



FINANCIAL REPORT

2015 Financial Year National Education Collaboration Trust



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Abbreviations

CAPS	Curriculum and Assessment Policy Statements
CSI	Corporate Social Investment
DBE	Department of Basic Education
DIP	District Improvement Programme
DSC	District Steering Committee
ECF	Education Collaboration Framework
ELRC	Education Labour Relations Council
HODs	Heads of Departments
ICT	Information and Communications Technology
LSAs	Learner Support Agents
M&E	Monitoring and Evaluation
NDP	National Development Plan
NECT	National education Collaboration Trust
OPR	Output to Purpose Review
SACE	South African Council for Educators
SA-SAMS	South African School Administration and Management System
SGB	School Governing Body
SMT	School Management Team

ABOUT THE NECT

About the report

This report presents a brief explanation of the operations of the National Education Collaboration Trust (NECT) against its income and expenditure reports. The report locates the NECT operations within the broader education system, presents the performance of the collaboration involving Government, business, labour, and civil society and outlines the nature and quantum of inputs, outputs and outcomes relating to the various programmes of the NECT. The NECT comprises eight programmes, five of which are educational, while the balance relate to internal operations (governance and management), partnership promotion and monitoring and evaluation. Accompanying this report is the audited Annual Financial Statements for 2015.

1. THE CATALYTIC ROLE OF THE NECT IN THE BASIC EDUCATION SECTOR

The NECT continued to work in carefully chosen areas of leverage with the aim of facilitating the improvement of education for over 12 million learners who receive education in just over 25 thousand schools. In such an expansive education system, the NECT plays a catalytic role designed to promote system-wide innovations. Table 1 below presents comparative statistics on the size of the targets of the NECT's interventions relative to the size of the education system as whole.

Table 1: The scope of the NECT interventions compared to and as a percentage of the National Education System

	NECT Target	National Scope	Percentage
Provinces	5	9	55,6
Districts	8	86	9,3
Schools	4 362	25 691	16,98
Fresh Start Schools	415	N/A	1,62

As envisaged in the Education Collaboration Framework (ECF) adopted in 2013, Government is seen as the anchor partner of the collaboration and takes primary responsibility for the education system, particularly for its maintenance.

In contrast, the NECT, as a catalyst, mobilises non-governmental inputs to test and implement innovations that can improve the system as a whole. In this context, the NECT's key focus is on identifying, testing, replicating and institutionalising innovations that have been proven to be effective and have the potential to enhance the overall performance of the system.

In its recent investigation of innovation as a key component in the transformation and development of education, the NECT defined the concept of educational innovation as *"making sustainable changes to the education system by implementing new ideas, approaches and/or products that create new value at scale"*.

On the basis of this definition, the NECT embarks on initiatives that yield new ideas, approaches and products that can create enhanced value in the system. The true success of the NECT is gauged not only by whether it brings about change in the educational outcomes in the targeted institutions, but also by the extent to which it can prove the efficacy of its innovations in changing education delivery,

as well as the extent to which it is able to promote the adoption and institutionalisation of these innovations system-wide.

The sections that follow report on the progress of the NECT in proving the efficacy of key education improvement innovations and the extent to which the various levels of the education system - districts, provinces and the national Department of Basic Education (DBE) - are starting to adopt these innovations. As will be seen, significant progress has been made in research on and development of key innovations in terms of their testing, their early adoption and their institutionalisation across the various levels of the system. Early signs of improvement in the target institutions and their functions are observable.

Much has been achieved by the NECT in capitalising on the DBE's historic successes in the areas of access, redress and equity in order to build a solid basis for achieving the educational goals of the National Development Plan (NDP). However, access to quality education remains limited to a few schools. The NECT programmes are geared towards supporting the education system to achieve the NDP's goal of *90% of learners achieve more than 50% in mathematics, science and languages by 2030*, with particular regard to rural schools. On this basis, the work of the NECT continues to be organised into the following six themes of the ECF:

Table 2: Education Collaboration Framework Themes

Theme 1 : Professionalisation of teaching

Theme 2 : Promotion of courageous and effective leadership

Theme 3 : Capacity of the State

Theme 4 : Resourcing of schools and classrooms

Theme 5 : Parent and community involvement

Theme 6 : Learner welfare

This report also highlights the enormity of the agenda for sustainable education improvement, which requires comprehensive, courageous and consistent interventions to transform practice. It must be noted that this is work that cannot be completed overnight. In order to ensure that the NECT stays on track, a set of intermediate outcomes were delineated and are being monitored rigorously.

2. PERFORMANCE OF THE COLLABORATION

The NECT was set up as a test model of collaboration for implementing the NDP. In this regard, government, business, labour and civil society groups have continued to make their respective inputs into the governance, resourcing and operations of the NECT as well as in creating the necessary conditions for the success of the collaboration. These four stakeholder groups remain actively involved in the governance and the implementation of the NECT programmes at both the national (Board) and regional (District Steering Committees (DSC)) level. Over and above exercising their fiduciary functions, the NECT Board and the DSCs play very important roles in the education transformation process.

In the past year, the NECT achieved the following in relation to collaboration:

- ❑ **Mobilising resources:** The NECT has raised the requisite funding input, mainly from Government and the private sector.
- ❑ **Establishment of structures:** Multi-stakeholder structures established in 2014 continue to encourage joint efforts towards securing success conditions for education improvement. Eight DSCs perform this role at a regional level.
- ❑ **Field experts:** The NECT mobilised 488 experts and coaches and their official counterparts to work together towards improving planning, systems, skills and the work-culture of districts which impact over 66 000 teachers and officials.
- ❑ **Scaling up and promoting sustainability:** Some provinces, for example, the Eastern Cape, Mpumalanga and Limpopo, have started replicating the NECT's innovations. The DBE, on the other hand, is exploring ways of replicating the innovations nationally.
- ❑ **Building trust and promoting cross-sector pollination:** The NECT has constantly worked towards narrowing the 'trust deficit' between the private sector, Government, teacher unions and other role-players such as non-governmental organisations (NGOs).
- ❑ **Promoting union involvement in teacher professionalisation:** Improving the levels of constructive engagement with and roles of teacher unions is a major concern to society and remains high on the NECT's agenda. The NECT remains engaged with the union leadership alongside the Education Labour Relations Council (ELRC). This relationship is being strengthened through a programme that seeks to extend implementation of the NECT activities through the teacher unions' professional development institutes.

