



**DEPARTMENT OF EDUCATION
PROVINCE OF FREE STATE**

VOTE NO. 6

**ANNUAL REPORT
2015/2016 FINANCIAL YEAR**



Table of contents:

PART A: GENERAL INFORMATION		
1.	DEPARTMENT GENERAL INFORMATION	5
2.	LIST OF ABBREVIATIONS/ACRONYMS	6
3.	FOREWORD BY THE MINISTER/MEC	6
4.	DEPUTY MINISTER STATEMENT (if applicable)	10
5.	REPORT OF THE ACCOUNTING OFFICER	10
6.	STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR ANNUAL REPORT	15
7.	STRATEGIC OVERVIEW	16
7.1.	Vision	16
7.2.	Mission	16
7.3.	Values	16
8.	LEGISLATIVE AND OTHER MANDATES	16
9.	ORGANISATIONAL STRUCTURE	19
10.	ENTITIES REPORTING TO THE MINISTER/MEC	19
PART B: PERFORMANCE INFORMATION		
1.	AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES	21
2.	OVERVIEW OF DEPARTMENTAL PERFORMANCE	21
2.1	Service Delivery Environment	21
2.2	Service Delivery Improvement Plan	31
2.3	Organisational environment	32
2.4	Key policy developments and legislative changes	32
3.	STRATEGIC OUTCOME ORIENTED GOALS	32
4.	PERFORMANCE INFORMATION BY PROGRAMME	46
4.1	Programme 1: Administration	46
4.2	Programme 2: Public Ordinary School Education	51
5.	TRANSFER PAYMENTS	85
5.1.	Transfer payments to public entities	85
5.2.	Transfer payments to all organisations other than public entities	85

6.	CONDITIONAL GRANTS	86
6.1.	Conditional grants and earmarked funds paid	86
6.2.	Conditional grants and earmarked funds received	93
7.	DONOR FUNDS	93
7.1.	Donor Funds Received	93
8.	CAPITAL INVESTMENT	93
8.1.	Capital investment, maintenance and asset management plan	93
PART C: GOVERNANCE		
1.	INTRODUCTION	95
2.	RISK MANAGEMENT	95
3.	FRAUD AND CORRUPTION	95
4.	MINIMISING CONFLICT OF INTEREST	95
5.	CODE OF CONDUCT	96
6.	HEALTH SAFETY AND ENVIRONMENTAL ISSUES	96
7.	PORTFOLIO COMMITTEES	96
8.	SCOPA RESOLUTIONS	99
9.	PRIOR MODIFICATIONS TO AUDIT REPORTS	118
10.	INTERNAL CONTROL UNIT	120
11.	INTERNAL AUDIT AND AUDIT COMMITTEES	120
12.	AUDIT COMMITTEE REPORT	122
PART D: HUMAN RESOURCE MANAGEMENT		
1.	INTRODUCTION	125
2.	OVERVIEW OF HUMAN RESOURCES	125
3.	HUMAN RESOURCES OVERSIGHT STATISTICS	126
PART E: FINANCIAL INFORMATION		
1.	REPORT OF THE AUDITOR GENERAL	164
2.	ANNUAL FINANCIAL STATEMENTS	171



PART A:

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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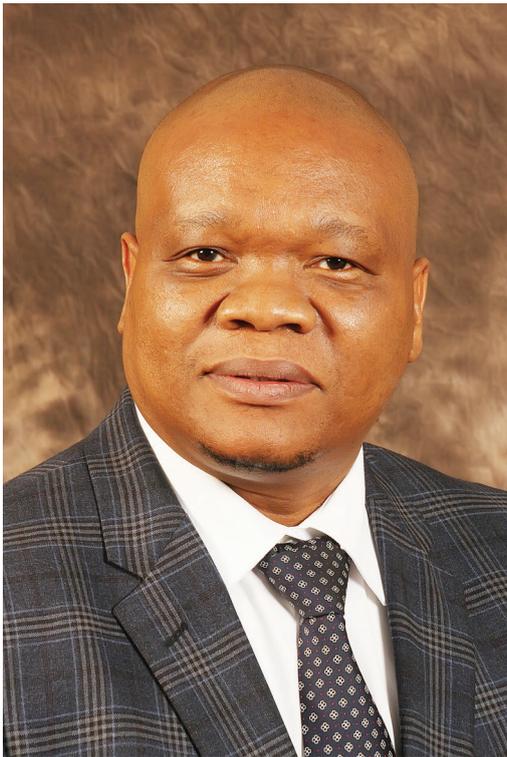
2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
ACE	Advanced Certificate in Education Leadership
ANA	Annual National Assessment
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CAPS	Curriculum and Assessment Policy Statement
CFO	Chief Financial Officer
CEM	Council of Education Ministers
CEO	Chief Executive Officer
CIPELT	Certificate in Primary English Language Teaching
DTDC	District Teacher Development Centres
EFAL	English First Additional Language
ELITS	Education Libraries and Information Technology System
ERC	Education Resource Centre
FAL	First Additional Language
FSS	Full Service Schools
ICT	Information and Communications Technology
LOLT	Language of Learning and Teaching
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
PME	Performance Monitoring and Evaluation
SDT	School Development Teams
TDC	Teacher Development Centres
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
NSC	National Senior Certificate
NSNP	National School Nutritional Programme
PPP	Public Private Partnership
PSLA	Provincial Strategy for Learner Attainment
SACE	South African Council of Educators
SA-SAMS	South African Schools Administration System
SGB	School Governing Body
SIAS	Screening, Identification, Assessment and Support
SIP	School Improvement Plan

SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan



3. FOREWORD BY THE MEC



PHI Makgoe

Honourable MEC Education

Since 2009 the Free State Department of Education has made remarkable strides towards transforming the education landscape and service delivery in the province.

Our strategies have been driven by gaps and challenges that we had identified.

As a sector we developed a plan, Action Plan to 2019: towards the realisation of schooling 2030. This long-term sector plan was boosted by the decision of the ruling party to make education a priority number of government.

Some of the few achievements we can highlight include the following:

There has been improvement in Matric results since 2009. We congratulate the class of 2013 for achieving 87.4% and number one position in the Country. The differentiated support provided by the department jointly with the districts made it possible for it to retain position three in the 2015 NSC examination, with a pass rate of 81.6% after the Western Cape and Gauteng. This passrate increased to 83,0% after remarking and supplementary examinations which were concluded during by March 2016.

In the 2015 Academic Year, the department registered 35 160 candidates for the NSC examinations which was an increase of 8 404 from 2014. This was the highest enrolment in the history of the Department. The department had the highest percentage (28%) of progressed NSC candidates in the country with the 2nd highest province being Limpopo and Nationally the figure stands at 12.7%.

Our target for the 2016 academic year in the National Senior Certificate (NSC) is 90% pass rate and 40% bachelor passes.

To ensure quality of ECD programme for 0-4 year-old children registered at ECD centres, the department has successfully piloted the National Curriculum Framework (NCF) at 50 ECD sites in Mangaung Metropolitan Municipality.

In 2015/2016 we continued to open the doors of learning to all by awarding bursaries to deserving and needy young people of the province. By 2015 there were 6009 full-time bursary holders that are being maintained and paid for by the department. Currently more 7000 young people have been awarded the Free State Provincial Government Bursary Scheme.

The Free State Department of Education in consultation with parents is continuously making sure that where schools cannot sustain learners due to low numbers, learners are moved to hostels near schools that are well resourced. In 2009 there were 12 hostels accommodating 1 864 learners from farms. This number increased to 33 hostels at the beginning of 2016 accommodating 4 032 learners. The project also increased from R20 million in 2009 to over R52 million in 2015.

To ensure more equitable system, we will continue with our pro-poor policies. Schools in quintile 1, 2 and 3 receive substantial subsidies per learner for educational resources from the department. The no-fee policy has expanded access to education by children from poor communities.

In addition, through National School Nutrition Programme (NSNP) we have ensured that our learners don't go classes on empty stomach. To date the department is feeding almost 600 000 learners. This number has gone up from 438 937 in 2009.

The launch of Human Papilloma Virus (HPV) campaign at Gonyane Primary School in Bloemfontein in 2014 was very

pleasing. The aim of this noble initiative is to protect girls from getting cervical cancer caused by Human Papilloma Virus. All grade 4 girls who are nine years and older now have an opportunity to receive the HPV vaccination at schools. The HPV vaccination campaign is part of the Integrated School Health Programme. We take this opportunity to thank the Department of Health for making the HPV Vaccination Programme a reality.

Since 2009 the focus of the sector has been on teachers, text books and time as crucial levers of providing quality education and going forward we will continue to build on this in our efforts to move South Africa forward.

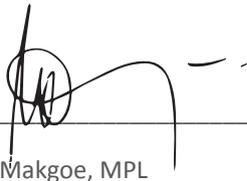
Since 2012 we have made significant progress in the delivery of learning and teaching support materials (LTSM). In 2015/16 financial year R97.2 million was set aside for textbooks and stationery.

As we conclude the Free State Department of Education pledges to be a high performance organisation.

We urge all stakeholders in education to actively participate in the Quality Learning and Teaching Campaign (QLTC) structures, to deliver quality education to all our children.

We appreciate and acknowledge the positive contribution of our dedicated teachers, teacher unions, principals' associations, and school governing body associations, learner representative councils, civil society, parents, business sector and NGOs in working with us to improve the quality of education in our province.

I hereby present the Annual Report for the Free State Department of Education for the 2015/16 financial year to the provincial Legislature.



PHI Makgoe, MPL

Free State Education MEC

Date: 31 July 2016



4. DEPUTY MINISTER STATEMENT

Not applicable

5. REPORT OF THE ACCOUNTING OFFICER

Photo of Accounting Officer Education & Photo of Superintendent General Education



Mr MNG Mahlatsi

Accounting Officer: Education



Mr RS Malope

Superintendent General Education

Overview of the operations of the Department

The Department of Education experienced a challenging year in terms of financial resources during the year under review, but despite all the challenges the Department was able to deliver on some its mandates, including quality education. The department also ensured that all schools in quintile 1, 2 and 3 continued to be no fee schools.

Overview of the financial results of the department:

- Departmental receipts

Departmental receipts	2015/16			2014/15		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	12 866	13 313	-447	13 402	13 309	93
Fines, penalties and forfeits	300	271	29	471	530	-59
Interest, dividends and rent on Land	340	673	-333	330	1 875	-1 545
Sale of Capital assets	0	0	0	0	3	-3
Financial transactions in assets and liabilities	5 700	5 396	304	5 648	4 546	1 102
TOTAL	19 206	19 653	-447	19 851	20 263	-412

The Departmental tariff structure for the year under review was approved by the Provincial Treasury as required by Treasury Regulation 7.3.1. The tariff policy is also reviewed on an annual basis as required. Selling of tender documents is an example of an annual tariff but is currently prescribed by Provincial Treasury. The Department also use national tariff structures of the Council for Quality Assurance in General and Further Education and Training (Umalusi) as recommended fee structure to raise revenue.

The Department does not offer any free services which might yield significant revenue

The Department over collected revenue by R447,210.26 of the adjustment budget during the year. The original budget of R20.344 was adjusted downwards by 5,59% or R1,138,000.00 to R19,206 million and this revised target was over achieved by R447,210.26.

There were no **sales of capital assets**.



Programme expenditure

Programme	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	865 142	857 118	8 024	771 992	865 605	(93 613)
PUBLIC ORDINARY SCHOOL EDUCATION	8 633 887	8 778 167	(144 280)	8 201 000	8 540 779	(339 779)
INDEPENDENT SCHOOL SUBSIDIES	61 172	35 113	26 059	59 039	66 504	(7 465)
PUBLIC SPECIAL SCHOOL EDUCATION	415 702	402 002	13 700	383 145	382 949	196
EARLY CHILDHOOD DEVELOPMENT	118 939	117 505	1 434	129 923	129 919	4
INFRASTRUCTURE DEVELOPMENT	886 472	760 081	126 391	615 785	493 096	122 689
EXAMINATION AND EDUCATION RELATED SERVICES	834 109	537 403	296 706	755 853	895 073	(139 220)
FURTHER EDUCATION AND TRAINING	-	-	-	185 111	173 607	11 504
ADULT BASIC EDUCATION AND TRAINING	-	-	-	164 216	164 213	3
TOTAL: DEPARTMENT	11 815 423	11 487 389	328 034	11 266 064	11 711 745	(445 681)

Programme 2 overspending is as a result of insufficient budget allocations for the Department. The overspending is mainly on compensation of employees.

Virements / Roll Overs

The final virement approval was granted by the CEO Provincial Treasury on 18 May 2015 for the

2015/2016 financial year. The main purpose of this virement was to reduce unauthorised expenditure. The Department shifted the maximum allowable 8% per programme.

The following conditional grants received roll overs of unspent funds during the 2014/2015 financial year which were received in the 2015/2016 financial year:

- HIV/AIDS - R1.237 million
- National School Nutrition Programme - R3.712 million
- Education Infrastructure Grant - R119.015 million
- EPWP Integrated Grant for Infrastructure to Provinces – R0.585 million

Unauthorised Expenditure

The financial statements reflect an opening balance of R887,429 million for the 2015/16 financial year. At the end of the 2015/16 financial year a total of R746,463 million were recorded as unauthorised expenditure for the year.

The main contributing factor are insufficient budget allocations for compensation of employee payments. An amount of R298,066 million was subsequently charged against the vote in the 2015/16 financial year in terms of the Financial Act as expenditure against the departmental vote.

This unauthorised expenditure is due to insufficient budget allocation to the department to sustain ongoing activities and to improve on service delivery. Details of unauthorised expenditure are disclosed in the notes to the annual financial statements.

Fruitless and Wasteful Expenditure

The financial statements reflect an opening balance of R3,195 million for the 2015/16 financial year. At the end of the 2015/16 financial year the closing balance amounted to R1,605 million. This is a net reduction of R1,590 million over the reporting period. Details of fruitless and wasteful expenditure are disclosed in the notes to the annual financial statements.

Future Plans of the department

One of the major departmental focus points for the new financial year is to ensure that the Free State Province achieves the 90% Grade 12 pass rate with a 40% bachelors for the province. Special attention is also focused on progression of learners.

Good governance and leadership remain critical, therefore additional measures will be implemented towards stabilizing the financial position of the department.

Public Private Partnerships

The Department did not have any Public Private Partnerships during the 2015/2016 financial year.

Discontinued activities / activities to be discontinued

No services were discontinued during 2015/2016 financial year.

New or proposed activities

No new or proposed activities were implemented by the Education Department during the year under review.

Supply chain management

Supply chain management processes and systems are in place to prevent irregular expenditure:

- Central Procurement Committee (CPC) meets weekly and no order may be placed/ service rendered without CPC approval
- Order and Payment checklists are completed with each request order and payment
- Monthly reporting on Irregular expenditure
- Financial Accounting Circular on Irregular expenditure
- National Treasury Circulars & Instruction Notes
- Financial and SCM Delegations

Challenges experienced in supply chain management:

30 day payment is a challenge due to cash flow. Remedial action: BAS reports are attached to each request for procurement sent to the Central Procurement Committee

Urgent requests results into limited time to do things properly. Officials for instance hear on a Thursday or Friday that they need to be in Pretoria on the Monday.

No unsolicited bid proposals were concluded during 2015/2015 financial year

Gifts and donations received in kind from non related parties

The Department of Education did not make any donations during the 2015/2016 financial year.

The Department of Education accepted donations during the 2015/2016 financial year. Details of all donations received in kind are provided in the Annexures to the annual financial statements.



Exemptions and deviations received from National Treasury

No deviations or exemptions were requested or received from the National Treasury for the 2015/2016 financial year.

Events after the reporting date:

The financial statements were authorised for issue on 31 July 2016 by the Accounting Officer. On 28 June 2016, subsequent to the reporting date, the Free State Finance Management Amendment Act, no. 4 of 2016, was assented to. As a result of this an amount of R222,544 million was recorded as Unauthorised expenditure approved without funding. The financial statements were adjusted accordingly.

No other events after the reporting date were identified by management that would affect the operations of the department or the results of those operations significantly.

Other

The Department of Education has re-stated amounts in the comparative figures as a direct result of the correction of the previous year's audit qualification matter in terms of expenditure classification. The total population of capital and goods & services expenditure were evaluated and corrected in order to properly address and clear the 2014/15 audit matters. Details of the restatements forms part of the annual financial statements.

During the 2015/2016 financial year the Department of Education experienced serious challenges with regard to the availability of cash which was due to budget and other operational pressures (priorities and contractual obligations) facing the Department. It is important for the readers of the annual financial statements to take note of the fact that the Department started the financial year with outstanding cash transfers as well as commitments which immediately placed additional pressure on the availability of the cash for the new financial year. The Department had to follow a process of prioritisation for all payments including compensation of employees. The Department therefore closed the financial year once again with a large amount of accruals which will have an effect on the 2016/2017 financial year.

Acknowledgement/s or Appreciation

It is only due to joint efforts, hard work and dedication by all relevant roll payers and departmental staff that the department was able to deliver on its Constitutional mandate.

Conclusion

The Free State Department of Education is a dynamic department which adopt and implement strategies to ensure service delivery to improve teaching and learning and to serve the community of the Free State Province.

Approval and sign off

In our opinion, the information provided in the annual report including both the performance information and annual financial statements reflects the operations of the department for the financial year 2015/2016.

Mr MNG Mahlatsi
Accounting Officer
Department of Education
Date: 31 July 2016

Mr RS Malope
Superintendent
Department of Education
Date: 31 July 2016

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

To the best of our 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



Accounting Officer – Education

Mr MNG Mahlatsi

Date: 31 July 2016



Superintendent General Education

Mr RS Malope

Date: 31 July 2016



7. STRATEGIC OVERVIEW

7.1 Vision

To be a Department that strives to ensure progressive realization of universal schooling, improving quality of education and eliminating disparities amongst Free State citizens.

7.2 Mission

To provide an education system that is free, compulsory, universal and equal for all children of the Free State Province.

7.3 Values

- Free from barriers to educational opportunities
- Universal access and completion
- Redress past imbalances
- Quality education for all
- Courteous and timely service
- Committed and accountable staff

8. LEGISLATIVE AND OTHER MANDATES

The main Legislative Framework

The following are the main legislative mandates under which Free State Department of Education operate:

8.1 The Constitution of the Republic of South Africa Act 108 of 1996

The Constitution which is the supreme law of the Country confers to everyone, in terms of Section 29, a right to education (including basic and further education), which the state, through reasonable measures, must make progressively available and accessible, receive education in the official language or languages of their choice in public educational institutions where that education is reasonably practicable, establish and maintain at one's expense independent educational institutions.

8.2 South African Schools Act (SASA) 84 of 1996

To provide a uniform system for the organisation, governance and funding of schools. It promotes access, quality and democratic governance in the schooling system. It ensures that all learners have the right of access to quality education without discrimination, and makes schooling compulsory for children aged seven (7) to fifteen (15) years or the ninth (9th) grade, whichever occurs first. It provides for two types of schools – independent schools and public schools. The provision in the Act for democratic school governance through School Governing Bodies (SGB) is now in place in all public schools countrywide. The school funding norms, outlined in SASA, prioritise redress and target poverty with regard to the allocation of funds for the public schooling system.

8.3 Free State Schools Education Act 2 of 2000

This Act should be read with and subject to the South African Schools Act 84 of 1996. It addresses those issues which are peculiar to the Free State and are covered in the National Act. The Act further gives the MEC the authority to make regulations on any matter relating to education in the Province such as:

- *Regulations for discipline of learners in Public Schools, Provincial Notice 156 of 2001:*

It states which misconduct are considered to be serious enough to warrant expulsion of learners from Public Schools. It also regulates the procedure to be followed by the School Governing Body, the District Office and the Provincial Office when dealing with recommendations for expulsions and the time frames thereof.

- *Regulations for financial records of Public Schools, Provincial Notice 154 of 2001:*

To ensure that all Public Schools have proper financial systems to handle and control their finances and the finances transferred to them by the Department and also to ensure accountability by the School Governing Body.

- *Regulations for the examinations: Irregularities and the Examination Board, Provincial Notice 157 of 2001:*

The objective is to regulate the matters relating to the conducting of exams, to define the nature of examination irregularities by the Departmental officials and candidates, and also to establish the Provincial Examination Board and the Irregularities Committees.

- *Code of Conduct for members of Governing Bodies of Public Schools, Provincial Notice 263 of 2006.*
- *Measures Relating to Election of School Governance Bodes of Special Schools for Learners with Special Needs*
- *Measures relating to the Election of School Governing Bodies of Ordinary Public Schools*
- *Measures relating to the Registration of Independent Schools*
- *Measures for SGB Councils and Principal Councils*

8.4 **The National Education Policy Act 27 of 1996**

The purpose of the act is to provide for the determination of national policy for educators, including the determination of policy on salaries and conditions of employment of educators. It was designed to inscribe in law policies, as well as the legislative and monitoring responsibilities of the Minister of Education, and to formalise relations between national and provincial authorities. It laid the foundation for the establishment of the Council of Education Ministers (CEM), as well as the Heads of Education Committee.

8.5 **Preferential Procurement Policy Framework Act 5 of 2000**

The general conditions and procedures are subject to the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000), and the Preferential Procurement Regulations, 2001 and are applicable to all tenders, contracts and orders, unless otherwise decided by the Accounting Officer prior to the invitation of tenders.

8.6 **Public Finance Management Act 1 of 1999 and its Regulations**

Public Finance Management Act, No 1 of 1999 (as amended by Act 29 of 1999), deals with funding and spending of the state monies. The Act promotes the objective of good financial management in order to maximize delivery through the efficient and effective use of limited resources.

8.7 **Acts governing Human Resource Management**

The following Acts govern the relations with employees, conditions of service and appointment measures to eradicate injustices of the past regarding employment practices:

- Public Service Act (Proclamation No 103 of 1994) and its Regulations
- Employment of Educators Act, No 76 of 1998,
- Personnel Administrative measures (PAM)



- Basic Conditions of Employment Act No 74 of 1997
- Labour Relations Act No 66 of 1995
- Employment Equity Act, Act no 55 of 1998

8.8 Skills Development Act 97 of 1998

The purpose of this Act is to provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce, to provide learnerships that lead to recognised occupational qualifications and regulate employment services.

8.9 Skills Development levies Act 9 of 1999

To provide for the imposition of the levy with regard to improvement of work force skills where every employer is obliged to pay a skills development levy at a certain rate of percentage of the leviable amount.

