiency indicators need to be compared to similar indicators elsewhere or across time. An institution's efficiency can also be measured relative to predetermined efficiency targets.
Equity indicators	Explore whether services are being provided impartially, fairly and equitably. Equity indicators reflect the extent to which an institution has achieved and been able to maintain an equitable supply of comparable outputs across demographic groups, regions, urban and rural areas, and so on.
Inputs	The resources that contribute to the production and delivery of an output.
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving particular outputs.
Outputs	The goods and services produced by an institution for delivery.
Performance Indicator	Identify specific numerical that tracks progress towards the achievement of a goal.
Performance standards	Express the minimum acceptable level of performance, or the level of performance that is generally expected.
Performance Target [PT]	A performance target is one numerical value for one future period in time with respect to a performance measure. Performance targets indicate in a precise manner the improvements that are envisaged in the education system.
Programme Performance Measure [PPM]	Performance measures are national indicators linked to specific statistics. They are used to gauge performance in the education system. Each performance measure is linked to one measurable objective. Each performance measure takes the form of one provincial time series statistic that tracks progress towards the achievement of a sector priority.
Quality indicators	Such standards should reflect the needs and expectations of affected parties while balancing economy and effectiveness. Standards could include legislated standards and industry codes.
Quantity indicators	Relate to the number of inputs, activities or outputs. Quantity indicators should generally be time-bound; e.g. the number of inputs available at a specific point in time, or the number of outputs produced over a specific time period.
Strategic Objective [SO]	Strategic objectives are one level below the strategic goals. Their focus is more specific than that of the strategic goals. Most strategic objectives are linked to one provincial budget programme, though some may be generic to the sector as a whole.