The two and half years of the ECF implementation is confirming an effective model of collaboration that can be used to implement the various chapters of the NDP. The most significant observation in this regard is that there is extensive collaboration potential in communities across the South African landscape which remains untapped. The lesson from the ECF implementation is that collaborations succeed if the following conditions are in place:

- | | |
|---|--|
| ▪ Existence of a common vision, as laid out in the NDP | ▪ Focused common programme of action that is steered jointly by senior leadership of the stakeholder groups |
| ▪ Co-resourcing of the programmes as is the case of the NECT where government, business and unions fund the programmes of the collaboration | ▪ A dedicated coordination structure in the form of the NECT secretariat which guides and oversees stakeholder participation and ensures accountable co-financing modalities |

3. OVERVIEW OF 2015 OPERATIONS

Guided by the ECF, 2015 saw the NECT record significant achievements with our programme reaching more beneficiaries compared to the previous year. Whilst 2014 was dedicated to laying the foundation for implementation and managing the inception of the three year programme, 2015 was dedicated to: increasing the intensity of implementation; extending the programme to areas not reached before; increasing buy-in and adoption at national, provincial and district level; piloting and testing new models; and finalising the Monitoring and Evaluation (M&E) Framework for the NECT programme.

At the start of 2015, the NECT undertook a strategic reassessment of its model of delivery in order to identify ways of increasing its effectiveness and impact. The process resulted in the re-organisation of the NECT flagship programme, the District Improvement Programme (DIP). The resulting programme is more closely aligned with the DBE's programmes as well as more coherent and streamlined, with clear targets and outputs for each of the focus areas. The strategic reassessment process also clarified the NECT's identity and role in the basic education sector. This was helpful as stakeholders had divergent views and expectations of the NECT. Contracts with two of the four lead agencies that were engaged to deliver programmes in the districts were discontinued for operational reasons. The NECT currently manages the implementation of the programme in affected districts directly.

The NECT embarked on several systems level interventions to support immediate system-wide improvements and during 2015 achievements were recorded at various levels of the system, all the way from school level to the national level of the DBE.

- ❑ There is evidence of improvement in the organisation of school operations and over 6 817 principals and HODs have been equipped to effectively manage and track curriculum management. However, schools have a long way to go towards achieving optimum utilisation of the resources that are available in schools.
- ❑ The NECT has trained over 19 398 Mathematics, Science and language teachers across five provinces with the intention of helping teachers to apply standard routines in the implementation of the Curriculum and Assessment Policy Statements (CAPS) in their respective subject areas.
- ❑ The teachers underwent a year-long teacher development programme which has increased their awareness of the need to complete the curriculum using 170 days of dedicated teaching time as a benchmark. The baseline in this regard is as low as 90 days in some schools.
- ❑ At a district level, the NECT piloted an innovative learner psycho-social screening and referral project in the Bela-Bela circuit in the Waterberg district. Lessons learnt in this pilot were further replicated in the uThungulu district in KwaZulu-Natal and there are plans to roll-out the project to the remaining NECT target districts.
- ❑ Over 317 district officials were trained in curriculum management and tracking and district officials' counterpart with NECT experts and coaches as part of the curriculum management programme rollout.
- ❑ At a provincial level, the curriculum coverage initiative, which is part of the NECT's learning programmes, has been extended and adopted for implementation in more districts in the Eastern Cape, Limpopo and Mpumalanga provinces respectively.
- ❑ At national level, a number of system improvement initiatives are underway. These include: support to the DBE in improving information and communications technology (ICT) systems; and national dialogues on key issues to nurture a common understanding of collaborative actions required among key stakeholders.

The six themes of the ECF cited above serve as the basis for the design of the NECT's work which is organised into eight programmes and which are discussed in the remainder of the report.

4. EXPENDITURE OVERVIEW

In 2015, the NECT spent a total of R196 264 894 on all the programmes with programme 1 accounting for the largest spend. As can be gleaned from Table 3, the rest of the programmes are relatively smaller in scope and scale and largely implemented at the national level. The expenditure spread is not reflective of the strategic importance of the programmes but an indication of capital intensiveness of the interventions. The district and schools levels of education system, and therefore those of the NECT, are the most extensive in terms of scope and the scale of the intervention activities involved. In the NECT programme eight districts from five provinces are involved. These districts comprise 4 362 schools 10% of which are provided with intensive support. The key drivers of the expenditure in this regard are the personnel, materials and logistics costs used to drive human capital development in schools that are separated by long distances and often in very difficult terrain.

Table 3: Expenditure Patterns across the NECT Programmes (2014/2015)

Financial year		2015		2014	
Programme		Expenditure Rands	Percent of total expenditure	Expenditure Rands	Percent of total expenditure
Programme 1	Districts and Schools	177 410 542	90.4%	98 708 777	88.5%
Programme 2	Systemic Intervention	2 617 923	1.3%	-	0.0%
Programme 3	Innovation	1 854 069	0.9%	246 266	0.2%
Programme 4	Local Projects	169 604	0.1%	5 248	0.0%
Programme 5	Education Dialogue SA	2 185 487	1.1%	532 112	0.5%
Programme 6	Internal Operations	9 231 003	4.7%	9 483 933	8.5%
Programme 7	Partnerships	16 244	0.01%	329 886	0.3%
Programme 8	Monitoring & Evaluation	2 780 025	1.4%	2 281 603	2.0%
TOTAL		196 264 895	100.0%	111 587 824	100.0%

The section below highlights inputs, outputs and outcomes per programme arising from the investment in all the programmes as presented above.