8.10 Occupational Health and Safety Act 85 of 1993

The Occupational Health and Safety Act, No 85 of 1993 provides for the health and safety of persons at work as well as the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

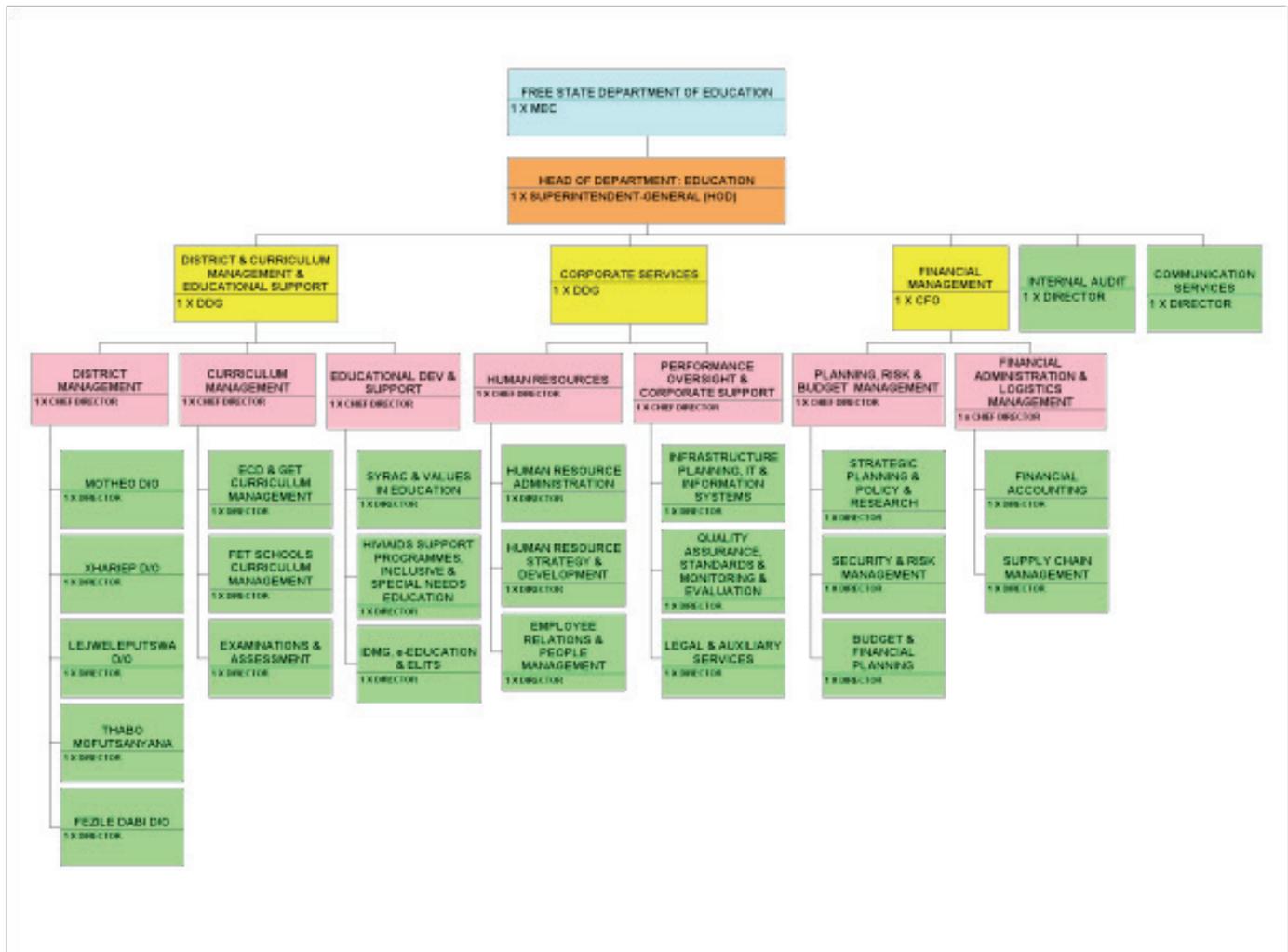
8.11 Government Immovable Asset Management Act 19 of 2007

To provide for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department; and to provide for matters incidental thereto.

8.12 Free State Land Administration Act 1 of 1998

The objective is to provide for the acquisition and disposal of land by the Provincial Government and for matters incidental thereto.

9. ORGANISATIONAL STRUCTURE



ENTITIES REPORTING TO THE MEC

Not applicable.



PART B:

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

Refer to page 164 on page 170 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Basic education is a priority for South Africa in the Medium Term Strategic Framework (MTSF) 2014-2019 and is central to the Government's National Development Plan 2030 (NDP). The Department's strategies and plans in the sector conform to the articulations in the NDP and MTSF, which necessitate that the sector prioritises the following outcomes: improved quality of teaching and learning; an increased capacity to intervene and support quality education; increased accountability for improved learning; human resources development and management of schools; provision of infrastructure and learning materials to support effective education. These outcomes are realised through the achievement of the outputs in the delivery agreement signed in 2010 and the sector plan with its 27 goals. The goals articulated in these plans guide the work that has already begun in the FSDoE and will be deepened over the 2014-2019 MTSF.

The Annual Report 2015/2016 covers the first year of the implementation of the Strategic Plan 2015-2020 of the Free State Department of Education which aims to improve the quality of basic education. The well-being of the province depends on the extent to which the department is able to create an enabling environment for the delivery of quality basic education to the learner population in the province. The broader population context in which the department operates is briefly explained.

THE POPULATION

According to STATS South Africa, the Mid Year Population Estimates (July 2015) the following statistics are of importance for the Free State in this regard: The Free State fertility rate is 2.26 down from 2.57 in 2006 and down from 2.39 in 2011. The average life expectancy rate at birth for males is 53 years and for females it is 54.7 years. According to the projections the Western Cape has the highest life expectancy at birth for both males and females, while the Free State has the lowest life expectancy at birth (Mid-Year Population Estimates, July 2015, page 11).

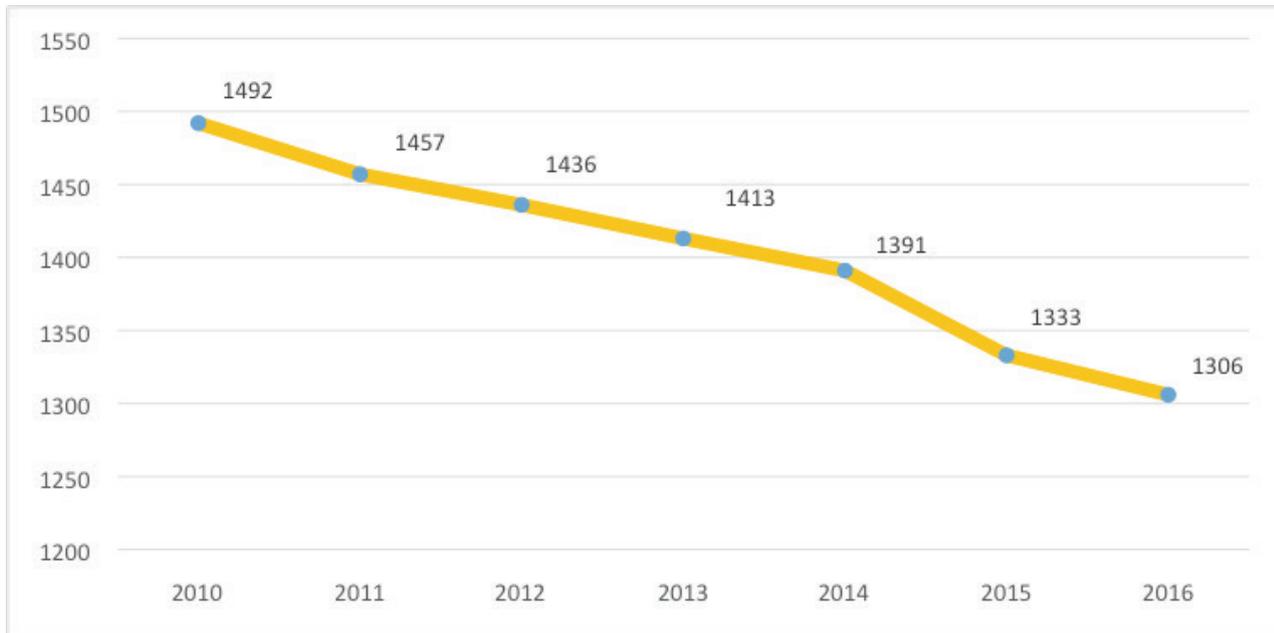
According to STATS SA (Mid-Year Population Estimates of July 2015, page 11) the estimated percentage of total population residing in each of the provinces from 2002 to 2015 shows that Gauteng has the largest share of the population and the Free State has the second smallest population (after Northern Cape with 2,2%) with just over 5% of the population. According to the migration patterns Gauteng, Western Cape, Mpumalanga and North West Provinces experience positive net migrations, whilst the Eastern Cape, Free State and Limpopo experience the largest outflows (Page 12). The overall population of the Free State is estimated at 2 817 900.

SCHOOLS

The number of schools in the Free State province has decreased (Graph 1) over time due to the movement of the population from rural areas to cities and towns.



Graph 1: Number of schools in the Free State: 2010 – 2016



Source: EMIS School Portal – SNAP data 2010 - 2016

This phenomenon can be attributed to job losses in the agricultural sector, people looking for better living conditions and higher income job opportunities as well as better education for their children. Over the years, many schools on farms were left with no learners and these schools subsequently became non-operational resulting in a decrease in actual numbers of schools (farm schools decreased from 527 in 2010 to 330 in 2016) as depicted in Graph 3.

From the graph it can also be seen that there is an increase in the number of town and township public schools i.e. from 897 in 2010 to 905 in 2016 which supports the statement that the learners are migrating from farm schools to schools in towns and townships. By end March 2016, out of the total number of 1306 schools there were 1237 operational public schools, comprising of farm schools and schools located in towns and townships.

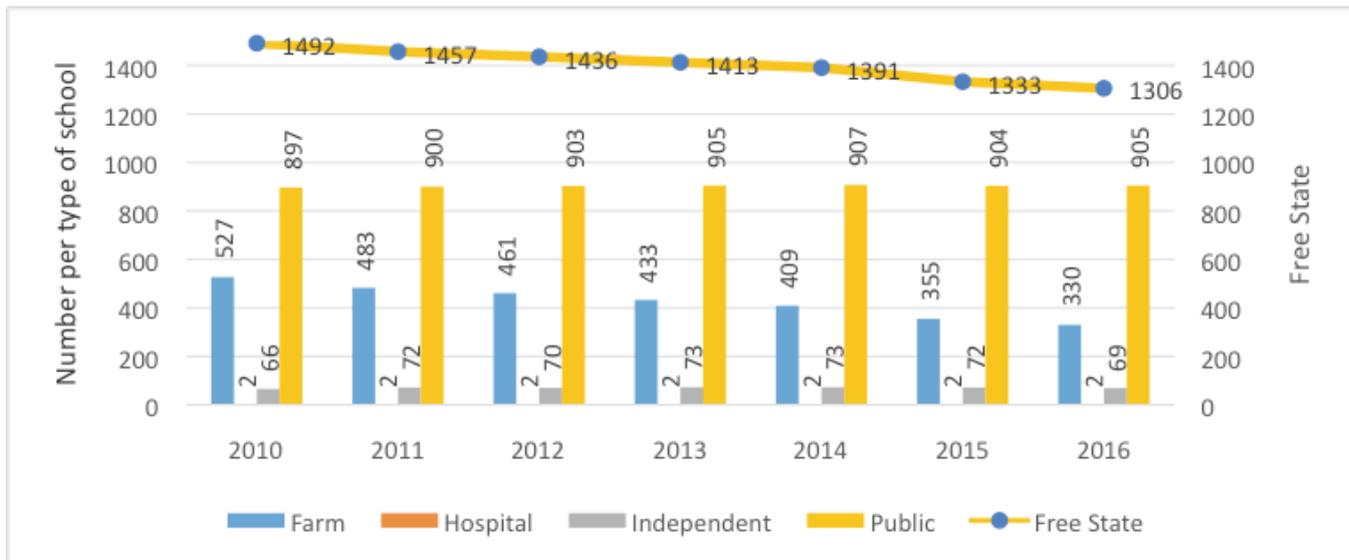
Graph 2: Number of schools per district: 2010 - 2016



Source: EMIS School Portal – SNAP data 2010 - 2016

In the Free State the Department of Education comprises of five education districts, i.e. Xhariep (DC 16), Motheo (DC 17), Lejweleputswa (DC 18), Thabo Mofutsanyana (DC 19) and Fezile Dabi (DC 20). The smallest district is Xhariep and the largest is Thabo Mofutsanyana. Although Thabo Mofutsanyana is the largest district, Motheo has the largest learner population density

Graph 3: Type of schools in the province: 2015 - 2010



Source: EMIS School Portal

Table 1: Number of schools per municipality: 2010 – 2016

Municipality	2010	2011	2012	2013	2014	2015	2016
Dhlabeng	102	98	98	93	93	86	86
Kopanong	35	34	34	34	34	34	32
Letsemeng	23	23	23	23	23	23	23
Mafube	44	41	40	40	39	36	33
Maluti a Phofung	188	191	188	188	186	184	182
Mangaung	268	272	271	270	270	266	264
Mantsopa	48	47	47	46	46	45	42
Masilonyana	36	33	33	31	30	30	29
Matjhabeng	151	146	147	147	146	143	142
Metsimaholo	46	44	44	44	44	42	43
Mohokare	24	19	18	18	17	17	16
Moqhaka	99	97	96	96	93	90	89
Nala	42	39	37	35	36	35	36
Naledi	19	19	19	19	19	17	17
Ngwathe	83	79	76	75	72	65	62
Nketoana	72	71	70	68	62	56	55
Phumelela	69	67	62	60	58	49	44
Setsoto	75	74	72	68	65	64	63
Tokologo	22	19	18	17	17	15	14
Tswelopele	46	44	43	41	41	36	34
Free State	1492	1457	1436	1413	1391	1333	1306

Source: EMIS School Portal – SNAP data 2010 – 2016

The municipalities with the highest number of schools are Mangaung, Maluti a Phofung, Matjhabeng, Moqhaka and Dhlabeng.



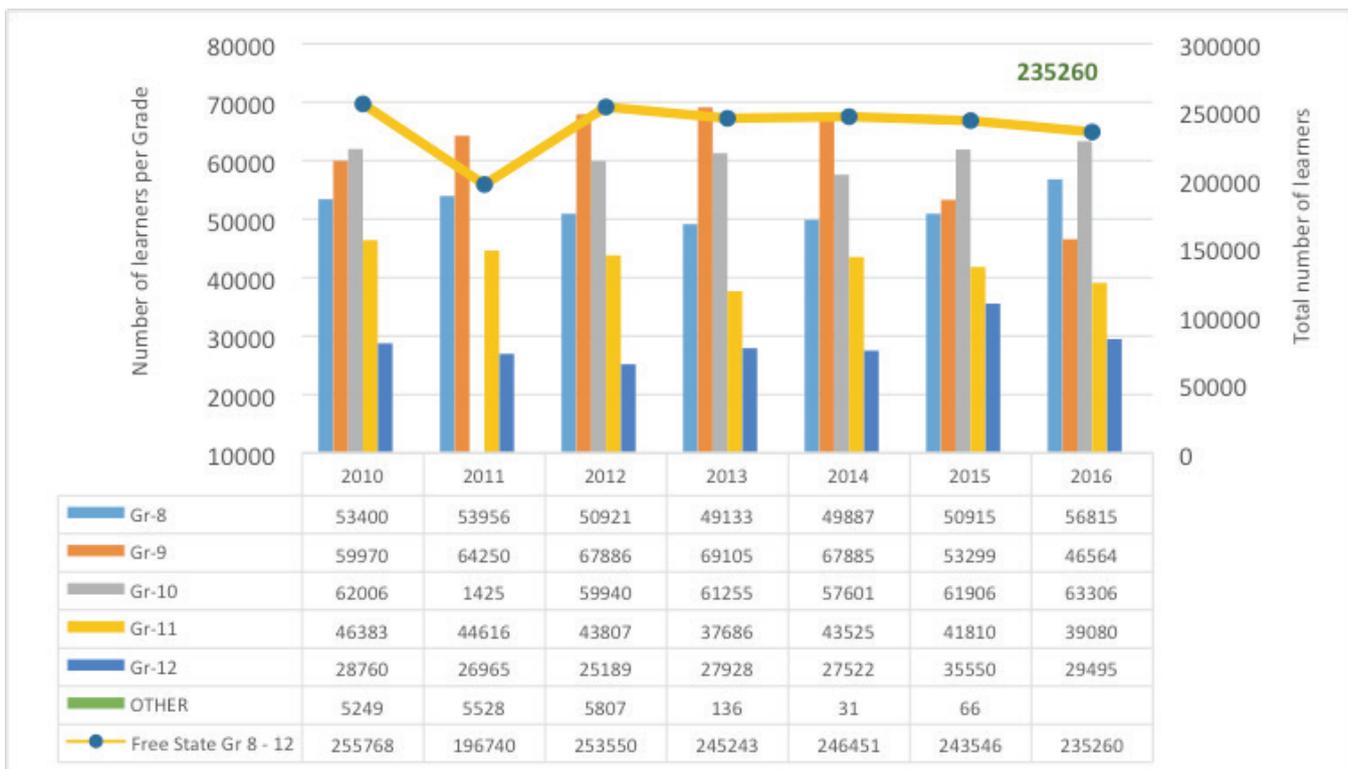
LEARNER NUMBERS

Graph 4: Number of learners in primary school grades 2010 - 2016



Source: EMIS School Portal

Graph 5: Number of learners in the secondary school grades 2010 - 2016



Source: EMIS School Portal

Despite the number of schools decreasing over time (Graph 1), the total number of learners in primary and secondary schools in the province have increased over the years.

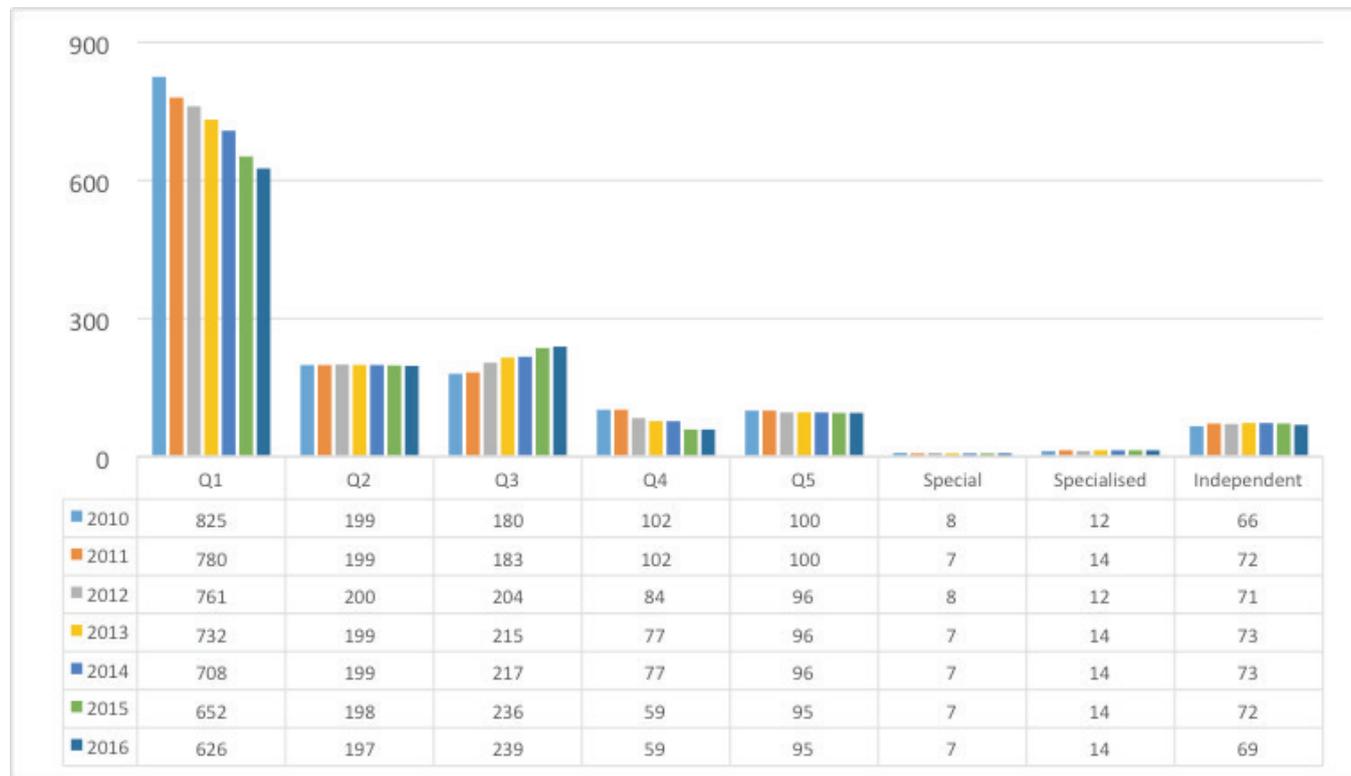
LEARNER FUNDING

As part of the school funding system each quintile have a minimum fund allocation per learner, with Quintile 1, 2 and 3 schools, comprising of 518 975 learners from poor and working class households, receiving R 1177.00 per learner in 2015/2016 up from R1116 per learner in 2014/15. Allocations for Quintile 4 schools went up from R550 to R590 while Quintile 5 allocations remained unchanged at R240. All Quintile 1 to 3 learners benefit from the no fee policy.