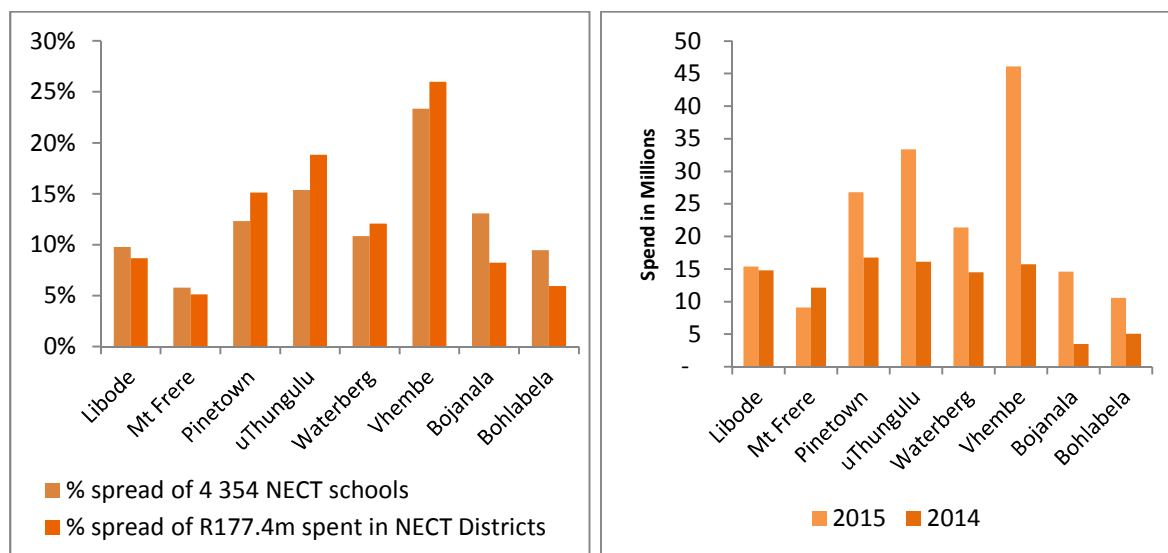
PROGRAMME 1: DISTRICTS AND SCHOOLS

As previously indicated, the DIP accounted for 90.5% of the NECT's expenditure in 2015. The DIP aims to improve the quality of teaching, learning and management of schools as well as the effectiveness of the support and monitoring services provided to schools by the districts with a view to replicating the programme and lessons learned during implementation in other districts and provinces.

Investment per District in 2015

As presented in figure Table 3, a total of R 1 77 410 542 was invested in the 8 NECT districts. The number of schools across all districts is 4 362. The expenditure pattern across districts is in line with the number of schools per district. Figure 1 below presents the proportional investment per district, alongside the proportional number of schools per district.

Figure 1: Distribution of investment vs schools in the NECT districts



In KwaZulu-Natal the proportion of spend is much higher than the proportion of schools because of district-wide provision of materials as opposed to other districts in which the distribution of NECT material is limited to Fresh Start schools. In these schools, the material is accompanied by intensive in school coaching. In Limpopo the slightly higher proportion of expenditure in relation to the number of schools is accounted for by the lead agency's relatively higher cost model. This agency's engagement was terminated in October 2015. The comparatively lower expenditure patterns in the North West and Mpumalanga are as a result of a planned lag in the initiation of the project in those provinces' respective districts.

Investment spread per input area

The investment spread per input area is provided in Table 4 below.

Table 4: Investment spread per input area

Districts and Schools	Expenditure in 2015	Expenditure in 2014
Personnel costs	127 698 597	73 661 270
Materials Development	23 023 075	6 439 049
Other logistic costs	26 688 869	18 608 458
Total	177 410 542	98 708 777

The expenditure above was accrued in the districts and schools for in-school support, training, materials development and travel and accommodation. Since the NECT intervention is mainly a human capital development programme, programme implementation costs account for 72% of the Programme 1's costs and include the cost of research and development and field personnel.

The following sections detail the inputs and outcomes for each of the five focus areas of the DIP.

Focus Area 1: Teacher Professionalisation

The teacher professionalisation component of Programme 1 is aimed at building curriculum management and delivery capacity in Mathematics, Science and language and at preparing teachers to assist in the management of learners' welfare needs.



Inputs

- **40 023 repeat training and support for teachers** as part of the programme to ensure that classrooms follow structured year-long mathematics, science and language programmes that aim to cultivate more disciplined, efficient teaching and learning. The programme impacted 19 398 teachers.
- **918 569 resource materials** developed, printed and distributed in classrooms of the target schools.
- Teachers in a sample of schools receive **5-6 in-school coaching visits** per school term.
- **69 curriculum specialists** in EFAL, Mathematics, home language and Sciences provide in-school training and in-school support alongside the dedicated district officials.

Outcomes

- Increased awareness of the need to complete the curriculum using 170 days of dedicated teaching time;
 - Target setting with respect to quantity and quality of curriculum coverage;
 - Reflection on the national policy expectations and crafting a developmental path for achieving increased completion and quality of curriculum delivery.
 - An average increase of **17.3 and 14.5 percentage points** in the performance of secondary Mathematics and Science teachers who were targeted for the Lead Teacher programme in six districts. The pre- and post-assessments provided useful policy and planning insights into the performance of teachers teaching difficult topics.
-

Focus Area 2: Management and Courageous Leadership

The management and courageous leadership component of Programme 1 is aimed at building the capacity of school principals for courageous leadership, effective management and the proper monitoring of curriculum delivery.



Inputs

- **12 998 repeat training and support** for school management teams (SMTs) in monitoring and supporting learning in order to optimise utilisation of teaching time and resources. SMT members were trained and supported in resources management, curriculum tracking and support. The Programme impacted 6 817 SMT members.
- **119 principals trained** in readiness assessment interventions to prepare schools for assessing and enhancing their performance.
- School managers engaged in a school self-assessment process (Fundamentals of Performance).
- Introduction of a courageous leadership conversation among SMTs. The first module has been developed and sessions are being organised across schools.
- Principals and SMTs in schools receive **three in-school coaching visits** per school term.
- **36 change agents** working in school management provide training and in-school coaching alongside district officials.

Outcomes

- Evidence of improvement in the organisation of school operations; however this is from a very low baseline.
-

Focus Area 3: District Development

District development is aimed at building the capacity of Subject Advisors and Circuit Managers in the district offices with a view to supporting schools so that principals, heads of departments (HODs) and teachers perform effectively and their performance results in the improved achievement and success of learners at all levels.



Inputs

- **317 district officials received training, coaching and mentoring** in a programme to improve the implementation of the curriculum, and coverage of curriculum in schools.
- **DMCs meet once a month** involving provincial departments of education (PDEs) and other partners in 8 districts for joint planning and implementation.
- School visitation instrument developed for utilisation by subject advisors and circuit managers.

Outcomes

- Improving district support of schools through the adoption of a district Improvement programme comprising structured approaches, tools and schedules.
-

Focus Area 4: Parent and Community Involvement

The parental and community involvement component aims to: empower parents to support their children's learning; promote volunteerism among parents and community members in supporting the activities of the school; and increase the use of community resources for the welfare and development of learners.



Inputs

- Parents were involved in the NECT's quick wins programme to improve the physical environments of schools.
- **4 NECT parent and community involvement specialists work hand in hand with 51 volunteers** in this focus area.
- Guidelines on parental involvement in their children's learning, and a framework for parental involvement were developed by the DBE in collaboration with the NECT, and have been approved by the Council of Education Ministers (CEM)

Outcomes

- **162 community, unions, and business sector members** involved in DSCs overseeing education improvement in 8 districts.
-

Focus Area 5: Learner Welfare and Support

The purpose of NECT interventions in learner welfare and development is to ensure that schools serve as a nurturing environment for all learners to grow, develop and achieve, empowering learners to take responsibility for their learning and their lives.



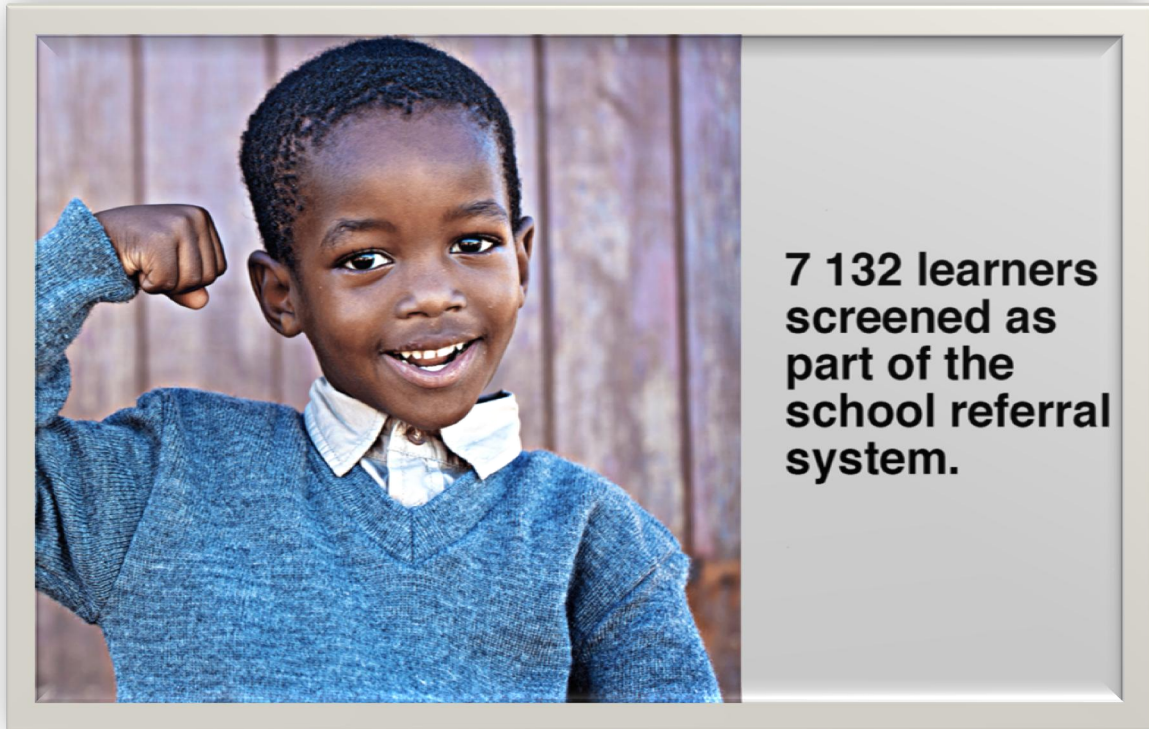
Inputs

- Live streaming of Mathematics and Science lessons was provided to learners in high schools where there were teacher shortages.
- **1 132 learners screened** as part of the school referral system test pilot in Bela-Bela. **A further 6000 learners screened** in Waterberg.
- 2 NECT Learner welfare specialists and **55 district Learner Support Agents** (interns) work in this focus area.

Outcomes

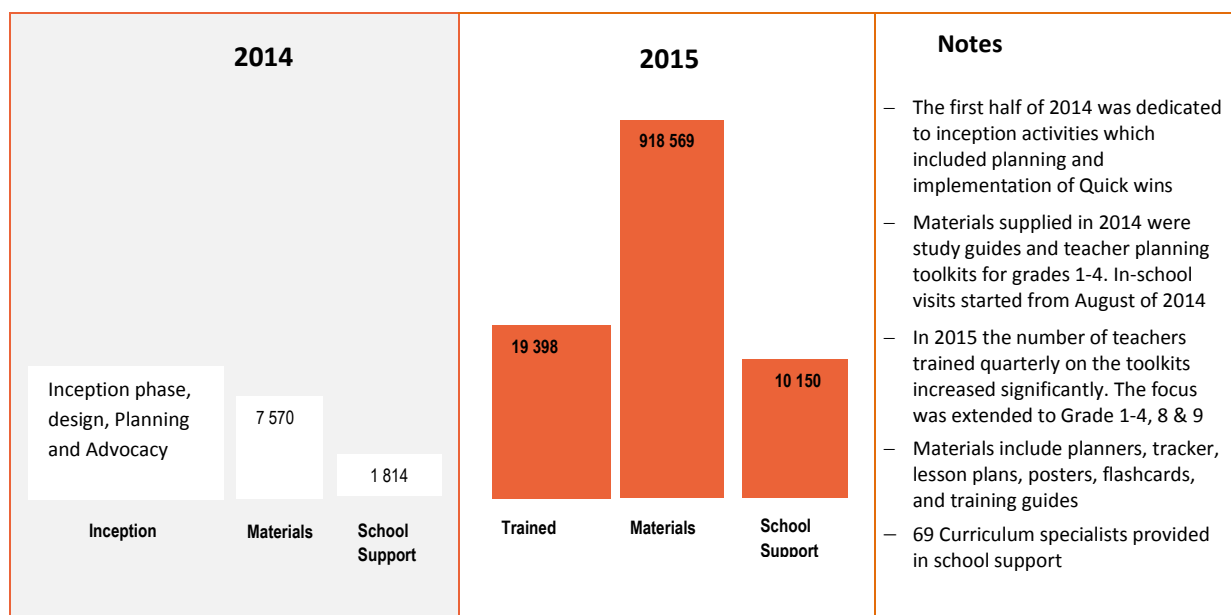
- Psycho-social health assessment testing strategy was developed and is being rolled out in target schools. Testing took place in **46 schools** serving approximately **8 000 learners**.
-

A great challenge encountered by the NECT is that many schools still teach for far less than the expected number of days and therefore cover much less than the expected curriculum per grade. This challenge requires not only increased awareness and technical capacities among teachers, school managers and officials, but a concerted drive to change the mind-sets among these public servants. Without these mind-set changes government and corporate social investment will continue to yield low returns on investment.