Table 2: Learner allocations in the funding of schools as per the quintiles

PER LEARNER ALLOCATION							
QUINTILE	2010	2011	2012	2013	2014	2015	2016
Q1- No Fee	R 817	R 905	R 960	R 1010	R 1059	R1116	1177
Q2- No Fee	R 784	R 829	R 880	R 1010	R 1059	R1116	1177
Q3- No Fee	R 784	R 829	R 880	R 1010	R 1059	R1116	1177
Q4	R428	R453	R480	R505	R530	R550	R590
Q5	R240	R240	R240	R240	R240	R240	R240

Graph 6: Number of schools per quintile classification: 2010 – 2016

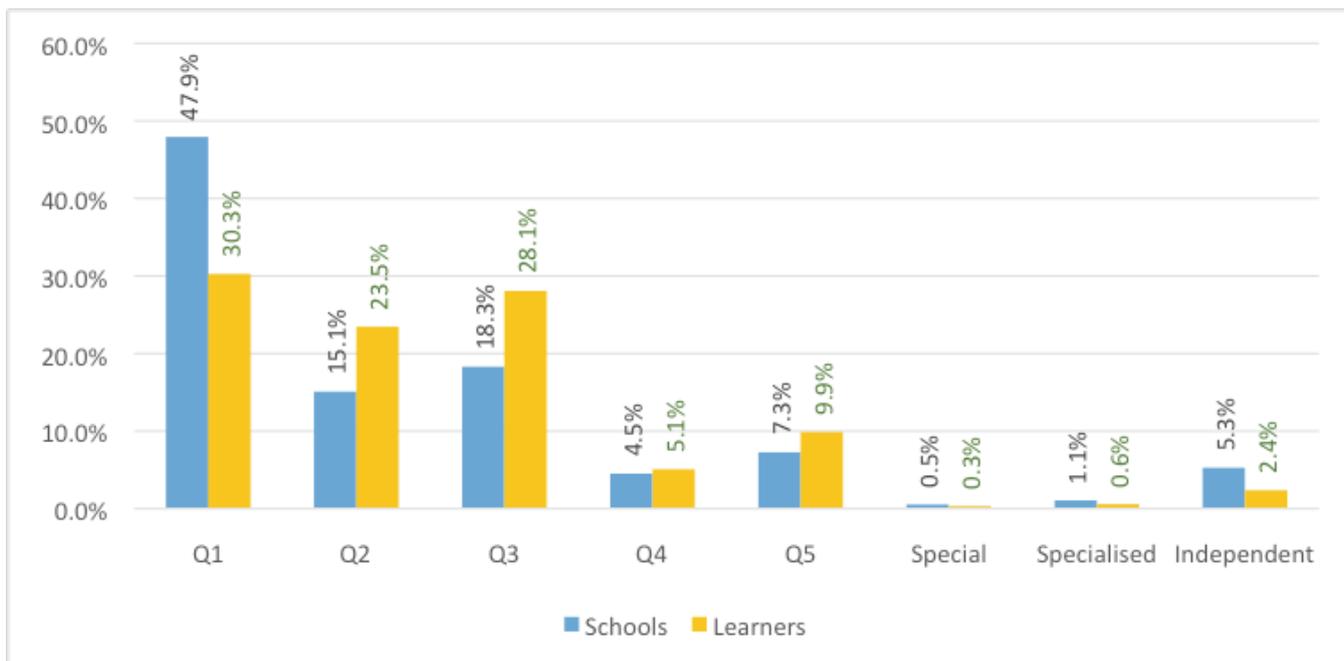


Source: EMIS School Portal – SNAP data 2010 – 2016

The EMIS SNAP data indicates that the highest number of schools (81%) are found in the Quintile 1 – 3 category. This correlates with the socio-economic classification of the population as well as the vast rural geographical areas in the province. This places a huge responsibility on the provincial government to spend a considerable amount of allocated funds to provide quality education for learners in the poorer communities through the “No Fee – Schools” model. All Quintile 1 – 3 schools are no fee paying schools and subsidised by the province in equal manner (amount per learner).



Graph 7: Percentage of learners and schools per quintile classification



Source: EMIS School Portal

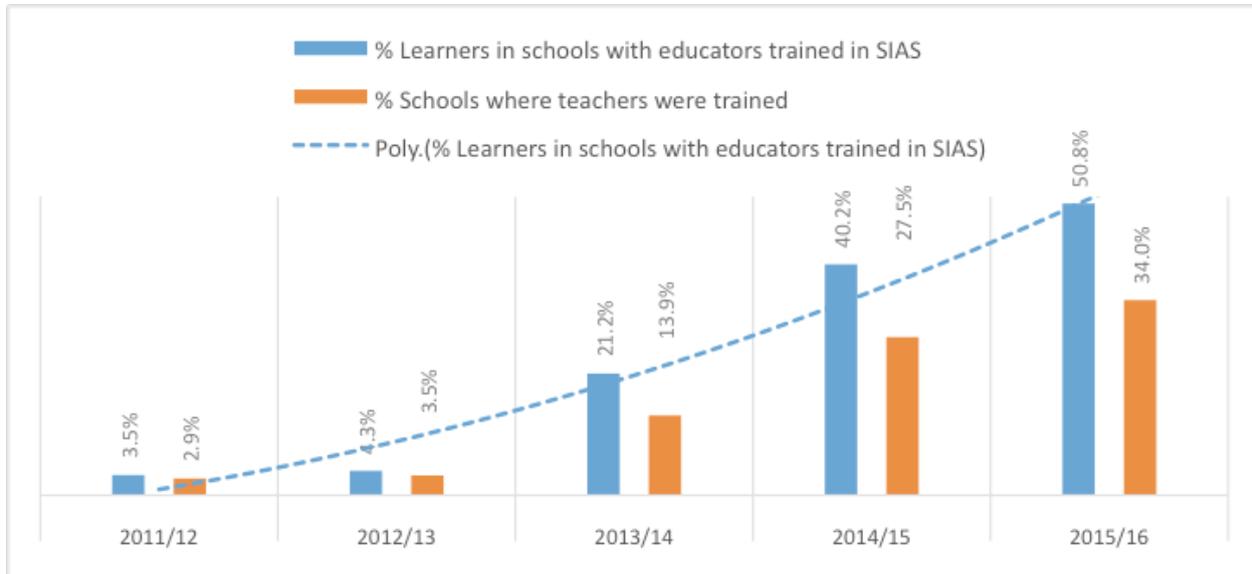
When doing a comparison between the percentage of schools per Quintile vis a viz the percentage of learners per Quintile (Graph 7) it is evident that the Q1 schools represent 47.9% of schools but only 30.3% of learners attend Q1 schools. This is attributed to the fact that most farm schools are in category Q1, but has very low learner numbers, ie 15 167 learners in 330 schools (on average 46 learners per farm school). The 81.3% of Q1 – Q3 schools caters for 81.8% of the learners in the province

LEARNER SUPPORT AND WELL-BEING

The challenge of poverty and inequality constitutes an important contextual factor that led to a dedicated emphasis on learner well-being programs that create an enabling environment for better teaching and learning. These programs are no-fee schools (as alluded to above) the National School Nutrition Programme (NSNP), safety of learners, learner transport, subsidized hostels for learners residing on farms and an inclusive education program which address barriers to learning.

An inclusive education system seeks to incorporate moderately physically challenged learners in identified schools (referred to as full service schools) and provide support to learners with barriers to learning in all schools. Learners with barriers are identified with the SIAS tool for the screening, identification, assessment and support of learners. The tool is also used to develop a personalised development program for each learner to address his/her barriers to learning and motivate for the allocation of a post for a support teacher to a particular school. To implement this, at least one educator is trained per school on Screening, Identification, Assessment and Support (SIAS) Strategy and on Responding to learner diversity in the classroom through Curriculum Differentiation (CD) reaching:

Graph 8: Provincial progress in the training of SIAS – 2011/12 to 2015/16



**Data Source: Inclusive Education (attendance registers)*

Advocacy sessions on barriers to learning and disabilities were conducted reaching 2000 community members in order to address discrimination at schools.

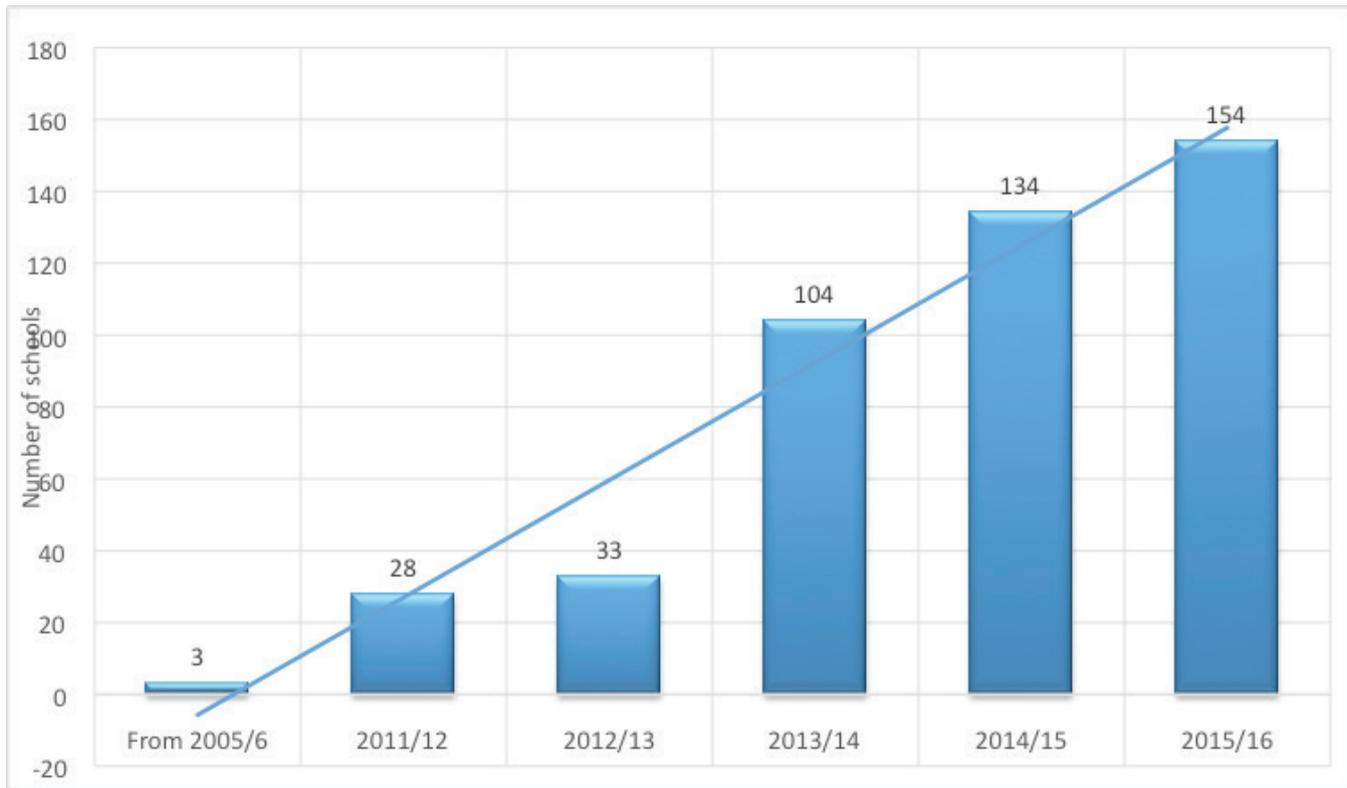
The application of SIAS is especially important for learners who have fallen behind their age cohort and are not progressing as expected, causing bottlenecks in the system. Although the focus in the past has been on primary schools for the application of SIAS, the department has taken a strategic decision to apply SIAS in secondary schools as well so that overaged learners and progressed learners are put in fast tracking programs to enable them to complete their schooling and are not held back in lower grades due to their poor performance.

The inclusive education system works best when school based support teams are functional and are supported by the district-based support teams with psychological and therapeutic and occupational services. The biggest factor for learners not progressing as expected at school and make them at risk to drop out all together are socio economic conditions. Therefore the department offers learner well being programs to try and keep learners at school until they have completed their schooling.

Learners fail to progress through the system due to a range of factors that create barriers to learning such as poverty, hunger, learners in child-headed households, orphaned learners, gangsterism as well as learners with special education needs. Inclusive education provides psycho-social support for learners with special education needs and, through training of teachers in SIAS, capacitates teachers to deal with such cases. Public schools are identified for transformation into Full Service Schools that provide additional support for learners with special education needs. In addition, together with social workers from the department of social development, child-headed households and orphans are supported.



Graph 9: Number of Full Service Schools from 2005 to 2015 (one more school was added in 2016 to take the total to 155 schools)



Data Source: Inclusive Education

Further learner support is provided with the farm school hostel project which is a special project to accommodate learners living on farms who cannot attend a school close to where they reside. 33 Hostels are accommodating 4 032 learners - 2 more hostels that is Sediti in Thaba Nchu and Ventersburg (in Ventersburg) will accommodate additional learners in 2016. In 2009 there were 12 hostels, accommodating 1864 learners from farms. This number increased to 4 032 learners being accommodated in 33 hostels at the beginning of 2016. The learners are supported with a subsidy which covers food, laundry, medical supplies, toiletries, sporting activities, minor repairs and maintenance, water, electricity and transport for out weekends and for going to their homes on farms during school holidays. There is also administrative support provided to the hostels in the form of a subsidy for the telephone, payments of auditor's fee and stationery. The hostels are further supported and monitored via site visits and staff development programs on learner's well being, cleanliness of the hostel, to plan meals, administer/monitor the hostel budget through proper procurement procedures and supporting learners with their studies and involve them in recreational activities.

NSNP

The National School Nutrition Programme is one of Government's learner support initiatives towards addressing poverty and improving access to quality of education in the Province. The programme targets schools in the poorest communities and benefit multitudes of learners throughout the Province.

The programme currently provides nutritious meals to 573 284 learners in 1 116 Q1-3 primary, secondary as well as identified special schools with the budget of R320 869 000.00. NSNP is also used as a channel for local economic development and creation of job opportunities for the local people through the use of cooperatives as service providers. There are 362 cooperatives that are currently contracted in 401 schools to procure and deliver food stuffs for the feeding of learners. The unemployed parents of learners are appointed as Volunteer Food Handlers (VFHs) to prepare meals for learners. There are 3 566 VFHs appointed over a period of six months who are receiving a stipend of R960 per person per month.

Under the National School Nutrition Programme Category, Motheo district won in the District Excellence Award 2016 due to their good implementation of the programme and record keeping, also due to their excellence in managing the nutrition programme in partnership with private sectors. The district caters for approximately 125 000 Quintile 1 to 3 learners. The National School Nutrition Programme Best School Award went to Seithati Primary School in Botshabelo and approximately R450 000 and Breakfast Meals for three years from Tiger Brand. The School produces the best spinach and cabbage.

South Africa is a signatory to World Health Assembly (WHA) resolution 54.19 (May 2001), which calls for regular, synchronised treatment of worms in high-risk groups and as a result the Department introduced the Deworming Programme for Grades R to 7 in all Quintile 1 to 3 schools, including special schools. According to 'Deworm the World', deworming ranks 1st among 5

most innovative strategies for tackling poverty. It also aims to improve health, reduce absenteeism and increase the potential to learn. The benefits are immediate, long lasting and will have a wide reach.

LEARNER PERFORMANCE

The Department has over the past years made great strides in relation to improvement in learner performance in Grade 12. In 2013 the pass rate was 87,4% when the province attained position one in the country. In 2014 the National Senior Certificate pass rate was 82.8%, which was much higher than the national average of 75.8 and put the Free State in the third position in provincial standing. In 2015 however, the Free State increased this gap of 7% by 3.9%. At 81.6% (before remarking and supplementary exams) the Free State has now performed 10.9% better than the National pass percentage of 70.7%. After remarking and supplementary exams an additional 594 learners passed, increasing the total number of learners who passed to 25 977 with a percentage of 83%.

The number of learners who obtained bachelors passes increased from 7 987 (30.2%) in 2014 to 9 277 (29.8%) in 2015. After supplementary exams and remarking these figures increased to 9 352 (29,9%).

The province got position one in Life Science, Accounting and Agricultural Science; position two in Physical Science; and position three in Mathematics and Geography, nationally before remarking and supplementary exams.

Out of the 329 schools that wrote the NCS exams in 2015, 49 obtained a 100% pass. After remarking and supplementary exams this increased to 58 schools with 180 schools that performed between 80% to 99,9% and 71 schools performed between 80% and 60%. After remarking and supplementary exams there were only 20 schools that performed below 60% and one school that obtained below 40%.

However it should be noted that the performance of the class of 2015 showed a decline when compared to the class of 2014. In 2014 the NSC examination pass rate was 82.8%, there was a decline of 1.2% in 2015. In 2013 the province achieved position 1, and in 2014 it declined two positions to number 3. The class of 2015 kept the 3rd position nationally. After supplementary exam results between 2014 and 2015 compare as follows: 2014 – 84,1% and 2015 – 83%.

The performance in Physical Science dropped by 0.58% since 2014, to 68.04% in 2015. The 2015 Mathematics class however outperformed their 2014 counterparts by 2.34%, they achieved a 67.85% pass percentage. After supplementary exams, the performance in Physical Science improved by 3,8% since 2014 to 69,7% in 2015 and the Maths is up 5,9% from 2014 to 69,1% pass percentage.

Table 3: The top performing municipalities in 2015 (after remarking and supplementary exams) are as follows:

Municipality	WROTE	BACHELOR	DIPLOMA	PASS	PASS %	BACHELOR %	DIPLOMA %
Dihlabeng	1 412	558	536	1 320	93.48%	39.52%	37.96%
Ngwathe	1 111	339	506	1 015	91.36%	30.51%	45.54%
Nketoana	547	148	235	499	91.22%	27.06%	42.96%
Setsotho	1 071	361	422	959	89.54%	33.71%	39.40%
Moqhaka	1 671	524	713	1 473	88.15%	31.36%	42.67%
Masilonyana	505	157	210	444	87.92%	31.09%	41.58%
Metsimaholo	1 316	447	487	1 150	87.39%	33.97%	37.01%
Maluti a Phofung	4 435	1 418	1 684	3 872	87.31%	31.97%	37.97%
Kopanong	421	109	155	360	85.51%	25.89%	36.82%
Matjhabeng	4 324	1 136	1 642	3 640	84.18%	26.27%	37.97%
Phumelela	504	130	194	424	84.13%	25.79%	38.49%
Letsemeng	344	93	125	289	84.01%	27.03%	36.34%
Nala	701	236	217	582	83.02%	33.67%	30.96%
Tokologo	273	71	93	223	81.68%	26.01%	34.07%
Mafube	871	248	283	708	81.29%	28.47%	32.49%
Tswelopele	512	125	165	407	79.49%	24.41%	32.23%
Naledi	330	115	87	254	76.97%	34.85%	26.36%
Mangaung	9 761	2 840	3 034	7 493	76.76%	29.10%	31.08%
Mantsopa	804	205	254	605	75.25%	25.50%	31.59%
Mohokare	367	92	106	260	70.84%	25.07%	28.88%



Table 4: After remarking and supplementary exams:

	UP FROM OUR BEST YEAR - 2013	AFTER SUPP*		2015	2014	2013	2012
		2015	2014				
REGISTERED	7 753	35 210	26 756	35 160	26 756	27 457	24 616
PASSED	2 288	25 977	22 299	25 383	21 899	23 689	19 676
BACHELOR PASSES	391	9 352	8 035	9 277	7 987	8 961	6 937
DIPLOMA PASSES	1 059	11 148	9 896	11 026	9 754	10 089	8 553

The performance of the province in the National Senior Certificate has over the last six years been significantly above the national average. The improvement can to a large extent be attributed to the implementation of intervention programmes that have found expression in the Provincial Strategy on Learner Attainment (PSLA). It is important to recognize that the PSLA is an initiative that seeks to bring about continuous improvement in learner attainment in relation to the National Senior Certificate (NSC) examinations. In this context, the PSLA continues to represent a strategic response that focuses on the qualitative improvement of schools with a view to build a strong culture of effective curriculum leadership and school organization. In this culture, the school develops an enabling environment for effective teaching and learning with a view to continuous improvement in learner attainment.

The strategies implemented by the Department to achieve these results and improve efficiency are detailed in the Section dealing with Strategic Outcome Oriented goals and in the Programs.

EDUCATORS

The department has in its employ permanent, temporary and part time educators. Details of the Human Resources in the Department are to be found in Part D of this Annual Report. Teacher development, supply and effective utilization of teachers are covered in this Part B: Performance Information of the Annual Report under Sub-Outcome 1 of the Section dealing with the Strategic Outcome Oriented Goals.

Since April 2015, the department appointed 872 educators aged 30 and below, 331 of whom were permanently employed.

Out of the total 338 allocated Funza Lushaka posts for the 2014 Funza Lushaka bursars, 297 bursars (87.87%) were placed by June 2015 while 334 bursars (98.81%) were placed by December 2015 including SGB posts.

Challenges include the matching of graduates to available posts relative to phase and subject specialisation as well as profiling of vacancies, subjects combinations of graduates, for example Mathematics, Natural Sciences and Technology and English. In the Intermediate and Senior Phases educators are expected to specialise while schools expect general subject combinations. The profiles expected by schools differ significantly within the profiles of educators. Further challenges are the submission of proof of results and signed placement form by the graduates, contacting graduates for placements. Most students don't comply and submit beyond or on due date given in their contracts, and this causes administrative burdens on the department. Defaulters are also a major challenge and it becomes difficult for the province to place all the graduates in the set time frames.

District Offices are supported by Funza Lushaka officials to provide guidance to schools in prioritising graduates if their profiles match the vacancies at schools. Graduates are informed to provide the department with updated contact details before leaving tertiary, or contact the Funza Lushaka offices responsible for enquiries at the provincial office.

2.2 Service Delivery Improvement Plan

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Improve communication with secondary schools on matters relating to their performance.	School Management Teams (SMT), Educators and Learners.	300 secondary schools, The principal of each under performing secondary school receive an individual letter signed by the Superintendent General with the content based on the school's performance	All principals in under performing secondary schools to receive an individual letter signed by the Superintendent General with the content based on the school's performance within the 1 st month of re-opening.	All principals in under performing secondary schools received a letter re the performance of the school.
Improve communication with primary schools on matters relating to their performance.	School Management Teams (SMT), Educators and Learners.	750 primary schools, The principal of each under performing primary school receive an individual letter signed by the Superintendent General with the content based on the school's performance	All principals in under performing primary schools, to receive an individual letter signed by the Superintendent General with the content based on the school's performance within the 1 st month of re-opening	All principals in of under performing secondary schools received a letter re the performance of the school.
Provide support and monitoring to underperforming and fluctuating schools.	School management teams, Educators Learners Parents Members of school governing bodies.	All underperforming schools receive support and monitoring by Circuit Managers and Subject Advisors.	General performance improvement of identified schools	Number of underperforming schools reduced by improving performance of identified schools

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
All secondary schools are consulted each quarter of the academic year. SMT members who are involved with examinations at schools are consulted monthly to address the needs of schools in this regard.	Broad Management Members visit schools at least twice per annum in addition to monthly visits by Circuit Managers.	Schools include valuable inputs from the educators, learners & parents into the School Improvement Plans
The contents of the letters are for the attention of every member of the school community and thus all have access to it.	The letter will be displayed on the notice board of the school	Principals discuss the content of the letters with educators, learners and SGBs within the 1 st school term



Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
The Service Delivery Charter	Service Delivery Charter	Service Delivery Charter re
Learner registration announced	Learner registration announced	Learner registration announced

Complaints mechanism

Current / actual complaints mechanism	Desired complaints mechanism	Actual achievements
Departmental hotline	Departmental hotline	Departmental hotline
Presidential Hotline	Presidential Hotline	Presidential Hotline
N/A	Complaints Officers at every District Office	Not implemented yet.

2.3 Organisational environment

The environment of the FSDoE encompasses the provincial head office, district offices that link Head office and education institutions, ordinary and special public schools as well as ECD sites that are subsidised by the department.

Three branches, District & Curriculum Management and Educational Support; Financial Management and Corporate Services are each headed by a Deputy Director General. Apart from the three branches, two other directorates, Internal Audit and Communication Services report directly to the Head of Department.

2.4 Key policy developments and legislative changes

There were no key policy developments nor legislative changes during 2015/2016.

3. STRATEGIC OUTCOME ORIENTED GOALS

The strategic outcome oriented goals as per the Strategic Plan are:

- Promotion of sound corporate governance through sustainable use of resources.
- Improved school functionality through teacher development, management support and increased accountability
- Increased access to grade R
- Improved learner performance in grade 3,6,9 and 12 as demonstrated through regular assessment and tracking of progress
- Provision of infrastructure and learning materials to support quality education

The NDP's vision for 2030 is for South Africans to have access to education and training of the highest quality, characterised by significantly improved learning outcomes. Chapter 9 of the vision seeks to strengthen the educational system, beginning from early childhood development, through primary, secondary, tertiary and further education, thus eradicating poverty and addressing inequality, as well as contributing to nation building by increasing skilled and specialised labour.