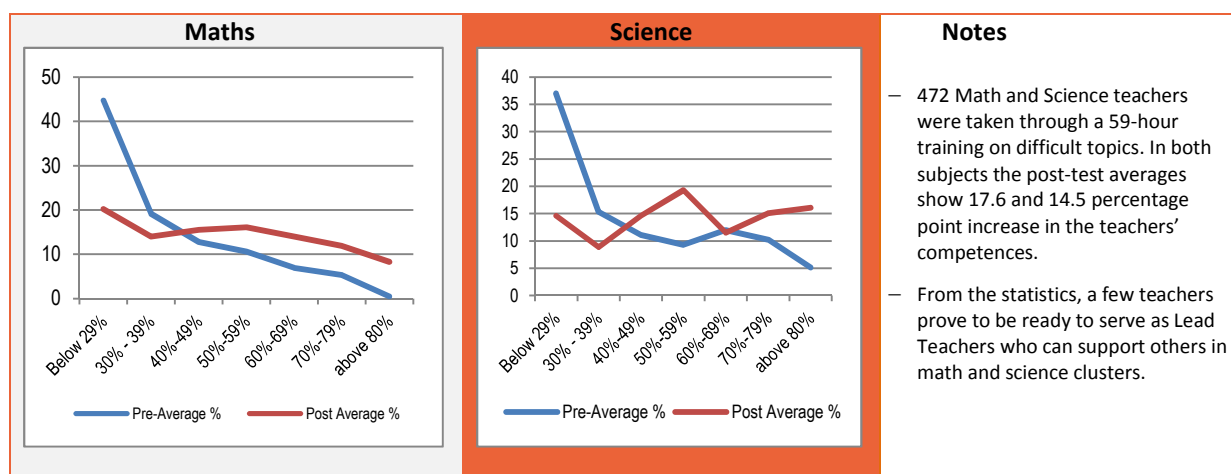


School Interventions at a glance

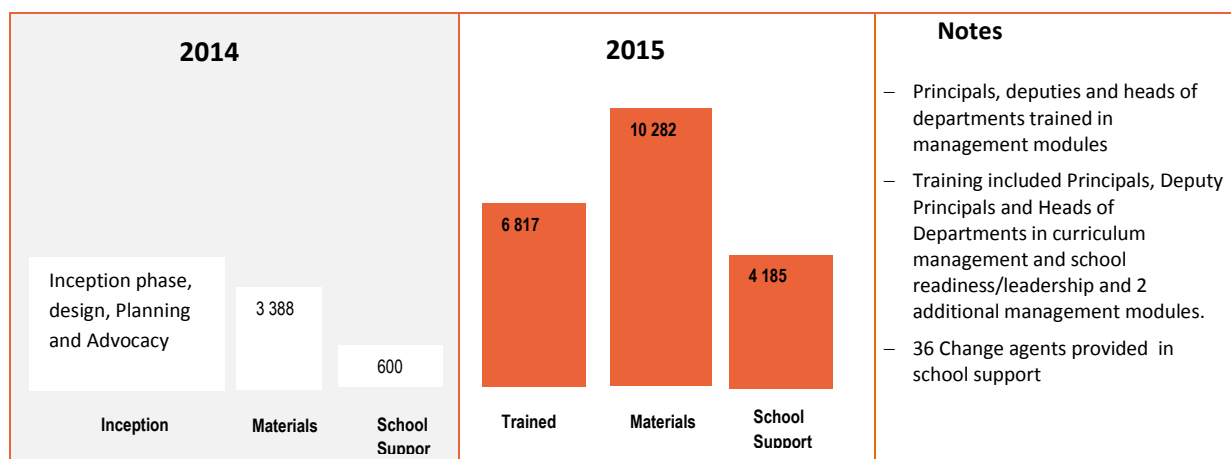
Teacher Professionalisation



Improvements from Math and Science Lead Teacher Programme



Courageous Leadership



PROGRAMME 2: SYSTEMATIC INTERVENTION

This programme aims at partnering with government to address key systemic challenges that are holding back the improvement of the education system or that risk reversing the gains already made. The expenditure on this programme, utilised for the provision of technical assistance to the DBE on various aspects amounted to R2 617 923, 1.3% of the NECT's total expenditure. The sub-programmes under Programme 2 are highlighted below:

Initiative 1: Ministerial Committee on ICTs

The NECT facilitated the formation of the Ministerial Advisory Committee (made up of private and public senior officials) on ICTs and the development of a research report on best practice in use of ICT in teaching and learning. The ICT committee was set up in June 2015 and accomplished the following, amongst others:

- ❑ Provided input into Operation Phakisa Education Lab held in August 2015.
- ❑ Developed a paper which identified and highlighted the major challenges facing the Department in developing an effective IT strategy.
- ❑ Organised a 2-day workshop attended by political leadership and senior management from both the national department and provincial DoE's.

Initiative 2: User Requirements for SA-School Administration and Management System (SA-SAMS)

The NECT collaborated with the Zenex Foundation to provide technical assistance in planning the modernisation of the school administration system. The collaboration sourced private sector funding for the development of the SA-SAMS "User Requirement Specification ("URS") and the upgrade of the SA-SAM technical architecture. This will help improve the efficiency of the DBE's core management information system and consequently the resource allocation to schools and districts.