Basic Education Sector Plan, Action Plan 2019: Towards the Realisation of Schooling 2030, incorporates key targets of the NDP and is rooted within the outcomes of the MTSF. Outcome 1 of the MTSF deals with Quality Basic Education and has the following sub-outcomes:

- Improved quality of teaching and learning through development, supply and effective utilisation of teachers
- Improved quality of teaching and learning through provision of infrastructure and learning materials
- Regular Annual National Assessments to track improvements in the quality of teaching and learning.
- Improved Grade R and planning for extension of ECD
- A credible, outcomes focussed planning and accountability system (building of the capacity of the state to intervene and support quality education)
- Partnerships for a Strong Education System

The department works closely with schools through the districts to realise the strategic goals, the sub-outcomes of the MTSF 2019 and the 27 output goals that are contained in the Action Plan 2019: Towards the Realisation of Schooling 2030. The annual report alludes to the role of the department in establishing an enabling environment and providing strategic support to ensure that the outputs of Outcome 1 in the NDP are realized. Achievement of the abovementioned strategic goals will contribute to achieving the MTSF 2014-2019 sub-outcomes. How these goals are realized in an interphased manner between the Strategic Goals, the six Outcomes and the programmatic performance are displayed in the table below:

Table 5: Linking Strategic Goals, Objectives to Program objectives and targets and the Outcomes Based Plan

Strategic goal 1	Promotion of sound corporate governance through sustainable use of resources.	Strategic Objective	Interphased Delivery
Goal Statement	<p>Improved:</p> <ul style="list-style-type: none"> • Financial Management systems • Human resource strategy • Communication strategies • Security Systems • Internal Audit processes • Risk Management Systems • Audit opinion. 	<p>Program 1:</p> <p>To provide education management services and support for the education system through optimal utilization of resources, increased application of ICT, knowledge and data based decision-making, including impact assessments by provincial and district offices.</p>	<p>Delivery reports are detailed in Part C Governance and Part D Human Resources and Part E Financial Statements of this Annual Report.</p>



2 Strategic goal	Improve the functionality of schools through teacher development and management support and increased accountability	Strategic Objective:	Interphased delivery
Goal Statement	<ul style="list-style-type: none"> • Ensure availability and utilization of teachers to avoid large classes • Implement a strategy for attracting sufficient qualified, young teachers including for Grade R • Implement an appropriate framework for teacher development • Strengthen districts to support schools in curriculum through subject advisors. • Promote oversight and support in the delivery of curriculum in the classroom • Circuit Managers (SMG-D), subject advisors and inclusive officials to visit schools and provide support on management • Implement a strategy to strengthen school management 	<p>Program 1:</p> <p>To provide education management services and support for the education system through optimal utilization of resources, increased application of ICT, knowledge and data based decision-making, including impact assessments by provincial and district offices.</p> <p>Program 2:</p> <p>Provision of quality teaching and learning to all learners from Grade 1 to 12.</p> <p>Improve Teacher capacity and practices</p> <p>Increase access to high quality learning material.</p>	<p>Delivery reports are detailed in Sub-outcome 1 below: Improved quality of learning and teaching through teacher development” and progress on the targets are found in Program 1: Administration and Program 2: Public Schools.</p>

3 Strategic goal	Increased access to grade R	Strategic Objective	Interphased Delivery
Goal Statement	<ul style="list-style-type: none"> • Increase Grade R enrolment and expand Grade R classes so that an increasing number of grade 1 learners have been to a Grade R class. • Train ECD practitioners in registered Grade R classes • Increase the percentage of Grade 1 entrants who attended a Grade R that are school ready. 	<p>Program 5</p> <p>Access to quality early childhood development.</p>	<p>Delivery reports are detailed in Sub-Outcome 4: “Improve quality of Grade R and extension of early childhood development” and progress on the targets are found in Programme 5: Early Childhood Development.</p>

4 Strategic goal	Improve learner performance in grade 3,6,9 and 12 as demonstrated through regular assessment and tracking of progress	Strategic Objective	Interphased Delivery
Goal Statement	<ul style="list-style-type: none"> • Increase the number of learners in Grade 3 who, by the end of the year, have mastered the minimum language and numeracy competencies for Grade 3. • Increase the number of learners in Grade 6 and 9 who, by the end of the year, have mastered the minimum language and mathematics competencies for Grade 6 and 9. • Increase the number of Grade 12 learners who become eligible for a Bachelors programme at a university. • Increase the number of Grade 12 learners who pass mathematics, physical science and accounting. • Improve the average performance of Grade 6 learners in languages and mathematics. • Improve the average performance of Grade 9 learners in mathematics. • Improve the grade promotion of learners through Grades 1 to 9. 	<p>Program 2:</p> <p>Provision of quality teaching and learning to all learners from Grade 1 to 12.</p> <p>Improve Teacher capacity and practices</p> <p>Increase access to high quality learning material</p> <p>Program 7:</p> <p>Prepare and administer ANA for Grades 3,6 and 9 and the NSC for Grade 12.</p>	<p>Delivery reports are detailed in Sub-Outcome 3: "Regular annual assessments of Grade 3, 6, 9 and NSC level to track improvements in the quality of learning and teaching and progress on the targets are found in Program 2: Public Schools and Program 7: Examination and Education Related Services.</p>

5 Strategic goal	Provision of infrastructure and learning materials to support quality education	Strategic Objective	Interphased delivery
Goal Statement	<ul style="list-style-type: none"> • Build new schools; refurbish old schools, built laboratories, libraries, halls, admin blocks and toilets for educators and learners. • Provide sewerage, electricity and water to those schools without. • Supply each learner with the nationally defined text book package. 	<p>Program 6:</p> <p>To provide new physical infrastructure, maintain and renovate existing infrastructure in education institutions in line with the infrastructure plan.</p>	<p>Delivery reports are detailed in sub-outcome 2: Improved quality of learning and teaching through provision of adequate, quality infrastructure and learning material and progress on the targets are found in Program 6: Infrastructure Development.</p>



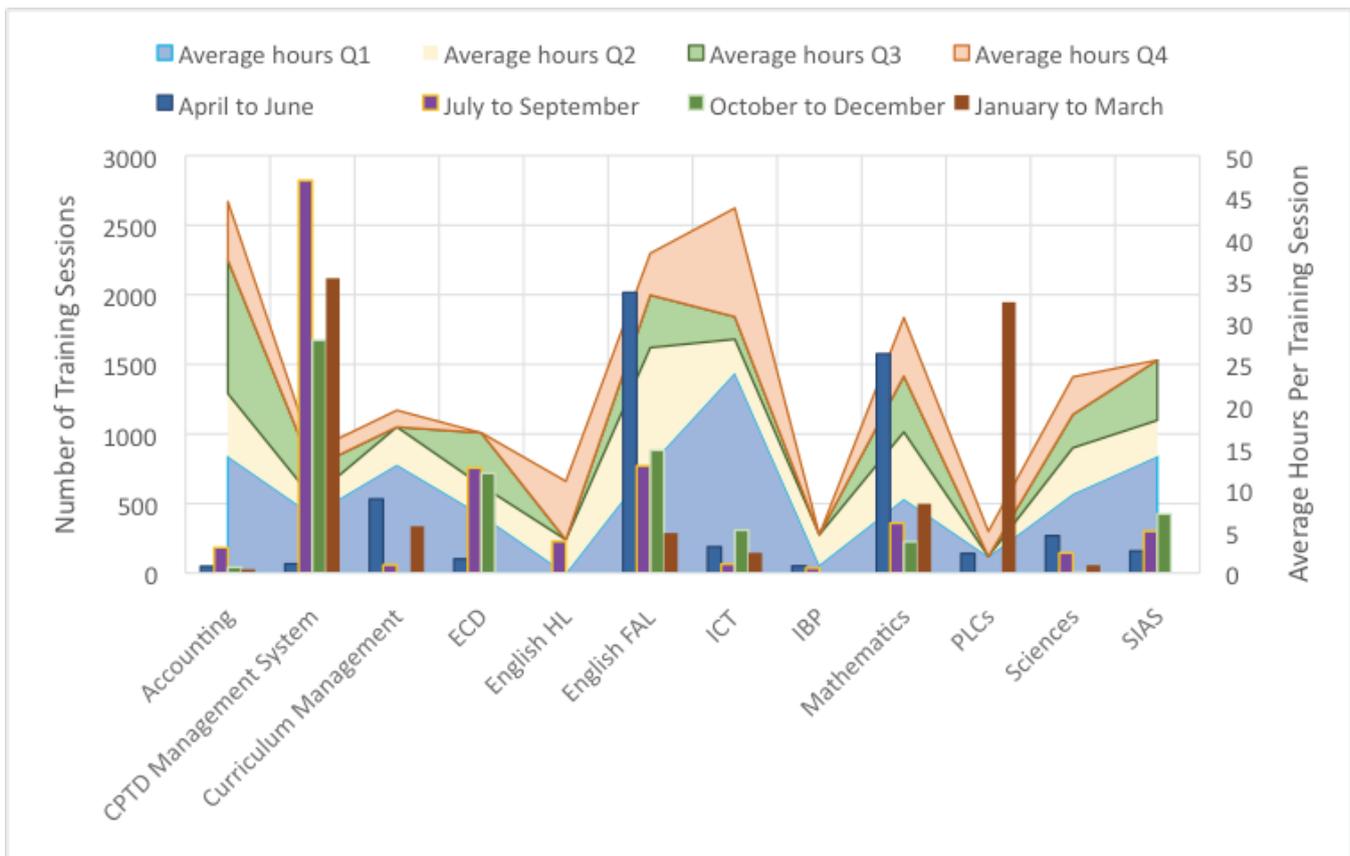
Sub-outcome 1: Improved quality of teaching and learning through teacher development and effective utilization of teachers

This sub-outcome is linked to the department’s strategic goal to have improved school functionality through teacher development, management support and increased accountability. As stated in the MTSE, the quality of the South African education system depends on the expertise (understanding of the curriculum, content knowledge and teaching skills) and commitment of its teachers. Providing motivational and developmental activities and training for teachers is key to contributing to these objectives to ensure their effectiveness. The sector strives to improve and monitor the supply of new teachers to the education system.

School functionality is enhanced by having sufficiently qualified teachers, and on-going development ensures that teachers are able to remain motivated and present inspired lessons. A key delivery point in the in-service training of teachers, are the District Teacher Development Centres (DTDC).

The Teacher Development Training Centres (DTDC) recorded and documented training that took place from April 2015 to March 2016. Training included, among others, Mathematics and Literacy training to GET and FET phase teachers, training in Accounting and Physical Sciences, Training in the CPTD Management System, Curriculum Management for SMTs and Office Based Officials, ICT, SIAS and IBP as summarised in the graph below.

Graph 10: Number of training sessions for select subjects and programmes



Source: Teacher Development

The Free State Department of Education provided funding for 117 teachers across the province to attend the 7th biennial conference of SAASTE (South African Association of Science and Technology Educators) from 6 to 9 July 2015 at the College of Education, UNISA, in Pretoria. Keynote speakers from the Universities of São Paulo and Wisconsin-Madison presented topics on barriers to practical work, ICT competencies of teachers, teaching the periodic table by using technology and learning science through practical work among others, as well as several chemistry workshops.

Nine sessions were conducted for the 1 + 9 PLC Model for Maths workshops, held for Grades 8 and 9 Mathematics teachers, between April and June 2015, with. Teachers were trained in the afternoon and full-day workshops were held on development of lesson plans as well as emphasis on areas of weakness. A total number of 758 out of 1254 teachers participated in the workshops during this period. Pre and Post tests were administered during each 1 + 9 cluster meeting to reveal the professional training needs of educators that attend these sessions.

Through a partnership with the CHIETA SETA and the UFS, 30 Grade 9 teachers were trained on Mathematics content.

Mathematics Summits for Foundation phase and Grades 4 to 7 teachers were held in four districts, focussing on the challenging topics which were presented by expert teachers. A total of 650 Maths teachers of Grades R - 7 participated, including multi-grade teachers.

Start-up workshops were held for 17 FET phase subjects from 25 January to 3 February 2016 in all districts. In the workshops, the 2015 NSC Examination Results were discussed; the Provincial Internal Moderators' reports, the targets for 2016, subject improvement strategies, strategies on how to handle progressed learners and the provincial and UMALUSI moderation reports. Of the 2661 Grades 10 to 12 teachers expected, 2296 were trained.

More teachers than planned for, requested to attend content specific workshops, 1267 of the expected 850, for Mathematics, English Home Language, English First Additional Language, Economics and Business Studies. Training encompassed 10 workshops with dates ranging from 25 January to 3 March 2016.

In workshops conducted by Shuter and Shooter from 25 January to 3 February 2016, 110 Grade 11 English First Additional Language (FAL) teachers were introduced to the new prescribed text – short stories. Again in training to strengthen classroom teaching in FAL, 289 teachers were trained from 25 to 29 January 2016 using material that was provided by the British Council. Subject matters, including policies, planning, formal and informal assessment, marking, daily class work activities, SBA and lesson preparation for new teachers, as well as setting of examination question papers, were amongst the topics discussed at the trainings.

Mathematics, Mathematical Literacy and Physical Sciences subject advisors received a 5-day CAPS training in Technical Mathematics and Technical Sciences in Bloemfontein from 24 to 28 August 2015. The training was conducted by the National Training Team (NTT) from DBE.

A total of **1 341** teachers participated in the Residential Teacher Development trainings and spent a total of 310 hours for professional development.

In summary, the number of training sessions documented by teacher development was as follows:

Table 6: Total number of trainings per quarter and average hours of training

Number of training sessions held	Foundation Phase	Interme- diate Phase	Senior Phase	FET Phase	SMTs and Officials	GRAND TOTAL	Average hours of training
1st Quarter	1344	1543	355	1823	757	5822	9.61
2nd Quarter	1757	335	449	2956	1004	6501	6.24
3rd Quarter	1376	549	166	626	1872	4589	6.58
4th Quarter	1664	1581	12	443	2374	6018	4.70
Annual	6141	4008	982	5848	6007	22930	27.13

Data Source: Teacher Development

Educator Self evaluation

The Department of Basic Education (DBE) piloted the self evaluation APTIS tests (English) in 2015 in the province where 79 teachers in all phases (Foundation, Intermediate, Senior & FET) participated in Self-Diagnostic Assessment. Once the process has been finalized in all other provinces, training will be conducted on a full scale and provinces will be allowed to continue with the APTIS tests.

Use of learning and teaching resources

It has been widely observed that the teaching and learning materials currently used at schools are not optimally utilized due to various reasons from lack of skills by teachers to poor management of these resources. To address this, all newly appointed principals and circuit managers are trained on effective utilization and monitoring of resources.



Teacher attendance

There was a decrease in the absenteeism of teachers from the second to the first quarter from 5.5% to 4.9% and an overall decline from 2010 at 8.7% absenteeism to 2015 at 4.9%. Factors contributing to the decrease include measures taken by districts to conduct leave analysis to check and monitor absenteeism in schools.

Attendance Registers are controlled daily, leave taken is submitted through a register and recorded on SA-SAMS, and SA-SAMS is printed out and submitted by schools for reconciliation. In some districts, a monthly Graphical Leave Analysis Report is submitted to the DMT for all schools. Workshops on leave management and change on leave determination are also organised for public servants. As shown in the table below, the FSDoE is on course with the reduction in teacher absenteeism which was standing at an average rate of 4.4% at the end of the 2015 academic year, 3.4% below the national target of 8%.

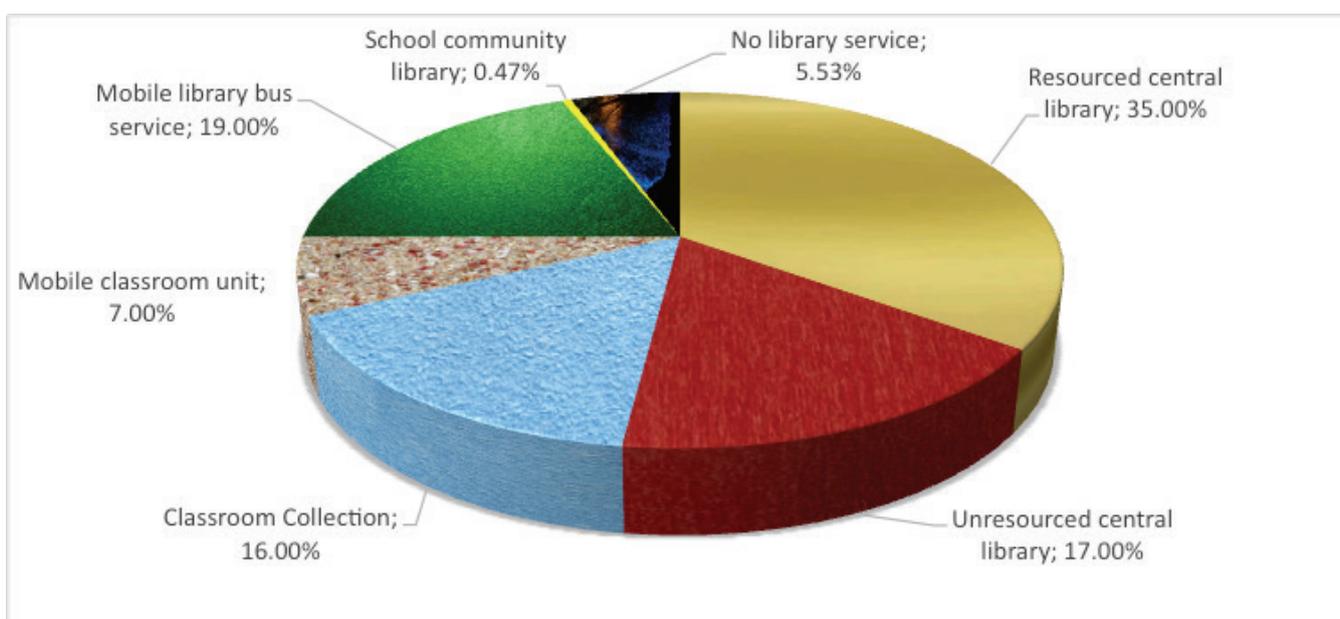
Sub-outcome 2: Improved quality of teaching and learning through provision of adequate, quality infrastructure and learning materials

The strategic goal on Provision of infrastructure and learning materials to support quality education is linked to sub-outcome 2 and is important in creating a conducive atmosphere for learning. School buildings, desks and chairs and basic services make up hard infrastructure while books and computers provide soft infrastructure and are important in providing enabling conditions for learning. Some of the hard infrastructure projects are provided as examples of progress made in this regard. The details of which is to be found in Program 6, dealing with infrastructure.

School Library Services

New library facilities was built at Six primary schools in Thabo Mofutsanyana, ie Bodibeng P/S, Boitelo P/S, Kgoledi ya Manka P/S, Nexus P/S, Sekgothadi P/S and Sentebale P/S, with a total of 5,597 learners, bringing the total percentage of learners in schools that have access to a centralized or dual-purpose library to 35%. There are different models through which a library service can be provided in addition to a centralized library, for example a shared school and community library, a mobile library bus, mobile classroom units and classroom collections. The overall picture of the status of library services are provided below in Graph 11.

Graph 11: Types of library services and percentages of learners they serve



LTSM (learning and teaching support material)

When CAPS was implemented the Department took a decision to buy Textbooks for all Public Schools in the Free State in order to address Universal Coverage of Textbooks. Of the 1,209 503 Textbooks ordered, 1,199 503 were delivered to schools (99.2%). Total amount of text books procured amounted to R37 637 704.60 for the 2015/16 financial year.

Workbooks are provided by the National Department of Basic Education (DBE). This is co-ordinated between the FSDoE and DBE. Workbooks were printed and distributed to public (ordinary and special) schools for 2016. Grades 1 to 9 Volume 1 were delivered from 23 July to 23 September 2015 while Volume 2 were delivered from 19 October to 30 November 2015. Workbooks included Grades 1 to 6 Home Languages and First Additional Languages; Grades 1 to 3 Mathematics in LoLT and Life Skills; Grades 4 to 9 Mathematics in English and Afrikaans.

In addition to text books and workbooks, the provincial office makes available developed material to improve the teaching of English Papers 1, 2 and 3. This material is developed by the provincial subject co-ordinators and Subject Advisors. The Provincial Office and the English Subject Advisors developed the Grade 6 English Study Guide on Language Structures and Conventions. A total of 1700 copies were printed and distributed. The Department is planning to expand this project to more struggling primary schools in townships. This initiative attempts to address language deficiencies that have been identified through ANA 2014 and the 2015 Provincial common quarterly tests.

It was observed that since CAPS compliant workbooks and text books were introduced in schools, the quality and quantity of written work in Grades 4 to 7 improved considerably, particularly in Mathematics and in Languages.

Sub-outcome 3: Regular annual national assessments at Grades 3, 6, 9 and NSC level to track improvements in the quality of teaching and learning

The performance of the department of education as an institution is measured, amongst other things, through learner attainment and improved learner performance in grade 3, 6, 9 and 12 as demonstrated through regular assessment and tracking of progress. Therefore this is a key strategic goal of the department.

A focus of the MTSF is to improve the quality of ANA and the NSC. By analysing performance of both ANA and NSC, appropriate support can be provided to struggling schools to ensure that every learner has a chance to excel and progress, ensuring that the educational system is strengthened and that every child can achieve a National Certificate. Below follow some examples of the analyses done. More details on the NSC analyses and interventions appear in Items 2.1 *Service Delivery Environment and Sub-outcome 1: Improved quality of teaching and learning through teacher development* and in Program 7. Those details are not repeated here.

National Senior Certificate (NSC) - Grade 12

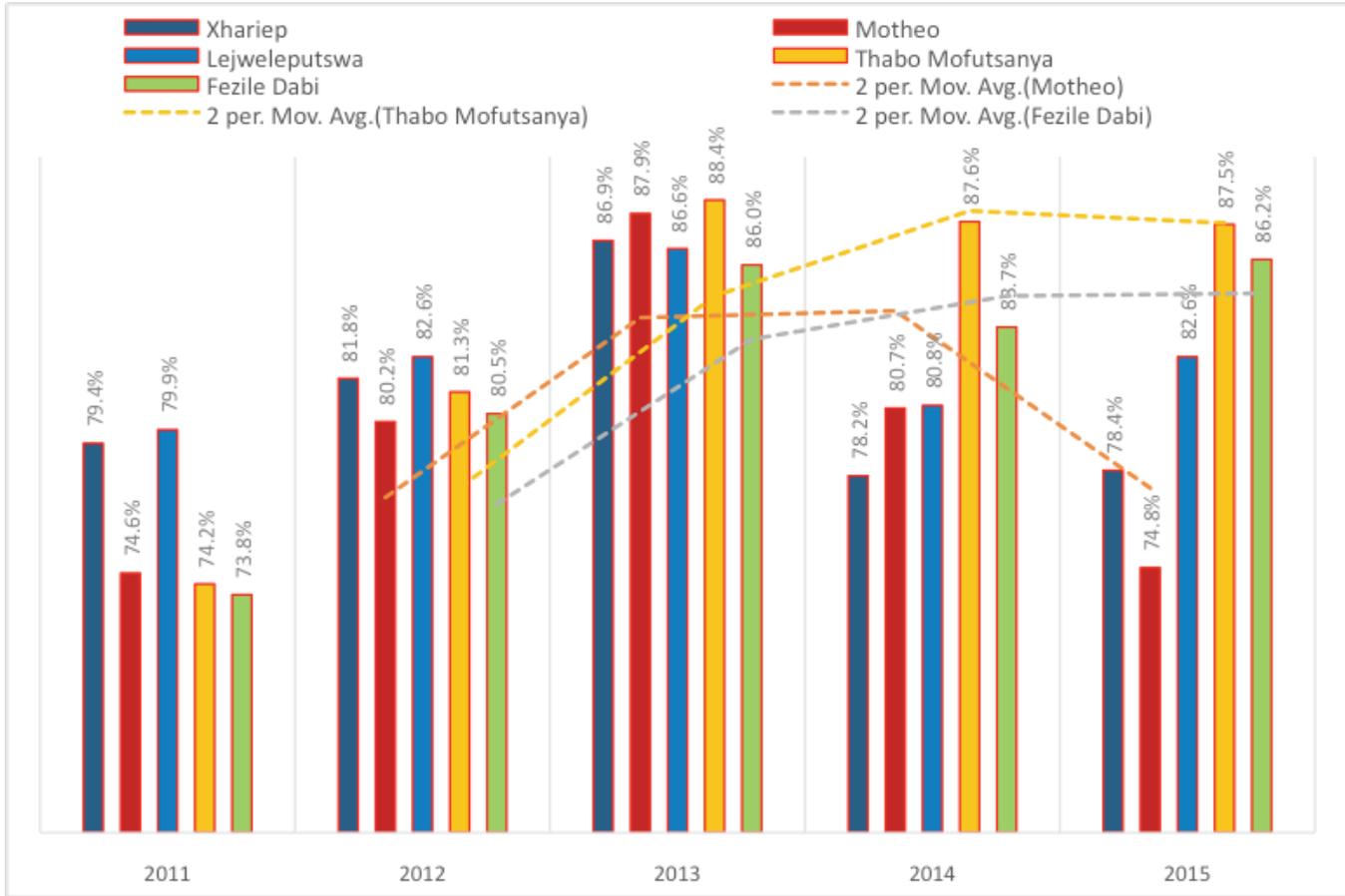
The 2015 cohort was the second National Senior Certificate (Matric) class to sit for the second Curriculum and Assessment Policy Statement (CAPS) exam. A total of 35 160 candidates enrolled for the NCS Examinations, the highest enrolment in the history of the Department.

A total of 25 383 candidates of the 31 121 who wrote in 2015 passed, which gave the Free State pass rate of 81.6% (before remarking and supplementary exams). This increased to 25 977 and 83% after remarking and supplementary exams.

The graph below shows the NSC Pass Rate per district from 2011 to 2015. The 2015 results are given before remarking and supplementary exams, however the pattern remains the same with Thabo Mofutsanyana remaining the best performing district by performing at 87, 5% for the third year running while Motheo district performance dropped from second position in 2013 to fifth in 2015. Fezile Dabi went from fifth position in 2013 to second for the second year running in 2015.



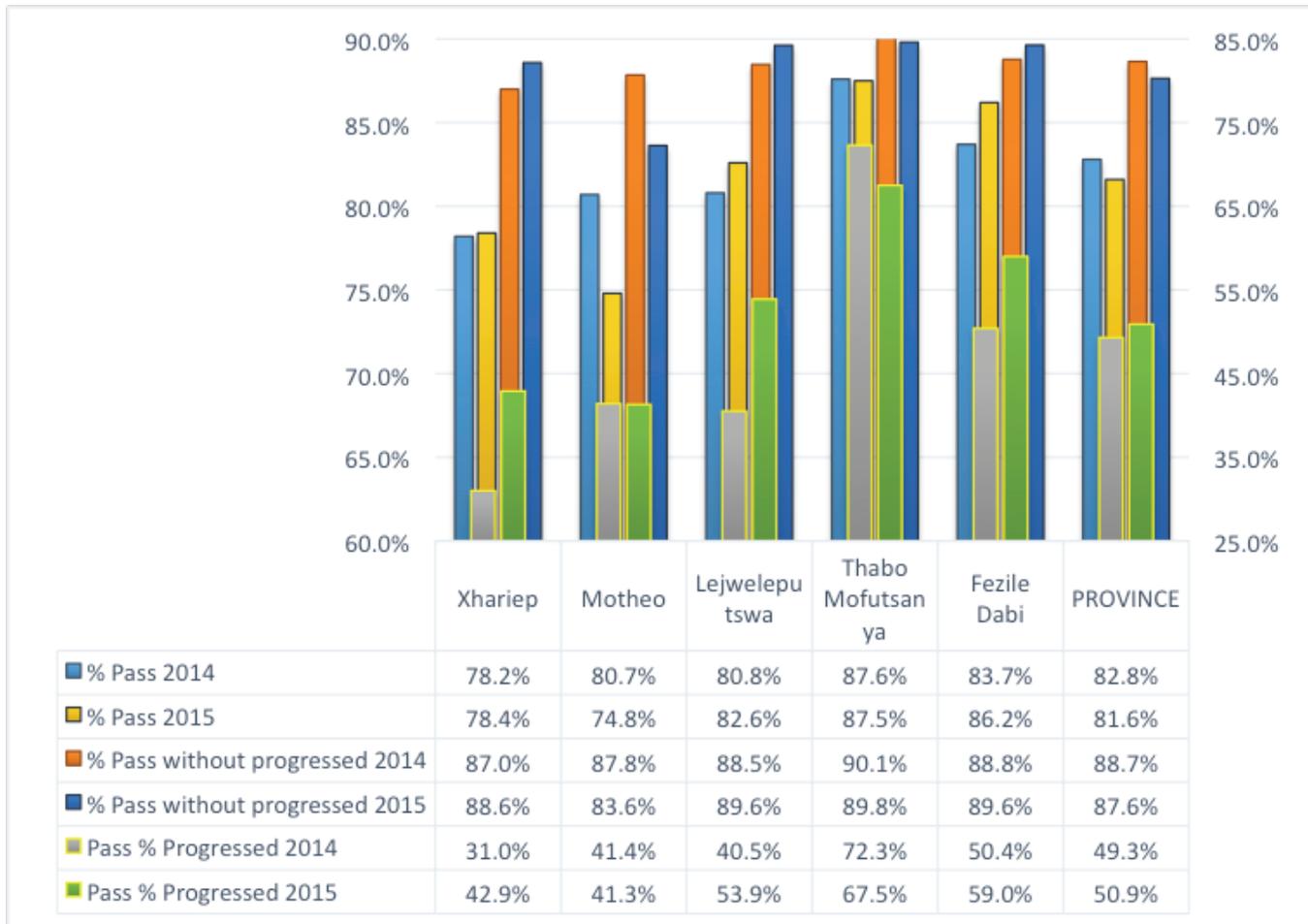
Graph 12: NSC Pass Rate per District: 2011 to 2015 (before remarking and supplementary exams)



Data Source: Examinations and Assessment

In the 2015 NSC examinations, the Free State had the highest percentage (28%) of progressed National Senior Certificate candidates in the country, with the 2nd highest standing at 17.7% (Limpopo) and nationally the figure stands at 12.7%. Analyses of the Performance of progressed learners per district showing the tendencies (before remarking and supplementary exams) follows.

Graph 13: Impact of Progressed learners on NSC Pass Rate per District: 2014 to 2015 (before remarking and supplementary exams).



Data Source: Examinations and Assessment

Thabo Mofutsanyana had the highest pass percentage in progressed learners, 67.5%, followed by Fezile Dabi with 59%. Motheo had the lowest pass rate at 41.3%, a drop of one percent from 2014 while Xhariep had the second lowest at 42.9%.

The biggest impact on the Free State pass rate was the negative effect of the Motheo pass percentage which in turn was affected by the large failure rate of learners in Botshabelo. This caused the provincial pass percentage to drop by 3.6%. The most positive impact came from Thabo Mofutsanyana district which boosted the Free State pass rate by 2.1%. The districts had minimal impact on the overall bachelor pass percentage, with the most impact being felt from the negative effect of the Botshabelo pass rate at 1.9% while the overall Motheo Diploma pass rate impacted negatively on the provincial pass rate by effecting a drop of 2.5%.

A total of 9 277 of the 31 121 candidates who wrote 7 or more subjects, passed at Bachelor level. This gave us 29.8% (before remarking and supplementary exams). This increased to 9 352 learners giving us 29.9% after remarking and supplementary exams.



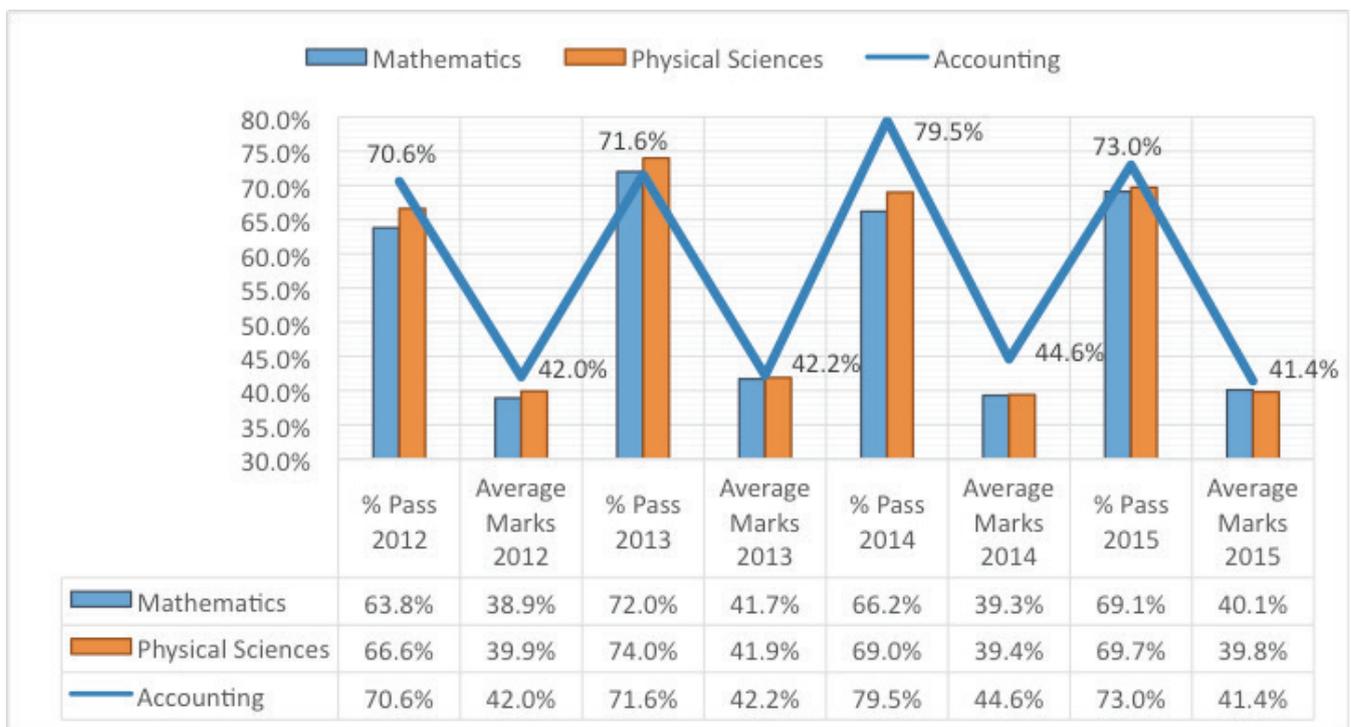
Graph 14: Comparison of Number of Bachelor and Diploma passes compared to Registrations: 2012 to 2015 (before remarking and supplementary exams)



Data Source: Examinations and Assessment

The Free State province has consistently performed well in Accounting, receiving position 2 in 2013 and position 1 in both 2014 and 2015. The Free State obtained position 2 for three consecutive years in Physical Sciences from 2013 to 2015. Physical Sciences (69.7%): Position 2. The graph below compares the pass rates of Mathematics and Physical Sciences to Accounting before remarking and supplementary exams.

Graph 15: Comparison of Mathematics and Physical Sciences Pass Rates against Accounting (before remarking and supplementary exams).



Data source: Examinations and Assessment

The provincial pass percentage Accounting has consistently been above that of Mathematics and Physical Sciences, with the exception of 2013 when the provincial pass rates of Mathematics were 72%, Physical Sciences 74% while Accounting was

71.6%. The average pass mark of Accounting in this year was still higher than in both Mathematics, at 41.7% and Physical Sciences, at 41.9%. In 2015 Accounting pass rate was 73% while Mathematics and Physical Sciences pass rates were 69.1% and 69.7% respectively. Although Physical Sciences consistently outperforms Mathematics, the average Mathematics pass mark of 2015 was 0.3% higher than the average Physical Sciences pass mark.

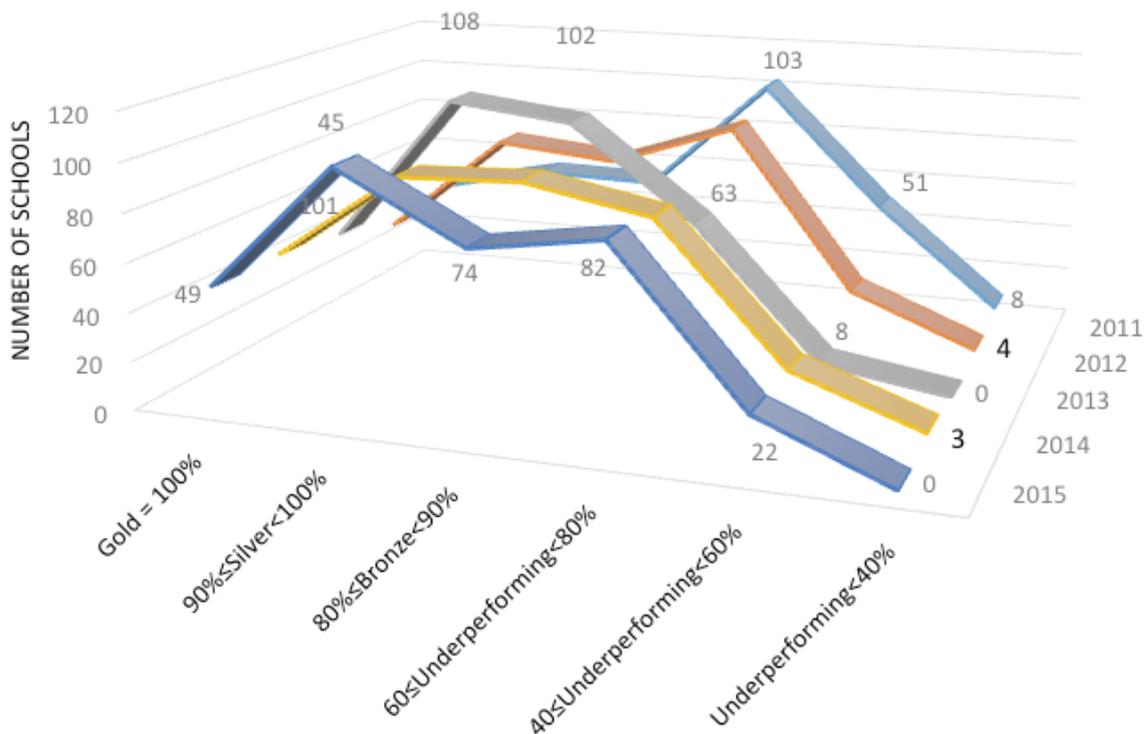
There was a high increase in learner numbers in the 2015 NSC examinations from 35 160 compared to the 26 756 candidates that registered in 2014, an increase of 8 404 learners (before remarking and supplementary exams) with the majority being progressed learners which constituted 28% of the 2015 NSC cohort. This most likely contributed to the decrease in NSC results in 2015 compared to the previous year and was below the set target of 90%. In some township schools class sizes in Grade 12 doubled in 2015. In certain areas and schools learners are at risk and increasingly vulnerable to psycho-social ills like drugs, gansterism, etc. Proficiency in the language of learning and teaching, mainly English first additional language remain a challenge to learners in handling contextual and contemporary questions.

To improve the results, districts assisted schools, with the support of the SGBs and the broader school community. Communities are mobilised around issues that may disturb quality teaching and learning such as initiations, drug abuse, learners loitering in the streets during school hours. During parents meetings they are encouraged to ensure that their children perform on Level 4 and above.

Another key lever in improving learner performance is to address the underperforming schools.

Out of the 329 schools that wrote the NCS exams in 2015, 49 obtained a 100% pass. After remarking and supplementary exams this increased to 58 schools obtaining a 100% pass and 180 schools that performed between 80% to 99,9% and 71 schools performed between 80% and 60%. After remarking and supplementary exams there were only 20 schools that performed below 60% and one school that obtained below 40%. The graph below illustrates the figures before remarking and supplementary exams, but the pattern remains the same.

Graph 16: Category of School Performance, Gold, Silver, Bronze and Underperforming: 2011 to 2015 (before remarking and supplementary exams)



Data Source: Examinations and Assessment

To address the underperforming schools, co-ordinated, improve and monitored support was provided through holiday schools, weekend classess, afternoon classess and examination preparation camps. Via the Internet Broadcasting Program of the University of the Free State, dedicated support was given to each subject and preparing learners for the examinations. The following guides were provided to schools: Euclidean Geometry summaries for Maths learners, HeyMath! revision packs to all townships schools and copies of topographical maps to geography learners.



Sub-outcome 4: Improve quality of Grade R and extension of Early Childhood Development

Research has shown that children who receive quality ECD education perform better in Grade 1 and in subsequent school years. For this reason there is a significant drive to increase numbers of children accessing this education as well as improving the quality of tuition by ensuring that teachers are relevantly qualified.

Universalise access to Grade R

Grade R learners are supported in both the community based sites and public schools at about 85% in public schools and 15% in community based sites. The plan is to gradually, as facilities become available, migrate Grade R learners from early childhood community sites to public schools. The Department is currently supporting 7 289 Grade R learners who are accommodated in 263 ECD sites. There are more Grade R learners being accommodated in community sites under the auspices of the Department of Social Development.

To increase numbers of learners who receive formal Grade R in public schools, infrastructure finished construction of 49 Grade R classrooms in 2015/16 and forward projections have been made in order to ensure space is available for all Grade R learners by the time Grade R becomes compulsory in 2019. The FSDoE currently has 646 public schools that offer Grade R, bringing the percentage of Grade R learners who receive formal Grade R to 77,2%.

In July 2015, the DBE supplied 646 public schools with Grade R workbooks in public schools. In addition Grade R resource packs were provided by DBE, containing posters for Grade R themes, DVDs for teachers, big books, teacher guides as well as lesson plans and assessments.

Increasing the number of Grade R practitioners with appropriate qualifications

All of the Grade R practitioners on PERSAL have at least Grade 12 (NQF Level 4). 20% of practitioners have REQV 13 (NQF level 6, 7 or 8 depending on the qualification) and upwards. The Non-Governmental Organisation, Save the Children, is working in collaboration with the department to recruit youth to study B. Ed in Foundation Phase. These recruits can, once qualified, be utilized as Grade R teachers. As a result, a total of 50 students were provided with bursaries to study B.Ed. with UNISA. A hundred Grade R teachers have been selected across the province to enrol towards a Diploma in Grade R teaching as of January 2016. The province has been allocated 17 Grade R practitioners to receive training on the ECD Diploma qualification in 2016. These initiatives as supported by the ETDP SETA.

Sub-outcome 5: A credible, outcomes-focused planning and accountability system through intervention and monitoring at school, community and district level

Good management and governance at school level is crucial to ensuring functionality and efficiency of the institution, creating an environment conducive to teaching and learning. Departments of Police, Roads and Transport as well as Health contribute to learner safety and well-being as well as addressing social and health barriers to learning.

Systems need to be in place to ensure that all learners are retained and that learners can progress through the system. Socio-economic circumstances, vulnerable, orphaned, or learners with barriers to learning are some of the factors to be overcome in addressing the challenges of drop-out and repeaters. Monitoring and support of education in schools include ensuring that all children are at school and learning, that vulnerable children are supported, and that those with learning difficulties are assisted so that they can move with their age-cohorts. Good governance and functional schools underpin these outcomes.

School Governance

SGB elections were conducted in March of 2015 and completed at 1 287 public schools. The remaining two schools completed the process by 14 June 2015. 11387 members were elected. The newly elected SGB's were inducted and schools held meetings to elect office bearers. Management Plans were developed to train members on Finance Management and Procurement Procedures.

60% of SGB members elected in March 2015 were orientated and trained from May to December 2015 on Planning for School Support, Legislation and Policy, School Funding and Financial Management, Maintenance of School Assets, Policy Development, Recruitment and Selection, School Safety, Skill and Attribute development.

School Functionality

One indicator of basic school functionality is the extent to which schools are compliant with regard to producing the minimum set of management documents at a required standard for example a school improvement plan, a school budget before the end of the academic year, a school timetable, a calendar of events, teacher work schedules and timetables, learner and educator attendance registers, etc. The documents are checked during the School Readiness Visits, District Support Team Visits, and Curriculum Support Team Visits. Functional school time-tables exist at most of the schools and are verified by the Subject Advisors and Circuit Managers. Attendance registers are kept for educators and learners at all schools. All educators have work schedules, the implementation of which is monitored by Subject Advisors

Curriculum coverage is another key area of school functionality stemming from instructional leadership that should be more effectively monitored. Reviews of learner workbooks can provide telling information about the coverage of curriculum and practice of exercises within classrooms, and could therefore be used for the purposes of monitoring. Since macro pacing of the curriculum has now been specified in the Curriculum Assessment Policy Statements (CAPS) and very prescriptive workbooks have now been distributed, the scaffolding for accurate monitoring of curriculum coverage is already in place.

The participation of schools in the Provincial Quarterly Tests or Examinations makes it compulsory for schools to cover curriculum. The Primary Schools Directorate has updated the newly introduced Gear-up tools to monitor topics and skills to be covered per week against number of informal assessment tasks, daily class activities and homework. The Secondary Schools Directorate reported that most schools are up to date with the Grade 12 curriculum as determined by the content coverage per week as prescribed. Subject Advisors focussed only on curriculum coverage as per work schedule and the number of homework tasks.