PROGRAMME 3: INNOVATION

The programme is intended to initiate projects and set up channels that will promote new thinking, approaches and programmes aimed at improving the quality of learning and teaching and the efficiency and effectiveness of the education system. Investment in this programme amounted to R1 854 069, 0.9% of the NECT's total costs. Most of this funding was invested in technical assistance inputs. Three initiatives formed part of Programme 3:

Initiative 1: Case Study on the National Examination System

The case study on how public systems improve, focused on the examinations system, and was finalised and endorsed by the National Examinations and Assessments Committee (NEAC). The NEAC is using the report to strengthen its processes. A total of 85 days of technical expertise were allocated to this research, wherein 49 face to face, telephonic and group discussions were conducted to solicit inputs on how and why the national examination system improved.

The technical report produced is being used by the DBE's examination and assessment division to improve planning. Treasury's technical advisory centre (G-TAC) is repackaging the report into an

easily accessible public document for much wider dissemination. The report reveals useful insights into public service improvement and contributes towards building a culture of learning in the DBE.

Initiative 2: School Referral System

The innovative pilot tested in Bela-Bela has been replicated in the uThungulu district in KwaZulu-Natal where approximately 8 000 learners from 46 schools were screened for psycho-social problems which inhibit effective learning. Fifty five Learner Support Agents (LSAs) and district officials are working on replicating this model.

Initiative 3: Innovation Unit

The NECT, in collaboration with the FirstRand Empowerment Fund and the Global Education Partnership Programme, completed an investigation into the establishment of an innovation unit which will promote better coordination, resourcing and replication of innovations in the education sector. Plans are underway to finalise the structural and legal configuration of the unit.

PROGRAMME 4: LOCAL PROJECTS

The NECT finalised the process of developing a handbook for maximising the impact of social investment (CSI) in Mathematics and Science interventions with the intention of distributing the handbook nationally in 2016.

Expenditure in this programme amounted to R169 604 (the fee of the agency contracted to develop the handbook on behalf of the NECT).

PROGRAMME 5: EDUCATION DIALOGUESA

Programme 5 seeks to drive a positive narrative around education as a whole through a programme of dialogues. Expenditure in this programme was mainly for marketing, communications and public relations. In this regard, 80% of the total investment of R2 185 487 was allocated to marketing and communicating NECT work, whilst the remaining expenditure related to the logistics of convening the Education Dialogues.

The NECT convened several dialogues and summits and was involved in a number of conversations. These included:

- ❑ Two national teacher professionalisation dialogues. The dialogues resulted in the South African council for Educators (SACE) reviewing its role in the professionalisation of teaching, including reviewing policies and measures for teacher certification. The NECT successfully promoted an extensive discourse about the professionalisation of teaching through the establishment of a joint programme involving SACE, the DBE, teacher unions and school governing body (SGB) formations. The initiative aimed to promote year-round teacher wellness and appreciation programmes (Teacher Appreciation and Support Programme-TASP).
- ❑ A school safety and security summit involving learners, teachers and other practitioners in education was convened 2015. The summit brought pervasive issues to light about school

safety and enabled government, unions, SGBs and learners to adopt a school safety declaration.

- ❑ Various dialogues focusing on reading and public-private partnership schooling for the lower income brackets were held in 2015, reaching over 1 million people through electronic and print media.
- ❑ Several conversations held with teacher unions on their role in professional development.
- ❑ A national meeting with DSC Chairs to develop a common programme for increasing buy-in at regional and provincial level providing strategies to improve societal interest in education.

The Story of South Africa

We began to tell a new story then. We have lived and renewed that story along the way.

We, the people of South Africa, have journeyed far since the long lines of our first democratic election on 27 April 1994, when we elected a government for us all.

Now in 2030 we live in a country which we have remade.

We have created a home where everybody feels free yet bounded to others; where everyone embraces their full potential. We are proud to be a community that cares. We have received the mixed legacy of inequalities in opportunity and in where we have lived, but we have agreed to change our narrative of conquest, oppression, resistance, and victory. Our story is open ended with temporary destinations, only for new paths to open up once more. It is a story of unfolding learning and victory.



From "The Vision Statement of the National Planning Commission"

Systemic Interventions at a Glance

THE SYSTEMIC CHANGE LOGIC IN BRIEF	ACHIEVEMENTS AND OUTCOMES IN PRACTICE
<p>For decades, education improvement activities around the world focused on classroom and school level interventions in isolation. Whilst education improvement indeed has to be demonstrated in classrooms, to achieve sustainable education improvement requires simultaneous interventions at the levels above classrooms where education planning and monitoring are undertaken.</p> <p>It is against these reasons that the NECT takes a systemic approach that promotes improvements of organisational systems and culture at district, provincial and national levels. These imperatives are pursued through technical assistance projects, innovation promotion, dialogues, partnerships and monitoring and evaluation programmes.</p> <div data-bbox="223 1534 470 1881"> <p><i>We all assist the institutions we have creatively redesigned to meet our varies needs, NDP, 2014:17</i></p> </div>	<p>Systemic interventions</p> <ul style="list-style-type: none"> Ministerial Committee involving private sector experts, State Information Technology Agency and the Department of Basic Education supports strategy development and the Presidential Operations Phakisa. User-requirements for upgrading the schools administration system were completed. <p>Innovation Programme</p> <ul style="list-style-type: none"> A reflection on the 156 years old examination system was completed, marking the only reflection on systems functionality of national processes. Technical report is used to strengthen the examination system and key lessons are being drawn for the entire public service. Pilot of the school referral system was completed in Belabela district. The trial is extended to 100 schools involving 8000 learners in key grades. Investigation into the establishment of an innovation unit was completed. It drew lessons from initiatives that promote innovation in education in South Africa and around the world. <p>Education Dialogue and partnerships</p> <ul style="list-style-type: none"> Two national dialogue of professionalization of teaching were organised. The South African Council of Educators has set up a process in motion to review the certification requirements for teachers. Dialogue was held on the promotion of reading and the concept of low fee private schools. The dialogue exposed participants to the importance of reading for academic achievement as well as different approaches and initiatives. The dialogue of low fee private schools raised widespread questions that continue to be discussed in relation to the structure of schooling in South Africa. A national school safety summit was held with over 150 representatives of learner leadership groups, teacher unions, civil society and the departments responsible for educations, health and the office of the President. A safety Charter was adopted by the stakeholders. District Steering Committee remained engaged with communities around schools in the eight target districts.

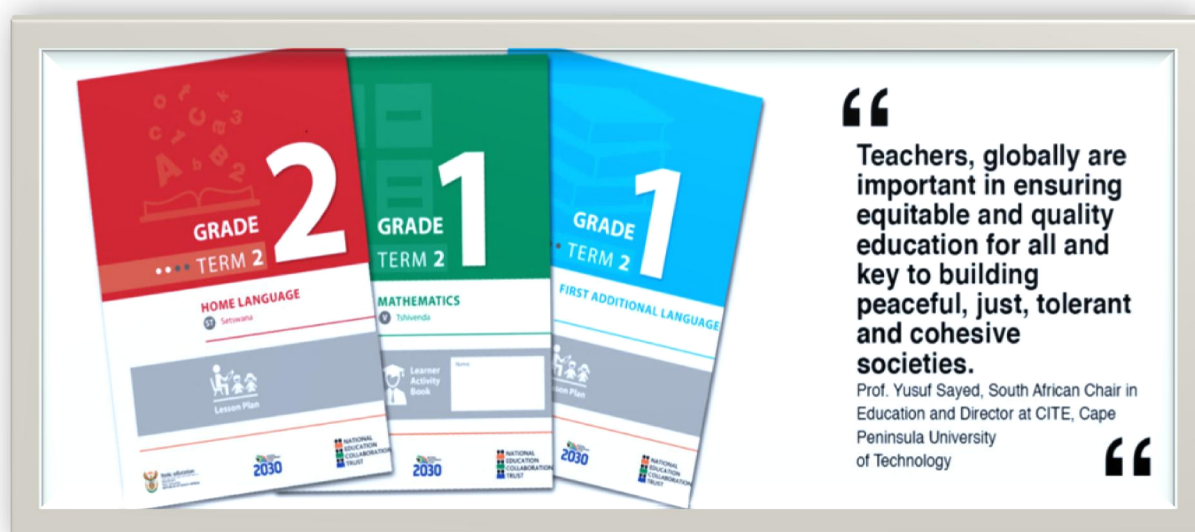
PROGRAMME 6: GOVERNANCE AND INTERNAL OPERATIONS

In 2015 the Board held a total of 9 Board and committee meetings. These are presented in Table 5.

Table 5: Board and committee meetings

Financial year	2015	2013-2014
Board	4	14
EXCO	2	8
Audit and Risk	3	4
Total	9	26

The NECT presented reports to its stakeholder constituencies during 2015. These included a progress report to the Presidential Education Skills Task Team (03 August) and presentations to the Education Portfolio Committee (08 September) and CSI managers (08 October). Reports were also presented to Business Leadership South Africa (6 reports) and the DBE (3 reports).



FINANCIAL HIGHLIGHTS

The NECT's annual financial statements have been audited by Ernst & Young Inc. and received an unqualified opinion. Highlights on the income and expenditure patterns are provided below. The full annual financial statements are attached to this report.

The sources of the NECT funding are outlined in the diagram below.

Income and expenditure analysis

The NECT received a total of R186 542 790 from funders in 2015. The ratio of funding received from various categories of funders is presented in the figure below.

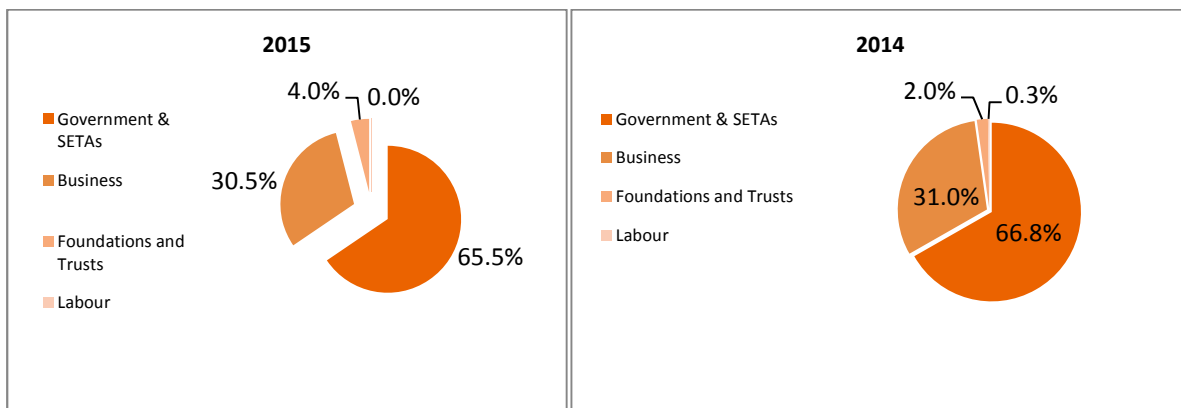


Figure 2: Distribution of income from various funders in 2015

Although the Government's contribution to total NECT's funding in 2015 was highest at 65%, the proportion of funding from this category has declined compared to the previous year (2014: 67%). Conversely, the contribution from other funders has increased from 33% in 2014 to 35% in 2015.

Total expenditure on all the NECT programmes in 2015 amounted to R196 264 895. The split between educational programmes versus administration is represented below.

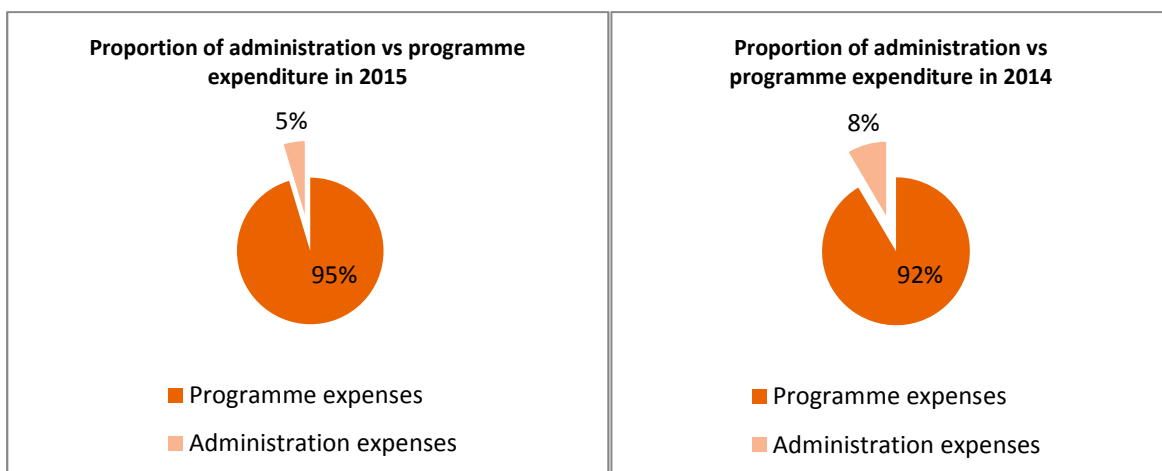


Figure 3: Proportion of administration vs programme costs

Funding Contributions

Table 6 reflects that NECT income was received from 24 funding sources comprising two government funding sources, 20 private sector organisations and two Trusts and Foundations. In both years the contributors numbered 24 but in 2015 we have seen significant increases.