Table 7: Summary of number of secondary schools monitored in February 2016 per grade and the percentage coverage for these schools

	Grade 12		Grade 11		Grade 10	
	Number of schools	% Coverage	Number of schools	% Coverage	Number of schools	% Coverage
Physical Sciences	56	87	49	72	43	75
English	94	80	94	75	94	74

Source: Curriculum Secondary Schools

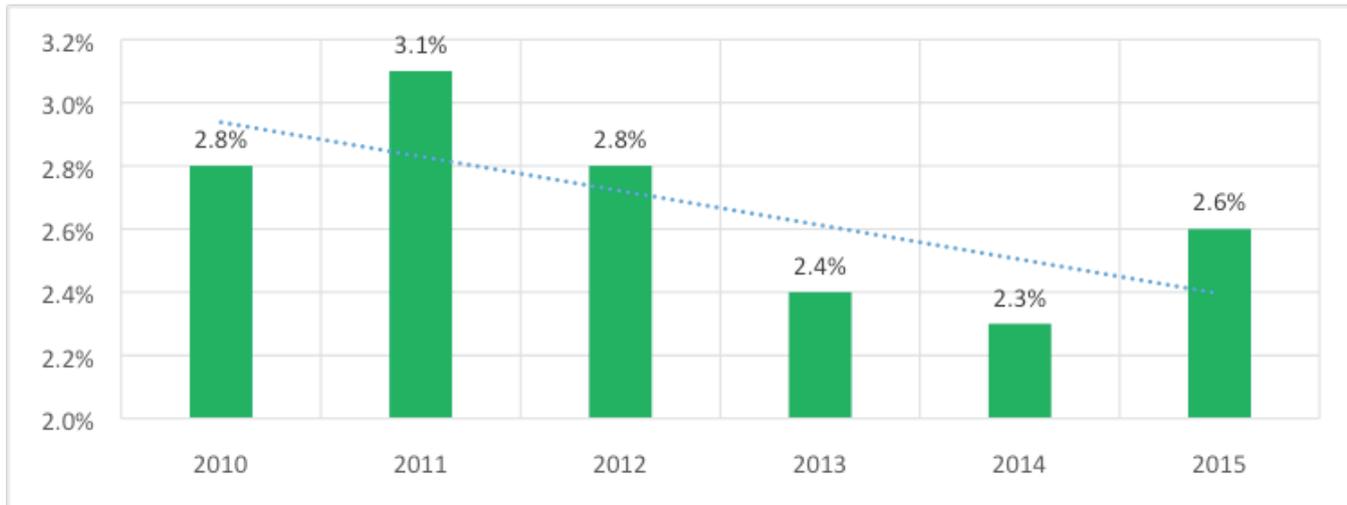
Compliance with the minimum number of homework tasks, experiments and informal tests in the schools monitor was at an average of 85,7% for homework, 7% for practical work done and 21,3% for informal tests written.

Where curriculum coverage is not up to expectations, schools were advised that a recovery plan must be developed that is monitored internally by the school. Catch up programs are developed and implemented. Morning, afternoon and Saturday classes are held to cover the work and schools participate in extra classes to catch-up on curriculum. Holiday classes were also implemented as well as the extended hours programme.

As shown in the graph below, learner absenteeism has also shown a gradual decline from 6% in 2009 to 2.6% in 2015, which could be attributed to, *inter alia*, measures taken by the department to expand its feeding scheme as well as increasing the number of no fee paying schools and improved school functionality.



Graph 17: Learner Absenteeism Rate: 2010 to 2015



Data source: EMIS

District Support

According to the medium term strategic framework, the expectation is that all schools should be visited at least twice per year by their circuit managers. Due to the importance of support to underperforming primary and secondary schools it happens that there are schools that are visited more than two times throughout the year and likewise schools not needing so much support, are visited fewer times. However, all schools were supported through cluster visits to ensure that important information is shared with all public schools.

All district officials visiting schools must complete the school journal (logbook) and submit a copy of the original report, signed off by the principal and district official and educator where relevant, to the respective district offices as evidence of the visit.

The 2015 School Survey on District Support indicates that 65.7% of principals rate the services of districts as being useful and very useful which was used as the indicator for “satisfactory”. The graph below indicates the specific ratings per category of official given by principals.

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

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

The sub-programmes

1. Office of the MEC
2. Corporate Services
3. Education Management
4. Human Resource Development
5. Education Management Information System (EMIS)

Strategic objectives, performance indicators, planned targets and actual achievements

The Schools are supported by the 5 District Offices and the Provincial Offices. Schools visits are undertaken by provincial and district based officials to monitor and support schools for improved learner performance and school functionality. The visits are conducted with a clear purpose linked to the school improvement plans and expectations on corrective measures are provided in writing for further monitoring and ensuring accountability.

The department relies on a national school administration system for the collection of it management data which is used for information based decisionmaking and allocation of resources. The electronic school management administration system is rolled out to all schools. The challenge is that all schools submit their complete reports with signed off accountability certificates for correctness in the uploaded information.

The detailed report on the achievement of the strategic objectives and the performance indicators can be found in Sub-Outcome 5: A credible, outcomes, focused planning and accountability system through intervention and monitoring at school, community and district level which contributes to the Strategic Goal 2 to improve the functionality of schools through teacher development, management support and increased accountability as envisaged in the NDP.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To provide education management services and support for the education system through optimal utilization of resources, increased application of ICT, knowledge and data based decision making including impact assessments by provincial and district offices.	1333 number of schools	1334	1306	-28	There are fewer schools due to a number of farm schools that no longer have any learners and therefore these schools are no longer operational. The learners move away from the farm schools when their parents re-locate to towns and townships.

Performance indicators

Programme Administration					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 101 Number of public schools that use SASAMS to electronically provide data to the national learner tracking system (LURITS)	1280	1300	1050	-250	Farm schools running empty of learners and not all principals submitting signed off LURITS forms when they submit their SASAMS data electronically.



Programme Administration					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 102 Number of public schools that can be contacted electronically email	966	500	1 010	+510	Through partnerships with connectivity providers and Schools / principals getting their own email addresses, the target was exceeded at no additional costs to the Department.
PPM 103 Percentage of education current expenditure going towards non personnel items.	21%	17%	16%	-1%	The target on non personnel spending is lower than projected due to a higher than expected salary increase for employees and the settling of accruals from the previous financial year. Both these factors had a direct bearing on the amount of cash available in 2015/2016.
PPM 104 Number of schools visited by district officials for monitoring and support purposes	New PM	1000	1049	+49	Schools are visited in accordance with their school improvement plans and in some instances schools may need more support than anticipated, especially with regard to learner performance and functionality.

STATISTICAL TABLES (Not Audited)

ST No	Programme 1	Stats as on 31 March 2016
ST101	Percentage of learners in schools that are funded at a minimum level	75%
ST102	Percentage of schools with full set of financial management responsibilities on the basis of assessment (ie Full Section 21 functions)	48%
ST103	Percentage of women in SMS positions. (Percentage of office based women in Senior Management Service)	21%
ST104	Percentage of women in Principalship posts	68%
ST105	Percentage of women employees	66%
ST106	Number of schools compensated in terms of the fee exemption policy	131

Strategy to overcome areas of under performance

Not all principals are yet submitting their school administration data as expected by the due dates. Exception reports are sent from the provincial EMIS office every Monday to all down line managers of schools to take corrective action. In cases where there is habitual non-compliance consequence management is implemented.

Cost containment measures are implemented in the Department. Provincial Treasury has established an intervention committee to provide support and guidance to the Department of Education and monitoring in particular the compensation budget.

Changes to planned targets: None

Linking performance with budgets

Sub-programme expenditure

Administration

Office of the MEC	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	8 085	8 074	11	8 707	8 707	-
Compensation of employees	7 644	7 638	6	6 346	6 347	(1)
Goods and services	441	436	5	2 361	2 360	1
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	6	-	6	75	25	50
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	6	-	6	75	25	50
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	8 091	8 074	17	8 782	8 732	50

Corporate services	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	329 834	329 815	19	231 994	320 226	(88 232)
Compensation of employees	213 900	213 899	1	193 886	193 663	223
Goods and services	115 494	115 476	18	38 108	126 318	(88 210)
Interest and rent on land	440	440	-	-	245	(245)
Transfers and subsidies	946	941	5	1 390	1 389	1
Departmental agencies and accounts	1	-	1	2	1	1
Non-profit institutions	-	-	-	-	-	-
Households	945	941	4	1 388	1 388	-
Payments for capital assets	9 261	2 946	6 315	4 687	2 466	2 221
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	6 552	2 946	3 606	3 487	2 466	1 021
Software and other intangible assets	2 709	-	2 709	1 200	-	1 200
Payment for financial assets	592	591	1	-	118	(118)
Total	340 633	334 293	6 340	238 071	324 199	(86 128)



Education management	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	497 508	497 381	127	505 279	511 173	(5 894)
Compensation of employees	475 606	475 536	70	484 535	482 587	1 948
Goods and services	21 641	21 584	57	20 744	28 580	(7 836)
Interest and rent on land	261	261	-	-	6	(6)
Transfers and subsidies	6 438	6 436	2	7 208	7 207	1
Departmental agencies and accounts	11	10	1	7	7	-
Non-profit institutions	-	-	-	-	-	-
Households	6 427	6 426	1	7 201	7 200	1
Payments for capital assets	1 763	616	1 147	1 451	1 450	1
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	1 763	616	1 147	1 451	1 450	1
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	9	9	-	-	293	(293)
Total	505 718	504 442	1 276	513 938	520 123	(6 185)

Human resource development	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	5 152	5 146	6	6 350	6 373	(23)
Compensation of employees	1 343	1 340	3	4 666	4 400	266
Goods and services	3 809	3 806	3	1 684	1 973	(289)
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	1 923	(1 923)
Total	5 152	5 146	6	6 350	8 296	(1 946)

Education management and information systems	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	4 538	4 526	12	4 821	4 225	596
Compensation of employees	3 724	3 721	3	3 778	3 777	1
Goods and services	814	805	9	1 043	448	595
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	22	22	-	30	30	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	22	22	-	30	30	-
Payments for capital assets	988	615	373	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	988	615	373	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	5 548	5 163	385	4 851	4 255	596

4.2 Programme 2: Public Ordinary School Education

Program Objective: To provide public ordinary education for Grades 1 to 12 in accordance with the South African Schools Act

Sub-programs:

1. Public Primary Level
2. Public Secondary Level
3. Human Resource Development
4. School sport, culture and media services
5. Conditional Grants

Strategic objectives, performance indicators, planned targets and actual achievements

The quality of the education system can be measured in different ways, but there is general agreement that the yearly Grade 12 results are the most prominent indicator. The implementation of the annual national assessments in Grades 3, 6 and 9 in language and mathematics brought an additional measurement of quality into the system. Although ANA was not written as expected in 2015, the 2014 results were still applicable to design intervention strategies for improving the language and mathematical skills and knowledge of learners and educators.

Improved learner performance is underpinned by successfully addressing barriers to learning. This is the role of the inclusive education system which amongst other things established full service schools and school based support teams to assist learners as identified through SIAS. Further support is provided by those special schools that are resource centres. Increasingly psycho-socio support has to be provided to learners with barriers to learning as well as to the progressed learners. The details of the progress made in this regard is to be found in the section on the service delivery environment.

The progress made with the provision of learning support materials (LTSM) is detailed in Sub-Outcome 2: Improved quality of Learning and Teaching through provision of adequate, quality infrastructure and learning materials.

The aforementioned contributes to the achievement of the strategic goal 4: To improve learners performance in Grades 3,6,9 and 12 as demonstrated through regular assessment and tracking of progress as envisaged in the NDP, Chapter 9.

Strategic objectives:

Programme: 2 Public Ordinary Schools					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Provision of quality learning and teaching to all learners from Grade 1 – 12.	635 053	620 000	636 599	+16 599	There is a 2,6% increase in learner numbers which can be expected due to population migration.
Improve teacher capacity and practices	20 751	20 872	19 652	-1 220	This deviation of 5,8% is due to the cost containment measures resulting in fewer educators trained than planned.
Increase access to high quality learning material	635 053	620 000	636 599	+16 599	There is a 2,6% increase in learner numbers which can be expected due to population migration.

Performance indicators

Programme Name						
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations	
PPM 201 Number of full service schools serving learners with learning barriers	134	154	155	+1	This one more full service school that could be added is not a material deviation from the target.	
PPM 202 Number of primary schools with overall passrate in ANA of 50% and above	534	550	0	100%	ANA was not written as planned during 2015 due to a dispute within the industry, outside the managerial control of the FSDOE. Therefore the DoBE requested National Treasury, the Auditor General and the Department of Planning, Monitoring and Evaluation to exempt the Provincial Departments from reporting on ANA.	
PPM 203 Number of secondary schools with an overall passrate in ANA of 40% and above	48	100	0	100%	ANA was not written as planned during 2015 and the DoBE requested National Treasury, the Auditor General and the Department of Planning, Monitoring and Evaluation to exempt the Provincial Department from reporting on ANA.	
PPM 204 Number of secondary schools with NSC passrate of 60% and above	296	304	291	-13	The province has the biggest percentage of progressed learners in the country which impacted on the expected passrate. The question papers of critical subjects had a demanding cognitive content.	



Programme Name									
PPM 205	The percentage of children who turned 9 in the previous year who are currently enrolled in Grade 4 or a higher grade.	New performance measure.	70%	70%	N/A				
PPM 206	The percentage of children who turned 12 in the preceding year and who are currently enrolled in Grade 7 or a higher grade.	New performance measure.	55,8%	50%	+5,8%				An improved schooling system supported learners better so that more learners progressed through the system in accordance their age cohort.
PPM 207	Number of schools provided with media resources	0	6	0	100%				Cash flow challenges that the department experienced due to the accruals of the previous financial year that had to be settled in 2015/2016.
PPM 208	Learner absenteeism rate	New performance measure	2,4%	2,5%	+0,1%				This deviation is not material.
PPM 209	Teacher absenteeism rate	New performance measure	4,9%	5%	+0,1%				This deviation is not material
PPM 210	Number of learners in public ordinary schools benefitting from the no-fee school policy	502 374	512 680	518 975	+6 295				This increase is due to a number of schools that were moved from quintile 4 and quintile 5 to quintile 3 to be no fee schools.
PPM 211 Number of educators trained on literacy, language content and methodology									
Grade 3		New PM	1 740	1 102	-638				Cost containment measures impacted on the training that could be provided.
Grade 6		New PM	250	250	N/A				N/A



Programme Name						
Grade 9	New PM	500	500	500	N/A	N/A
PPM 212 Number of educators trained on numeracy, mathematics content and methodology.						
Grade 3	New PM	1740	368	-1372	Cost containment measures impacted on the training that could be provided.	
Grade 6	New PM	250	270	+20	20 more teachers were trained than planned due to changes in the staff establishment of schools and subject allocations to teachers.	
Grade 9	New PM	500	500	N/A		N/A



STATISTICAL TABLES (Not Audited)

ST No	Programme 2	Stats as on 31 March 2016
ST201	Number of learners enrolled in public ordinary schools: Grade 1 – 12	636 599
ST202	Number of educators employed in public ordinary schools	20 579
ST203	Number of non educator staff employed in public ordinary schools	4 553
ST204	Number of learners with access to the National School Nutrition Programme (NSNP) (The technical indicators indicate that the average of four quarters of the number of learners eating must be given as the annual figure)	569 674
ST205	Number of learners eligible to benefit from learner transport	8 053
ST206	Number of learners with special education needs identified in public ordinary schools	28 623
ST207	Number of qualified teachers, aged 30 and below, entering the public service as teachers for the first time (permanently appointed from April 2015 to March 2016)	331
ST208	Percentage learners who are in classes with no more than 45 learners	73,2%
ST209	The percentage of youths who obtained a National Senior Certificate from a school. Please note: 25 383 in Dec 2015: 81,6% before remarking and supplementary exams 25 977 by 31 May 2016: 83% after remarking and supplementary exams.	83%
ST210	The percentage of learners in schools with at least one educator with specialist training on inclusion	26,3%
ST211	Percentage of learners having access to workbooks per grade	Not available
ST212	Percentage of schools where allocated teaching posts are all filled	82%
ST213	Percentage of learners having access to the required textbooks in all subjects	Not available
ST214	Number of secondary schools with an overall pass rate for the school of 60 and above in ANA (excluding Gr 12)	N/A
ST215	Number of learners screened through the Integrated School Health Programme.	23 476

Strategy to overcome areas of under performance

Training that could not be provided during 2015/2016 due to cost containment measures will be progressively rolled out during 2016/2017.

To improve the results, districts will increase parental and community involvement around issues that may disturb quality teaching and learning such as initiations, drug abuse, learners loitering in the streets during school hours. Increasing the phyco-social support provided to learners. Implementation of SIAS in the lower grades to early identification of barriers to learning.

To address the underperforming schools support is provided through holiday schools, weekend classes, afternoon classes and examination preparation camps. Via the Internet Broadcasting Program of the University of the Free State, dedicated support is given to each subject and preparing learners for the examinations. Guides are provided to schools: Euclidean Geometry summaries for Maths learners, HeyMath! revision packs to all townships schools and copies of topographical maps to geography learners.

Changes to planned targets: None

Linking performance with budgets

Sub-programme expenditure

Public Ordinary School Education

Public primary level	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	4 486 101	4 677 606	(191 505)	4 459 824	4 530 713	(70 889)
Compensation of employees	4 414 203	4 606 162	(191 959)	4 413 361	4 411 947	1 414
Goods and services	71 191	70 737	454	46 463	118 739	(72 276)
Interest and rent on land	707	707	-	-	27	(27)
Transfers and subsidies	343 389	330 971	12 418	170 272	360 100	(189 828)
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	280 938	268 521	12 417	150 948	303 414	(152 466)
Households	62 451	62 450	1	19 324	56 686	(37 362)
Payments for capital assets	562	177	385	347	380	(33)
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	562	177	385	347	380	(33)
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	1 501	(1 501)
Total	4 830 052	5 008 754	(178 702)	4 630 443	4 892 694	(262 251)

Public secondary level	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	3 229 281	3 227 861	1 420	3 089 469	3 089 596	(127)
Compensation of employees	3 197 820	3 196 557	1 263	3 053 367	3 052 090	1 277
Goods and services	31 398	31 242	156	36 102	37 505	(1 403)
Interest and rent on land	63	62	1	-	1	(1)
Transfers and subsidies	184 884	164 846	20 038	102 465	186 821	(84 356)
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	167 374	147 336	20 038	85 177	169 417	(84 240)
Households	17 510	17 510	-	17 288	17 404	(116)
Payments for capital assets	-	-	-	631	23	608
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	631	23	608
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	1 845	(1 845)
Total	3 414 165	3 392 707	21 458	3 192 565	3 278 285	(85 720)



Human resource development	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	7 953	7 875	78	12 768	12 768	-
Compensation of employees	-	1	(1)	-	-	-
Goods and services	7 953	7 874	79	12 768	12 768	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	4 132	3 422	710
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	4 132	3 422	710
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	1	(1)
Total	7 953	7 875	78	16 900	16 191	709

School, sport culture and media services	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	27 846	27 834	12	27 914	27 964	(50)
Compensation of employees	27 092	27 086	6	26 813	26 813	-
Goods and services	754	748	6	1 101	1 151	(50)
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	771	770	1	25	24	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	771	770	1	25	24	1
Payments for capital assets	81	26	55	168	167	1
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	81	26	55	168	167	1
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	5	5	-	-	-	-
Total	28 703	28 635	68	28 107	28 155	(48)

Conditional grants	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	41 394	29 568	11 826	13 806	10 536	3 270
Compensation of employees	750	375	375	2 846	2 240	606
Goods and services	40 644	29 193	11 451	10 960	8 296	2 664
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	310 855	310 219	636	319 073	314 780	4 293
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	310 855	310 219	636	319 073	314 780	4 293
Households	-	-	-	-	-	-
Payments for capital assets	752	397	355	106	28	78
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	752	397	355	106	28	78
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	13	12	1		110	(110)
Total	353 014	340 196	12 818	332 985	325 454	7 531

Program 3: Independent School Subsidies

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

Sub-Programs:

1. Primary level
2. Secondary level

Strategic objectives, performance indicators, planned targets and actual achievements

During the year, 4 independent schools closed, ie Bethulie Christian Schools, Excelsior Akademie Christian School, Hope Christian Academy and Skynkaroo. There are now 74 registered independent schools of which 69 schools are operational. The other five schools are registered but have not yet started functioning. Out of the 69 schools, 11 schools are not being subsidized (either because schools have not requested a subsidy or because schools do not qualify to get a subsidy). Schools are visited regularly for purposes of monitoring and compliance. The learner numbers in independent schools can fluctuate because parents may decide to take their children to public schools. Only warm bodies are subsidized within the limits of the maximum number of learners budgeted for per school in accordance with the norms and standards for the funding of independent schools.



Programme Name: Independent Schools Subsidies					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Subsidise learners and monitor independent schools	12 206	13 287	12 283	-1004	Annually the planned number of learners in subsidized schools are calculated by taking the average of the May and August learner numbers in each school. A head count is then done to determine the actual learner numbers. When the department undertook the headcounts during 2015/2016 there were fewer learners than the planned figures. Parents have a choice to take their learners to independent schools.

Programme Name: Independent Schools Subsidies					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 301 Number of subsidized learners in registered independent schools	New performance measure	13 287	12 283	-1004	4 Schools closed and there were fewer learners than planned in the independent schools. Parents may decide to take their learners to public schools and not enrol them at independent schools. The planned target is calculated by taking the average of the May and August learners numbers of the previous year. A head count is then done to determine the actual warm bodies.
PPM 302 Percentage of registered independent schools receiving subsidies	New performance measure	83,5%	84%	+0,5%	Out of the 69 registered and functioning independent schools, 58 are being subsidized. The other schools either did not request to be subsidized or do not meet the requirements for a subsidy.

Programme Name: Independent Schools Subsidies					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 303 Percentage of registered independent schools visited for monitoring and support	New performance measure	80%	69,4%	-10,4%	Cost containment measures impacted on the number of schools that were visited.

Strategy to overcome areas of under-performance

Visits to schools that were not visited in the period of Jan to March 2016 undertaken in the new financial year, right at the beginning of the 2nd academic term in April 2016.

Changes to planned targets: None

Linking performance with budgets

Sub-program expenditure

Independent school subsidies

Primary level	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	35 471	20 329	15 142	31 552	39 018	(7 466)
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	35 471	20 329	15 142	31 552	39 018	(7 466)
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	35 471	20 329	15 142	31 552	39 018	(7 466)



Secondary level	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	25 701	14 784	10 917	27 487	27 486	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	25 701	14 784	10 917	27 487	27 486	1
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	25 701	14 784	10 917	27 487	27 486	1

Program 4: Public Special Schools

Program purpose: To provide compulsory education in special schools in accordance with the South African Schools Act and White Paper 6 on inclusive education: Building an Inclusive Education and Training System.

Sub-programs:

1. Schools
2. School Sport, Culture and Media Services
3. Conditional Grants

Historically, inequity in the provision of quality education and support was most evident in the "Special Needs sector". In an attempt to address these past and current challenges, South Africa adopted the inclusive education policy: Education White Paper 6 on an inclusive education system.

There are 21 special schools in the province to be found in four of the 5 educational districts with a total learner number of 6 233 of which 4905 are 16 years and younger.