Table 6: List of funders for 2015

Government & SETA		2015	2014
1	Department of Basic Education	122 095 234	77 620 985
2	ETDPSETA	2 333 000	362 000
Total Government & SETA		124 428 234	77 982 985
Business			
3	First Rand Foundation	11 034 272	10 000 000
4	Standard Bank South Africa	10 640 351	7 500 000
5	ABSA Bank Ltd	7 000 000	-
6	Anglo American Chairman's Fund Trust	5 000 000	-
7	Old Mutual South Africa Ltd	3 666 290	2 880 000
8	Nedbank Ltd	3 000 000	3 227 194
9	Woolworths Holdings Ltd	2 000 000	2 000 000
10	MMI Foundation NPC	1 645 782	1 401 897
11	Investec Ltd	1 098 788	683 183
12	Hollard Group Ltd	1 000 000	1 000 000
13	Liberty Group Ltd	1 000 000	1 000 000
14	The South African Breweries (Pty) Ltd	1 000 000	-
15	Anglo Gold Ashanti Ltd	633 305	633 305
16	Industrial Development Corporation of South Africa Ltd	500 000	-
17	Telkom SA SOC Ltd	465 653	-
18	Murray & Roberts Holdings Ltd	448 294	447 627
19	Ernst & Young Inc	440 000	-
20	Alexandra Forbes Ltd	427 173	142 519
21	Sasol Inzalo Foundation	388 805	-
22	JSE Ltd	289 863	273 456
23	Credit Suisse Securities Pty Ltd	-	250 000
24	Deloitte South Africa Inc	-	1 000 000
25	Imperial Holdings Ltd	-	1 675 198
26	Kagiso Tiso Holdings Pty Ltd	-	300 000
27	Massmart Holdings Ltd	-	1 335 488
28	Safika Holdings	-	500 000
Total Business Contributions		51 678 576	36 249 867
Foundations & Trusts			
29	Zenex Foundation	10 135 980	2 000 000
30	DG Murray Trust	300 000	300 000
Total Foundations & Trusts Contributions		10 435 980	2 300 000
Labour			
31	Education Labour Relations Council	-	293 317
Total funding in 2015		186 542 790	116 826 169

PROGRAMME 7: STRATEGIC PARTNERSHIPS

Developing strategic partnerships with key stakeholders reinforces the call by the NDP for a social compact to address educational challenges. To this end the NECT maintained strategic partnerships with 22 private sector partners, the DBE and a further 3 government departments. Total investment in Programme 7 was largely logistical, amounting to R16 244 which represents only 0.01% of total programme expenditure.

Towards the end of 2015 the NECT initiated a process of introducing special partnership projects aimed at increasing integration and alignment of ongoing work by private sector organisations. A similar process is being followed with the teacher unions' professional development institutes.

Table 7: Special partnership projects

	Partner	Type of Programme
1	Woolworths	Vegetable gardens in schools/communities in NECT districts/schools
2	ABSA Bank	Ready to Work Programme
3	Investec	Mathematics and Science Programme
4	Old Mutual	Data Driven District model in Libode
6	SIOC	Mathematics, Science and Languages Programme for schools in Thabazimbi
7	Liberty	Maths and Science Programme

PROGRAMME 8: MONITORING AND EVALUATION

The total investment in Programme 8 was R2 780 025 which represents 1.4% of total programme expenditure. The largest spend under Programme 8 was on technical expertise in terms of development and verification of the M&E Framework, conducting a rapid appraisal and ongoing monitoring and quality assurance of the NECT fieldwork. Some of the achievements over the reporting period are as follows:

- ❑ The revised NECT M&E Framework was completed in 2015. The framework outlines long term outcomes and indicators in line with the 2030 NDP vision as well as intermediate outcomes and indicators which will be tracked and reported on a monthly and quarterly basis to stakeholders.
- ❑ A Rapid Appraisal in a sample of Fresh Start Schools to assess NECT and Lead Agent programme performance was conducted. The baseline results showed that although there is greater awareness about the need to complete the curriculum and heightened sensitivity regarding loss of teaching time, there is still a great need to protect teaching and learning time. These and other useful insights have been incorporated into the NECT's programme planning.
- ❑ An evaluative report of the implementation of learning programmes and curriculum trackers was developed. This report provides suggestions on how the learning programmes can be better implemented for higher impact.

An Output to Purpose (OPR) review will be conducted by mid-2016. The objective of the OPR is to establish whether the NECT is progressing towards meeting its objectives and goals.

CONCLUSION AND WAY FORWARD

The NECT's activities were aligned to the imperatives of the national system of education and its needs as described by the various collaborative stakeholders. Importantly, an increased number of schools, districts and provinces are starting to replicate innovations being introduced and tested by the NECT. An instructive lesson in this regard is that various levels of the system easily adopt innovations if the responsible officials are involved in the design and implementation of the innovations and once the innovations and 'their change potential' are demonstrated.

In the coming years the NECT will pursue the key change levers presented in the report, broaden adoption in schools and districts, promote institutionalisation of the innovations in schools and districts and replication of the innovations across the education system.

To ensure that the NECT work proceeds at the appropriate pace and remains on track, a set of intermediate outcomes and indicators has been adopted and the first independent OPR of the NECT is planned to take place in 2016.

Extensive potential for collaboration remains untapped in South African communities. While the NECT has proven to be an appropriate approach to strengthening collaboration and public engagement in service improvement, greater use of the NDP to inspire active citizen participation in communities must be encouraged.

The following section presents the Annual Financial Statements for 2015 as audited by Ernst & Young Inc.



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**90% of learners pass mathematics, science and
languages with at least 50% by 2030 (NDP)**
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