Xhariep District does not as yet have a special school, but a site was identified in Trompsburg and the building of the school is at the procurement stage.

Five of the special schools also serve as resource centres for nearby public schools to support their learners with barriers to learning. These schools are using their existing resources which mostly is appointed therapists and assistive devices. Teachers from the special schools are assisting mainstream teachers with more strategies to manage diversity in the classroom and assistive devices that these schools already have, thereby sharing their resources and expertise.

Strategic Objectives

Programme Name: Public Special Schools Education					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To provide access to quality education to learners with special needs	6 199	6 315	6 306	-9	This deviation is not material.

Performance Indicators

Programme Name Public Special Schools Education					
Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 401 Percentage of learners with special needs in special schools retained in school until age 16	New PM	5%	5%	N/A	N/A
PPM 402 Percentage of special schools serving as Resource Centres	New PM	14%	24%	+10%	Two more schools could function as resource centres because these schools have human and physical resources to support near-by schools.

Statistical Tables (Not Audited)

ST No	Programme 4	Stats as on 31 March 2016
ST401	Number of learners enrolled in public special schools	6 306
ST402	Number of educators employed in public special schools	638
ST403	Number of professional support staff employed in public special schools	109
ST404	Number of non-professional and non-educator staff employed in public special schools	519
ST405	Number of special schools	21
ST406	Number of learners in special schools with assistive devices.	158

Public special school education

Schools	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	349 642	349 640	2	311 927	311 560	367
Compensation of employees	349 642	349 623	19	311 927	311 540	387
Goods and services	-	17	(17)	-	20	(20)
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	60 226	46 528	13 698	52 860	52 860	0
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	58 660	44 967	13 693	51 571	51 571	-
Households	1 566	1 561	5	1 289	1 289	-
Payments for capital assets	0	0	0	0	0	0
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	0	0	0	0	171	(171)
Total	409 868	396 168	13 700	364 787	364 591	196



School, sport, culture and media services	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	59	59	-	-	-	-
Compensation of employees	-	-	-	-	-	-
Goods and services	59	59	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	59	59	-	-	-	-

Conditional grants	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	5 775	5 775	-	18 358	18 358	-
Compensation of employees	5 775	5 775	-	18 358	18 358	-
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	5 775	5 775	-	18 358	18 358	-

Program 5: Early Childhood Development

Program purpose: To provide Early Childhood Education (ECD) at Grade R and Pre-Grade R in accordance with White Paper 5.

Sub-programs:

1. Grade R in public schools
2. Grade R in Early Childhood development centres
3. Conditional Grant

Strategic objectives, performance indicators, planned targets and actual achievements

The National Development Plan acknowledges the importance of exposing young children to quality Grade R which has a direct bearing upon their achievements throughout their schooling and in fact throughout their lives. Therefore the department remains steadfast in its commitment to the expansion of Grade R and to providing quality ECD programme. The department took a multi-pronged approach to realise government's commitment to improve qual-

ity education in the first two years of formal schooling, ie. Pre-Grade R and Grade R. This multi-pronged approach includes the provision of human resources, Learning and Teaching Support Materials (LTSM), Continuing Professional Development (CPD) for practitioners from public schools and community based sites and the incremental introduction of Grade R in Public schools.

The department is working closely with other sister departments, namely the Department of Health and the Department of Social Development in its attempt to provide quality education. With regard to Pre-Grade R the Department is responsible to provide National Curriculum Framework (NCF) support to Pre-Grade R practitioners who are employed by the Department of Social Development.

The department of education has to 646 public schools with Grade R classes. The incremental expansion of Grade R in public schools provided access to 39 316 Grade R learners during 2015. During 2015/2016 the Department also subsidized 7 289 Grade R learners housed in 263 community based sites.

The department is also focussed on the upskilling of the qualifications of Grade R practitioners. Currently 319 Grade R practitioners are qualified at REQV 13 and 96 have Grade 12, the other 1004 are qualified in between Grade 12 and REQV 13. This means that all of the practitioners have at least NQF 4, Grade 12.

More detailed delivery reports are to be found in Sub-Outcome 4: "Improve quality of Grade R and extension of early childhood development".

Strategic Objectives

Programme Name					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Access to quality Early Childhood Development	37 293 learners	50 400	39 316	-11 084	All the Grade R classrooms are not yet build at public ordinary schools and therefore fewer learners could be accommodated in Grade R at public schools. It should be noted that there are 7 289 Grade R learners in ECD sites that the department is supporting but who have not yet migrated from the sites to public schools.
	practitioners	1 445	1419	-26	As soon as there is space (new Grade R classrooms to be build) at ordinary public schools for Grade R learners, the number of practitioners will also increase.



Performance Indicators

Programme Name					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 501 Number of public schools that offer Grade R	644	782	646	-136	The building of Grade R classrooms are being rolled out at schools. Not all the Grade R classrooms were built during 2015/2016 as planned. As these classrooms are completed, the number of public schools that offer Gr R will increase.
PM 502 Percentage of Grade R learners who have received formal Grade R education	69%	97%	77%	-20%	As Grade R classrooms are completed at ordinary public schools, learners will move from the ECD sites and centres to public schools and the percentage will then increase.
PM 503 Percentage of employed ECD practitioners with NQF level 4 and above.	New PM	55%	100%	+45%	After verification of qualifications it was established that all employed on PERSAL are qualified at NQF Level 4 and above. Grade 12 is equal to NQF Level 4.

Statistical Tables (Not Audited)

ST No	Programme 5	Stats as on 31 March 2016
ST501	Number of learners enrolled in Grade R in public schools	39 156
ST502	Number of Grade R practitioners employed in public ordinary schools (per quarter)	1419
ST503	Number of ECD practitioners trained	1 043
ST504	Number of learners enrolled in Pre-grade R (in ECD sites and centres registered with Social Development)	Information not available.

Strategies to overcome areas of underperformance

Speed up the building of Grade R facilities at ordinary public schools. In the meantime, support the Grade R learners where they are.

Changes to planned targets: None

Linking performance with budgets

Sub-Program expenditure

Early childhood development

Grade R in public schools	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	107 785	107 748	37	117 613	117 540	73
Compensation of employees	107 785	107 748	37	107 015	106 943	72
Goods and services	-	-	-	10 598	10 597	1
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	2 308	1 970	338	5 478	5 477	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	2 290	1 952	338	5 406	5 406	-
Households	18	18	-	72	71	1
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	72	(72)
Total	110 093	109 718	375	123 091	123 089	2



Grade R Early childhood development centres	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	6 235	6 234	1	5 600	5 599	1
Compensation of employees	6 235	6 234	1	5 600	5 599	1
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	1 611	572	1 039	1 232	1 231	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	1 611	572	1 039	1 232	1 231	1
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	7 846	6 806	1 040	6 832	6 830	2

Conditional Grants	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	940	921	19	-	-	-
Compensation of employees	870	851	19	-	-	-
Goods and services	70	70	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	60	60	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	60	60	-	-	-	-
Transport equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	1 000	981	19	-	-	-

Program 6: Infrastructure Development

Program Purpose: To provide and maintain infrastructure facilities for schools and administration.

Sub programs:

1. Administration
2. Public Ordinary schools
3. Special Schools
4. Early Childhood Development

Strategic Objectives, performance indicators, planned targets and actual achievements

The South African School's Act put an obligation to the department to ensure access to education to all the learners in the province. The programme aims to ensure that the infrastructure required to improve access to basic education is increased within the Free State Province. Certain areas within the province are experiencing serious shortages of basic educational facilities leading to overcrowding and over-use of existing facilities.

The targets achieved as set out below contributes to the strategic goal number 5 to provide infrastructure and learning materials to support quality education. This links to Sub-Outcome 2: *Improved Quality of Learning and Teaching through provision of adequate quality infrastructure and learning materials* of Outcome 1. The NDP sees infrastructure development as key to the economic and social transformation of the country and as such these programs in education contribute towards that developmental goal.

It should be noted the practical and works completion certificates are considered for the project to be completed and ready for occupation and/or usage. Final completion certificates may only come at a later stage. The stage of completion for each project is indicated below:

PM 601 10 Public ordinary schools provided with water supply

1. Annaspan Farm School (Practical & Final Completion)
2. Bopapedi Farm School (Practical & Final Completion)
3. Daljosafat Farm School (Practical & Final Completion)
4. Duikfontein Farm School (Practical Completion)
5. Emfulaneni Farm School (Practical Completion)
6. Esihlahleni Farm School (Practical Completion)
7. Gedenk Farm School (Practical Completion)
8. Majweng Farm School (Practical Completion)
9. Modiya Farm School (Practical Completion)
10. Molekane Farm School (Practical Completion)

PM 603 7 Public ordinary schools supplied with sanitation facilities:

1. Fateng – Sa – Thuto Primary School (educator toilet block) (Practical & Works Completion)
2. Moroka H/S (Final Completion)
3. Namanyane P/S (Practical Completion)
4. Phetogane S/S (two new toilet blocks) (Practical & Works Completion)
5. Sebatatso P/S (ablution block) Final Completion
6. Sindekile P/S Parys (educator toilet block) Practical & Works Completion
7. W Thejane I/S: Final Completion

PM 604 42 classrooms build in total at the following schools:

1. Emang (4 classrooms) (Practical & Works Completion)
2. Ikaheng Zakheni S/S, Petrus Steyn (4 classrooms) (Practical & Works Completion)
3. Kroon P/S (3 classrooms) (Practical Completion)
4. Makgulo P/S (3 classrooms) (Final Completion)
5. Mokeng P/S, Kroonstad (4 classrooms) Final Completion
6. Mphatlalatsane Special School, Viljoenskroon (5 classrooms) (Practical, Works & Final Completion)
7. Naledi I/S (3 classrooms) (Practical & Works Completion)
8. Ntswanatsatsi P/ Cornelia (4 classrooms) (Final Completion)



9. Paul Roux I/ (4 classrooms) (Practical Completion)
10. SHS Mofube (2 classrooms) (Final Completion)
11. Tshepano P/S Fouriesburg (6 classrooms) (Practical & Works Completion)

PM 605 33 specialist rooms built in the following public ordinary schools

1. Albert Moroka, Thaba Nchu (2 X computer rooms) (Final Completion)
2. Boitumelo S/S Ficksburg, (2 X science labs) = 2 X rooms) and (2 X computer rooms) = 4 rooms (practical completion)
3. Goronyane S/S (physical science laboratory = 2 rooms) (Final Completion)
4. Lenyora la Thuto S/S (2 X computer rooms) (Final Completion)
5. Malakabeng, P/S Sasolburg (2 X labs = 2 rooms) (Practical & Works Completion)
6. Matla P/S, Bloemfontein Phase 6 (2 X computer rooms) (Practical Completion)
7. Ntemoseng, Botshabelo (2 X computer rooms) Final Completion
8. Ntuthuzelo, P/S (2 X computer rooms) Final Completion
9. Phetogane S/S (1 new laboratory = 2 X science labs) (Practical & Works Completion)
10. Phetogane, S/S Thaba Nchu (2 X computer rooms) (Final Completion)
11. Seemahale, S/S Botshabelo (2 X computer rooms) (Final Completion)
12. Senakangwedi S/S (media centre = 2 X computer rooms) (Final Completion)
13. Setjhaba se Maketse S/S (language laboratory = 1 X room) (Final Completion)
14. Strydom S/S Thaba Nchu (2 science = 2 rooms) (Final Completion)
15. Tlotlanang C/S Thaba Nchu (2 X computer rooms) (Final Completion)
16. Tlotlisong, S/S (2 X science laboratories = 2 rooms) (Practical & Works Completion)

PM 606 8 New schools completed and ready for occupation (includes replacement schools)

1. Caledon Park (Practical Completion)
2. Dorrington Matsepe I/S Mokeng (Final Completion)
3. Letlotlo Naledi P/S (new) (Practical Completion)
4. Luckhoff C/S (Practical Completion)
5. Phele Ya Pele, Viljoensdrift, Vereeniging (Practical Completion)
6. Phephetso SS/S (Maokeng) (Practical Completion)
7. Ntsu Secondary School, Bethlehem (Practical Completion)
8. Vredefort P/S (Final Completion)

PM 607 17 New schools under construction (includes replacement schools)

1. Amelia Pr School, Sasolburg
2. Bethlehem Comb School
3. Bohlokong Pr School, Bethlehem
4. Boshoff Intermediate School
5. Caleb Motshabi Pr School
6. Clarens Pr School
7. Diamanthoogte Combined SchoolGrassland Sec School, Bloemfontein
8. Grassland, Pr School, Bloemfontein

9. Heide Pr School
10. Itemoheng Pr School
11. Malebogo Pr School, Hertzogville
12. Nampo Sec School
13. Qalabotjha Sec SchoolTjebelopele Pr School
14. Tlholo Pr School, Botshabelo
15. Tweespruit Pr School

PM 608 49 Grade R classrooms built

1. Aha Setjhaba, Parys (3 classrooms)(Final Completion)
2. Caledon Park (2 classrooms) (Practical Completion)
3. Dorrington Matsepe (3 classrooms) (Final Completion)
4. Inoseng P/S (3 classrooms) (Practical & Works Completion)
5. Itemeleng P/S (3 classrooms) (Practical & Works Completion)
6. Letotolo P/S Qwaqwa (3 classrooms) (Practical Completion)
7. Luckhoff (2 classrooms) (Practical Completion)
8. Meqheleng P/S (3 classrooms)(Practical Completion)
9. Phano P/S Ramahutsi (3 classrooms) (Final Completion)
10. Phillippolis Pr School (3 classrooms) (Practical & Works Completion)
11. Phomello P/S (3 classrooms) (Final Completion)
12. Reaitumela P/S Kroonstad (3 classrooms)(Practical Completion)
13. Schonkenville, Parys (3 classrooms) (Pactical & Works Completion)
14. Thuto Tsebo P/S Lindley (3 classrooms) (Practical Completion)
15. Trompsburg P/S (3 classrooms) (Practical & Works Completion)
16. Vredefort (3 classrooms) (Practical Completion)
17. Winburg C/S (3 classrooms) (Practical Completion)

PM 609 3 Hostels built

1. Bainsvlei Hostel (Practical & Works Completion)
2. Sediti Hostel (Practical Completion)
3. Ventersurg Hostel (Practical Completion)



Strategic objectives

Programme Name: Infrastructure Development					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To provide new physical infrastructure, maintain and renovate existing infrastructure in education institutions in line with the infrastructure plan.	4 new schools	6 new schools	8 new schools which include replacements schools.	+2	More replacement schools could be completed.

Performance indicators

Programme Name: Infrastructure					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 601 Number of public ordinary schools provided with water supply	15	10	10	N/A	N/A
PM 602 Number of public ordinary schools provided with electricity	11	64	0	-64	These projects are funded through the ASIDI basic services program. The procurement and appointment of service providers is managed by the DBE. The concurrence documents for 8 schools were received recently and these projects will commence in 2016/2017. The concurrence documents for the other projects are being awaited from DBE.

Programme Name: Infrastructure					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 603 Number of public schools provided with sanitation facilities.	33	37	7	-30	The remaining projects are funded through the ASI-DI basic services program, therefore procurement and appointment of service providers is managed by DBE. Concurrence documents recently received will start those projects in 2016/2017.
PM 604 Number of classrooms build in public ordinary schools	115	128	42	-86	As per EXCO resolution some projects were implemented by Public Works through contractor development program. Target not yet achieved due to delays in the implementation of the program.
PM 605 Number of specialist rooms build in public ordinary schools	44	149	33	-116	The target in the draft user asset management plans was set at 149. The achievable target of 30 was set in the final U-AMP. This was achieved.



Programme Name: Infrastructure					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 606 Number of new schools completed and ready for occupation (including replacement schools)	6	18	8	-10	The one school, Hani Park is constructed using alternative technology and at some stage the contractor was faced with challenges of material availability from manufacturers. The other 9 schools are not yet completed due to delays in the procurement process of the implementing agent.
PM 607 New schools under construction (include replacement schools)	New PM	26	17	-9	The concurrence documents for the remaining 5 schools were received recently. These projects will commence in 2016/2017.
PM 608 Number of Grade R classrooms built.	New PM	102	49	-53	As per EXCO resolution, some of the projects were implemented by public works through contractor development program. Target not yet achieved due to delays in the implementation of the contractor development program.
PM 609 Number of hostels built	New PM	4	3	-1	The three hostels completed are Bain's Vlei, Sediti and Ventersburg. Steynsrus is not yet fully completed.

Programme Name: Infrastructure					
Performance Indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 610 number of schools undergoing scheduled maintenance	New PM	500	583	+83	Schools submit requests to the department for maintenance. However there will also be emergencies. More requests were received than anticipated but all schools could be assisted within the budget allocation.

Strategy to overcome areas of under-performance

Implement the projects in 2016/2017 of which the concurrence documents were received late in the 2015/2016 year or after the closure of the 2015/2016 year.

Changes to planned targets. None

Linking performance with budgets

Sub-Program Expenditure

Infrastructure development

Administration	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	6 227	6 226	1	6 528	5 543	985
Compensation of employees	4 588	4 587	1	4 661	4 658	3
Goods and services	1 639	1 639	-	1 867	885	982
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	1 741	241	1 500	2 797	1 177	1 620
Buildings and other fixed structures	241	241	-	2 797	1 177	1 620
Machinery and equipment	1 500	-	1 500	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	7 968	6 467	1 501	9 325	6 720	2 605



Public ordinary schools	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	90 787	111 437	(20 650)	56 339	51 379	4 960
Compensation of employees	-	-	-	-	-	-
Goods and services	90 787	111 437	(20 650)	56 339	51 379	4 960
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	128 644	1 355	127 289
Provinces and municipalities	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	128 644	1 355	127 289
Households	-	-	-	-	-	-
Payments for capital assets	749 158	608 003	141 155	354 939	386 596	(31 657)
Buildings and other fixed structures	749 158	608 003	141 155	348 952	386 596	(37 644)
Machinery and equipment	-	-	-	5 987	-	5 987
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	839 945	719 440	120 505	539 922	439 330	100 592

Special schools	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	173	173	=	=	2 576	(2 576)
Compensation of employees	-	-	-	-	-	-
Goods and services	173	173	-	-	2 576	(2 576)
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	15 486	11 102	4 384	31 283	24 054	7 229
Buildings and other fixed structures	15 486	11 102	4 384	31 283	24 054	7 229
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	15 659	11 275	4 384	31 283	26 630	4 653

Early childhood development	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	22 900	22 899	1	35 255	20 416	14 839
Buildings and other fixed structures	22 900	22 899	1	35 255	20 416	14 839
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	22 900	22 899	1	35 255	20 416	14 839

Program 7: Examination and Education Related Services

Program Purpose: To provide education institutions as a whole with examination and education related services.

Sub-Programs:

1. Payment to SETA
2. Professional Services
3. Special Projects
4. External Examinations
5. Conditional Grants

Strategic objectives, performance indicators, planned targets and actual achievements

The Department has maintained its steady improvement of the quality of the learning outcomes over the past six years. For instance, as of 2012, the department's performance in the National Senior Certificate (NSC) examinations entered the 80% pass range which is an indication of curriculum stability. The 2015 Grade 12 passrate was 81.6% and the bachelor passrate increased from 7 977 in 2014 to 9 277 in 2015 which increased even more after remarking and supplementary exams to 83% and bachelors passrate to 9 352 learners at 29,9%. In the 2015 Academic Year, the department increased its number of registered candidates to 35 210 which is the highest figure ever in its history and it further registered the highest percentage of progressed learners in the country, that is, 28 %.

The details of learner performance in the NSC are captured in the chapter on the delivery environment and in the Outcomes based report of Sub-Outcome 1: Improved Quality of Learning and Teaching through development, supply and effective utilization of teachers. This outcome also gives the details on the strategies implemented for improved teacher practices which amongst other things are the training of teachers in critical areas. The improvement of learner performance in Grades 3,6,9 and 12 as demonstrated through regular assessment and tracking of progress is strategic goal number 5 and supports the NDP in the improvement of the knowledge and skills base of the country.



Strategic Objective

Programme Name					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Prepare and administer ANA for Grades 3,6 and 9 and the NSC for Grade 12	169 885	168 465	Zero	-168 465	<p>ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department.</p> <p>Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA.</p>

Performance Indicators

Programme Name: Examination and Education Related Services					
Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 701 Percentage of learners who passed NSC		90%	83%	-7%	The province had the highest percentage of progressed learners in the country in 2015, that is 29%.
PPM 702 Percentage of Grade 12 learners passing at Bachelor level		40%	29,9%	-1,1%	Demanding cognitive demand of some question papers. Limited resources to provide adequate academic and psychosocial support.
PPM 703 Percentage of Grade 12 learners achieving 50% or more in Mathematics.		30%	28,3%	-1,7%	The standard and cognitive demands of all Maths examination papers are high. The most challenging topics are trigonometry, probability and statistics.

Programme Name: Examination and Education Related Services					
Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PM 704 Percentage of Grade 12 learners achieving 50% or more in Physical Science		30%	26,2	3,8%	The standard and the cognitive demands of the papers were high.
PPM 705 Percentage of Grade 3 learners achieving 50% and above in home language in ANA		70,%	0%	-100%	ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department. Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the Provinces from reporting on ANA.
PPM 706 Percentage of Grade 3 learners achieving 50% and above in Mathematics in ANA		70%	0%	-100%	ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department. Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA



Programme Name: Examination and Education Related Services					
Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 707 Percentage of Grade 6 learners achieving 50% and above in home language in ANA		80%	0%	-100%	<p>ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department.</p> <p>Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA</p>
PM 708 Percentage of Grade 6 learners achieving 50% above in Mathematics in ANA		60%	0%	-100%	<p>ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department.</p> <p>Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA</p>

Programme Name: Examination and Education Related Services					
Performance indicators	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
PPM 709 Percentage of Grade 9 learners achieving 50% and above in home language in ANA		60%	0%	-100%	ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department. Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA
PPM 710 Percentage of Grade 9 learners achieving 50% and above in Mathematics in ANA		50%	0%	-100%	ANA was not written as expected in 2015 due to issues within the education sector related to labour matters and outside the managerial control of the Department. Therefore the NDoBE requested the National Auditor General, National Treasury, DG of Department of Planning, Monitoring and Evaluation to exempt the provinces from reporting on ANA

Statistical Tables

ST No	Programme 7	Link	Stats for 31 Dec 2015	Stats as on 31 May 2016 after remarking and supplementary exams
ST701	Number of learners in Grade 12 who wrote National Senior Certificate (NSC) examinations	MTSF	31 121	31 280
ST702	Number of learners who passed National Senior Certificate (NSC)	MTSF	25 383	25 977
ST703	Number of learners who obtained Bachelor passes in the National Senior Certificate (NSC)	MTSF	9 277	9 352



ST No	Programme 7	Link	Stats for 31 Dec 2015	Stats as on 31 May 2016 after remarking and supplementary exams
ST704	Number of learners who passed Maths in the NSC examinations	MTSF	7 646	7 651
ST705	Number of Grade 12 achieving 50% or more in Mathematics	MTSF	3 118	3 128
ST706	Number of learners who passed physical Science in the NSC examination	MTSF	6 709	6 716
ST707	Number of Grade 12 achieving 50% or more in Physical Science	MTSF	2 518	2 526
ST708	Number of Grade 3 learners achieving 50% and in Home Language in the Annual National Assessment(ANA)	MTSF	No results for 2015 as ANA was not written.	No results for 2015 as ANA was not written.
ST709	Number of Grade 3 learners achieving 50% and in Mathematics in the Annual National Assessment(ANA)	MTSF		
ST710	Number of Grade 6 learners achieving 50% and in Home Language in the Annual National Assessment(ANA)	MTSF		
ST711	Number of Grade 6 learners achieving 50% and in Mathematics in the Annual National Assessment(ANA)	MTSF		
ST712	Number of Grade 9 learners achieving 50% and in Home Language in the Annual National Assessment(ANA)	MTSF		
ST713	Number of Grade 9 learners achieving 50% and in Mathematics in the Annual National Assessment(ANA)	MTSF		

Strategies to overcome areas of under-performance

A directive will come from DBE to indicate how to proceed with the annual national assessments in future. In preparation for the Annual National Assessments of Grades 1 to 9, the 2014 ANA diagnostic report, previous years ANA exemplars, tests and guidelines, notes on rules of language, group work activities and MUST DO activities for Languages were distributed to schools. Dictionaries, CDs for listening and speaking, CD Radio players as well as English Readers were procured and distributed to focus schools.

In order to boost Maths performance at schools, Mathematics tutorial sessions for 594 learners from five clustered schools were held in August 2015 and 900 learners participated at district Mental Maths competitions with 90 learners going on to participate at the Provincial competition. 358 Grades 5-7 learners participated in the Horizon Mathematics Competition on 9 May 2015.

To improve learners' literacy and language skills, the Pen Pal Project (township and suburb schools), in which 480 learners in 24 schools from Xhariep, Motheo and Thabo Mofutsanyana took part, was celebrated in November 2015. Participation in Language Enrichment competitions in five districts included the following: Reading with 36 schools taking part, Debate with 35 schools taking part, Spelling Bee with 768 learners from 185 schools and Drama and Poetry Performances.

To further improve performance of learners, provincial common tests for Mathematics, EFAL and EHL were written by Grades 4 to 7 learners in focus schools across the province. The department also introduced common quarterly tests for Grades 1 and 2 English as well as for Mathematics, English FAL and Home Languages. There are plans in place for Grade 7 learners to write a common examination in November 2016 in Mathematics, English FAL and Home Language, African Languages and Natural Science. This strategy is to ensure that learners are readily prepared for Grade 8.

To improve the situation with the Grade 12 performance overall and in science and maths the following are the strategies:

An academic support program was rolled out in the form of weekend and vacation classes as well as special camps for progressed learners. The learners were provided with the following: copies of study guides, DVD's of recorded lessons from IBP, abridged work schedule and CD with old question papers and memoranda. Special vacation support program was developed in partnerships with Kutlwanong, HeyMath! and UFS to support all learners. Additional programs to increase distinctions was conducted in the winter and spring holidays in partnership with CUT.

During a curriculum Lekgotla held early in 2016, the following ten strategies were embarked on: Improving proficiency in the language of learning and teaching, building of institutional capacity, improving on the management of resources in schools, data driven interventions for under-performing schools, a stakeholder management program to increase stakeholder involvement, strengthening of accountability, monitoring of contact time, providing differentiated support to learners, including

psycho-social support and finally an adopt a school program by leadership.

Changes to planned targets

None.

Linking performance with budget

Sub-program expenditure

Examination and education related services

Payments to SETA	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	8 869	8 869	-	-	-	-
Departmental agencies and accounts	8 869	8 869	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	8 869	8 869	-	-	-	-

Professional services	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	87 034	86 807	227	79 534	79 517	17
Compensation of employees	84 353	84 205	148	76 370	76 354	16
Goods and services	2 681	2 602	79	3 164	3 163	1
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	405	404	1	116	115	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	405	404	1	116	115	1
Payments for capital assets	372	163	209	418	418	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	372	163	209	418	418	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	15	(15)
Total	87 811	87 374	437	80 068	80 065	3



Special projects	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	89 972	74 052	15 920	93 252	255 548	(162 296)
Compensation of employees	-	-	-	544	543	1
Goods and services	89 972	74 052	15 920	92 708	255 005	(162 297)
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	527 104	247 182	279 922	458 935	437 606	21 329
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	89 204	67 544	21 660	68 934	68 933	1
Households	437 900	179 638	258 262	390 001	368 673	21 328
Payments for capital assets	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	13	(13)
Total	617 076	321 234	295 842	552 187	693 167	(140 980)

External examinations	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	108 374	108 367	7	110 524	110 523	1
Compensation of employees	88 597	88 596	1	73 437	73 437	-
Goods and services	19 777	19 771	6	37 087	37 086	1
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	-	297	296	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	125	125	-
Households	-	-	-	172	171	1
Payments for capital assets	278	100	178	91	91	-
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	278	100	178	91	91	-
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	2	2	-	-	-	-
Total	108 654	108 469	185	110 912	110 910	2

Conditional grants	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	11 334	11 120	214	12 501	10 872	1 629
Compensation of employees	1 252	1 251	1	1 415	1 415	-
Goods and services	10 082	9 869	213	11 086	9 457	1 629
Interest and rent on land	-	-	-	-	-	-
Transfers and subsidies	-	-	0	60	59	1
Departmental agencies and accounts	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-
Households	-	-	-	60	59	1
Payments for capital assets	365	337	28	125	-	125
Buildings and other fixed structures	-	-	-	-	-	-
Machinery and equipment	365	337	28	125	-	125
Software and other intangible assets	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-
Total	11 699	11 457	242	12 686	10 931	1 755

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept comply with S38(1) (j) of the PFMA	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
SA Broadcast Commission	SABC	Broadcast licences	Yes	10	N/A	N/A
Skills Education Training Authorities	SETA	Skills development levy	Yes	8 869	N/A	N/A

5.2. Transfer payments to all organisations other than public entities

The Free State Department of Education annually transfer subsidies to schools that are registered in terms of Section 20 and 21 of the South African Schools Act. These subsidies are appropriated through the annual Free State Appropriation Act that is included in the annual appropriation of the Department.

The table below reflects the transfer payments made for the period 1 April 2015 to 31 March 2016

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the Dept comply with S38(1) (j) of the PFMA	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Public Ordinary Schools - Section 21 Schools	Public Ordinary Schools	LTSM, recurrent, maintenance cost related to schools	Yes	442 081	N/A	N/A
		National School Nutrition Programme	Yes	310 219	N/A	N/A
		Hostel Subsidies	Yes	39 553	N/A	N/A
		Subsidies to SGB affiliated Schools	Yes	122	N/A	N/A
Public Ordinary Schools - Section 20 Schools	Public Ordinary Schools	No fee subsidies	Yes	1 646	N/A	N/A
Independent schools	Independent Schools & Institutions	Learner subsidies	Yes	35 113	N/A	N/A
Public Special Schools	Special Schools	Learner and hostel subsidies	Yes	44 967	N/A	N/A
Early Childhood Development	Public Ordinary Schools	LTSM, recurrent, maintenance cost related towards	Yes	1 952	N/A	N/A
	Community centres	Grade R	Yes	572	N/A	N/A



6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: Mathematics, Science and Technology Grant

Conditional Grant 1	Mathematics, Science and Technology Grant
Department to whom the grant has been transferred	EDUCATION
Purpose of the grant	<p>To provide support and resources to school teachers and learners for the improvement of MST teaching and learning at selected public schools.</p> <p>To improve the achievement of learner participation and success rates, teacher demand, supply, utilization, development and support, school resourcing and partnerships, consistent with targets set in the Action Plan 2019 and the NDP.</p>
Expected outputs of the grant	<p>ICT Resources</p> <p>37 Schools to be supplied with Computers</p> <p>28 Schools to be supplied with Software</p> <p>23 Schools to be supplied with Broadcasting Equipment</p> <p>Workshop Resources</p> <p>13 Schools to be supplied with Equipment</p> <p>06 Schools to be supplied with machinery</p> <p>17 Schools to be supplied with tools</p> <p>Laboratories and Workshop Equipment, Apparatus and consumables</p> <p>76 Laboratories supplied with Maths Kits</p> <p>23 Laboratories to be supplied with Science Kits</p> <p>53 Laboratories to be supplied with Science Apparatus</p> <p>59 Laboratories to be supplied with Maths Consumables</p> <p>59 Laboratories to be supplied with Science Consumable</p> <p>76 Laboratories to be supplied with Technology Consumables</p> <p>Learner Support</p> <p>1200 Learners to be registered for Olympiads, Competitions, Fairs and Expos</p> <p>300 Learners supported for Camps (Dinaletsana)</p> <p>Teacher Support</p> <p>1 000 Teachers to be supported for CAPS 11 Teacher Training</p> <p>1 000 Teachers to be supported for other MST Subject Training</p> <p>500 Teacher to be supported for ICT Integration Training</p>

Conditional Grant 1	Mathematics, Science and Technology Grant
Actual outputs achieved	<p>ICT Resources</p> <p>37 Schools supplied with Computers 28 Schools supplied with Software 23 Schools supplied with Broadcasting Equipment</p> <p>Workshop Resources</p> <p>14 Schools supplied with Equipment Machinery and Tools Laboratories and Workshop Equipment, Apparatus and consumables</p> <p>76 Laboratories to be supplied with Maths Kits 23 Laboratories to be supplied with Science Kits 53 Laboratories to be supplied with Science Apparatus 54 Laboratories to be supplied with Technology Consumables</p> <p>Learner Support</p> <p>1200 Learners registered for Olympiads, Competitions, Fairs and Expos 300 Learners supported for Camps (Dinaletsana)</p> <p>Teacher Support</p> <p>110 Technical Maths Teachers, to supported for CAPS 11</p> <p>Teacher Training</p> <p>58 Physical Science Teachers supported for other MST Subject Training 90 Teachers supported for ICT Integration Training</p>
Amount per amended DORA (R'000)	R 32 145
Amount transferred (R'000)	R 32 145
Reasons if amount as per DORA not transferred	Not applicable as all funds were recieved
Amount spent by the department (R'000)	<p>R 21 525 Spent</p> <p>R 9 334 Committed</p> <p>R 1 286 Uncommitted</p> <p>R 9 886 Amount requested for roll-over</p>


Conditional Grant 2: HIV and AIDS (Life Skills Education) Grant

Conditional Grant 2	HIV and AIDS (Life Skills Education) Grant
Department to whom the grant has been transferred	EDUCATION
Purpose of the grant	<p>To support South Africa's HIV prevention strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators.</p> <p>To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators.</p> <p>To ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment/abuse</p> <p>To reduce the vulnerability of children to HIV, TB and sexually transmitted infections (STIs) with a particular focus on orphaned and vulnerable children.</p>
Expected outputs of the grant	<p>Increased HIV, STI and TB knowledge and skills amongst learners, educators and officials</p> <p>Decrease in higher risk sexual behaviour among learners, educators and officials</p> <p>Decreased barriers to retention in schools, in particular for vulnerable learners</p>
Actual outputs achieved	<p>Key performance areas</p> <p>Training and development 781 teachers trained (life skills sexuality education)</p> <p>Peer Education 900 learners trained, 242 Soul Buddyz clubs</p> <p>LTSM 174 First Aid Kits distributed, 6628 RADS books, posters, study skills manual procured and distributed</p> <p>Care and Support</p> <p>Drug and substance use training 396 schools</p> <p>Learner pregnancy programmes 137 school</p> <p>Advocacy</p> <p>HIV and TB awareness, 23083 learners, 1631 educators, 883 school reached</p> <p>Monitoring and Evaluation</p> <p>121 school visits</p>
Amount per amended DORA (R'000)	<p>10 462 allocated</p> <p>1 237 roll over</p>
Amount transferred (R'000)	11 699
Reasons if amount as per DORA not transferred	Not applicable as all funds were received
Amount spent by the department (R'000)	11 457
Reasons for the funds unspent by the entity	Wrong allocation of compensation

Conditional Grant 2	HIV and AIDS (Life Skills Education) Grant
Monitoring mechanism by the transferring department	Monitoring visits

Conditional Grant 3: National School Nutrition Programme Grant

Conditional Grant 3	National School Nutrition Program
Department to whom the grant has been transferred	EDUCATION
Purpose of the grant	To provide nutritious meals to targeted schools
Expected outputs of the grant	A total of 573 284 learners in 1 116 Primary, secondary and selected special schools to benefit from the NSNP grant. The programme will engage 3 566 volunteer food-handlers (VFH) to prepare meals for the learners.
Actual outputs achieved	A total of 574 695 learners in 1 069 schools benefitted from this programme in 2015/16. The programme has engaged 3 563 volunteer food-handlers (VFH) who are involved in the preparation of meals for the learners during this financial year.
Amount per amended DORA (R'000)	R320 869
Amount transferred (R'000)	R320 869
Reasons if amount as per DORA not transferred	Not applicable as all funds were received
Amount spent by the department/ municipality (R'000)	R318 670
Reasons for the funds unspent by the entity	Funds were committed for procurement of Goods & services, non-payment of sundry payments
Monitoring mechanism by the transferring department	Quarterly Reports are submitted, Annual Conditional Grant Evaluation is conducted

Conditional Grant 4: Education Infrastructure Grant

Conditional Grant 4	Education Infrastructure Grant
Department/ Municipality to whom the grant has been transferred	EDUCATION
Purpose of the grant	<ul style="list-style-type: none"> • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation • To enhance capacity to deliver infrastructure in education • To address damage to infrastructure caused by natural disasters • To address achievement of the targets set out in the minimum norms and standards for school infrastructure



Expected outputs of the grant	<ul style="list-style-type: none"> Improved quality education service delivery by provincial departments as a result of an improved and increased stock of schools infrastructure Aligned and coordinated approach to infrastructure development at the provincial sphere Improved education infrastructure expenditure patterns Improved response to the rehabilitation of school infrastructure affected by natural disasters Improved rates of employment and skills development in the delivery of infrastructure Improved education infrastructure expenditure patterns Improved response to the rehabilitation of school infrastructure affected by natural disasters Improved rates of employment and skills development in the delivery of infrastructure 														
Actual outputs achieved	<table border="1"> <thead> <tr> <th>Facility</th> <th>Outcome</th> </tr> </thead> <tbody> <tr> <td>Classrooms</td> <td>33</td> </tr> <tr> <td>Laboratories</td> <td>10</td> </tr> <tr> <td>Libraries</td> <td>11</td> </tr> <tr> <td>Computer Rooms</td> <td>12</td> </tr> <tr> <td>Halls</td> <td>2</td> </tr> <tr> <td>Offices & other Rooms</td> <td>110</td> </tr> </tbody> </table>	Facility	Outcome	Classrooms	33	Laboratories	10	Libraries	11	Computer Rooms	12	Halls	2	Offices & other Rooms	110
Facility	Outcome														
Classrooms	33														
Laboratories	10														
Libraries	11														
Computer Rooms	12														
Halls	2														
Offices & other Rooms	110														
Amount per amended DORA (R'000)	R 881 568														
Amount transferred (R'000)	R 881 568														
Reasons if amount as per DORA not transferred	Not applicable as all funds were received														
Amount spent by the department/ municipality (R'000)	R755 177														
Reasons for the funds unspent by the entity	<p>Delays due to change in procurement methodologies</p> <p>Delays due to non-performance by contractors</p>														
Monitoring mechanism by the transferring department	<p>Submission of the IRM</p> <p>Quarterly Reports</p>														

Conditional Grant 5: Expanded Public Works Program Integrated Grant for Provinces

Conditional Grant 5 Expanded Public Works Program Integrated Grant for Provinces	
Department/ Municipality to whom the grant has been transferred	EDUCATION

Conditional Grant 5 Expanded Public Works Program Integrated Grant for Provinces

Purpose of the grant	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> ○ road maintenance and the maintenance of buildings ○ low traffic volume roads and rural roads ○ other economic and social infrastructure ○ tourism and cultural industries ○ sustainable land based livelihoods Waste management
Expected outputs of the grant	Number of people employed and receiving income through the EPWP Increased average duration of the work opportunities created
Actual outputs achieved	203 People employed
Amount per amended DORA	R3 108
Amount transferred (R'000)	R3 108
Reasons if amount as per DORA not transferred	Not applicable as all funds were received
Amount spent by the department (R'000)	R3 108
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	A Programme Manager has been assigned to oversee the delivery of this Project

Conditional Grant 6: Social Sector EPWP Incentive Grant

Conditional Grant 6 Social Sector EPWP Incentive Grant	
Department/ Municipality to whom the grant has been transferred	EDUCATION
Purpose of the grant	To incentivise the provincial Social Sector departments identified to increase job creation by focusing on the strengthening and expansion of social service programmes that have employment potential.
Expected outputs of the grant	Increased number of Teacher Assistants employed and receiving stipend
	Increased number of learners receiving Teacher Assistance services
	Increased number of schools receiving Teacher Assistance services
Actual outputs achieved	141 Teacher Assistants employed and received stipends
	6 345 learners received Teacher Assistance services
	141 schools receiving Teacher Assistance services
Amount per amended DORA (R'000)	R1 000
Amount transferred (R'000)	R1 000
Reasons if amount as per DORA not transferred	Not applicable as all funds were received



Conditional Grant 6 Social Sector EPWP Incentive Grant

Amount spent by the department (R'000)	R981
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	

Conditional Grant 7: OSD for Therapists

Conditional Grant 7 OSD for therapists	
Department/ Municipality to whom the grant has been transferred	EDUCATION
Purpose of the grant	To ensure that qualifying educational therapists, counsellors and psychologists covered by Education Labour Relations (ELRC) Collective Agreement 1 of 2012 are adequately compensated by augmenting baseline compensation budget of the Provincial Education Departments.
Expected outputs of the grant	The sole grant output is to ensure that PEDs meet the payment obligations to comply with Education Labour Relations (ELRC) Collective Agreement 1 of 2012.
Actual outputs achieved	Grant 100% spend
Amount per amended DORA (R'000)	R5 775
Amount transferred (R'000)	R5 775
Reasons if amount as per DORA not transferred	Not applicable as all funds were received
Amount spent by the department (R'000)	R5 775
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly Reports to FS Treasury Quarterly Reports and Annual Reports submitted to FS Treasury and Department of Basic Education.

6.2. Conditional grants and earmarked funds received

SPENDING ON CONDITIONAL GRANTS TO 31 MARCH 2016						
Item	Original Appropriation R'000	Roll Over	Revised amount after Adjustment Budget R'000	Year to date Expenditure R'000	Balance R'000	% Spent
HIV/AIDS (Life Skills Edu) Grant	10 462	1 237	11 699	11 457	242	97.9%
Nat. School Nutrition Prog	317 157	3 712	320 869	318 670	2 199	99.3%
Maths, Science & Technology Grant	32 145	-	32 145	21 525	10 620	67.0%
Education Infrastructure Grant	762 553	119 015	881 568	755 177	126 391	85.7%
EPWP Intergrated Grant to Provinces	2 523	585	3 108	3 108	-	100.0%
Social Sector EPWP Incentive Grant	1 000	-	1 000	981	19	98.1%
OSD for Therapists	5 775	-	5 775	5 775	-	100.0%
Totals	1 131 615	124 549	1 256 164	1 116 693	139 471	88.9%

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7. DONOR FUNDS

7.1. Donor Funds Received

None

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2015/2016			2014/2015		
	Final appropriation	Actual Expenditure	(Over) /Under Expenditure	Final Appropriation	Actual Expenditure	(Over) /Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	193 012	134 226	58 786	90 178	90 417	(239)
Existing infrastructure assets						
Upgrading and additions	424 800	385 405	39 395	217 486	259 939	(42 453)
Rehabilitation, renovation and refurbishment	170 589	122 614	47 975	110 623	75 972	34 651
Maintenance and Repair	49 201	49 155	46	19 867	10 537	9 330
Total	837 602	691 400	146 202	438 154	436 865	1 289



| PART C:
GOVERNANCE

1. INTRODUCTION

The department has created and maintained different structures to promote sound governance and management of public finances and other resources. The Central Procurement Committee deals with procurement of core items and strives to eliminate wastage. The Payments Authorization Committee deals with the payments to creditors thereby reducing accruals. The Human Resource Committee handles post provisioning; manages the filling of critical post and also aims at reducing the growing compensation budget. The interdepartmental Task Team made of the department and Provincial treasury has a task of monitoring the above committees and, and provide information on progress report on the work of the committees.

2. RISK MANAGEMENT

The Department has a Risk Management Policy as well as a Risk Management Strategy which are reviewed on an annual basis. These are tabled annually before the Risk Management Committee before they are approved by the Accounting Officer.

The Risk Management Unit of the Department conducts regular risk assessment through interaction with different sections / directorates and in the process identifies new and emerging risks where after controls are put in place.

The Department has a Risk Management Committee in place which is chaired by an external person. Its task is to advise management on the overall system of risk management taking into cognisance the levels of the risks.

The Audit Committee of the Department independently monitors the effectiveness of the risk management system.

There is progress in the management of risks of the department which is evident from the evaluations by Provincial Treasury.

3. FRAUD AND CORRUPTION

- The Department has a Fraud Prevention plan which is reviewed annually .It is the responsibility of all Responsibility Managers to report on the progress with regard to the implementation of the Fraud Prevention plan to the Risk Management Committee.
- The Department has a toll free number 08000006266 where all cases are reported. All reported cases are then referred to the office of the Accounting Officer.
- Below are methods of reporting cases of Fraud and corruption:
 - Public
 - Management and officials
 - Anonymously
- The Department complies with the prescripts of the Protective Disclosure Act, (Whistle blowing).
- The Department also has a separate policy on the reporting of fraud and corruption.

4. MINIMISING CONFLICT OF INTEREST

The department use the Standard Bid Document 4 (SBD 4) Forms as gazetted by National Treasury to minimise any conflict of interest. Cross checking of bidders Identity Numbers against the PERSAL is also done to check for employees of the Department who are doing business with government. A circular was send out to all employees to inform them about the risks of conflict of interest and how to address such issues.



5. CODE OF CONDUCT

The purpose of the Code of Conduct is to give direction to employees regarding their relationships with the Legislature, Political, office bearers, and other employees and the public. Also to indicate the spirit in which the employees should perform their duties, what should be done to avoid conflict of interest and what is expected of them in terms of their personal conduct in public and private life.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

SHERQ Management is one of the Pillars of the DPSA: Employee Health and Wellness Framework.

This Pillar deals with the following:

Health and hygiene, hazard control, environmental control, establishment of OHS Committees and the appointment of First Aiders, Fire Marshalls, Standard operating procedures for buildings and offices, Waste Disposals, Housekeeping, Disaster Management and identification and management of occupational risk, maintenance of machinery and equipment.

7. PORTFOLIO COMMITTEES

- **The dates of the meeting**

18 May 2015, 18 June 2015, 10 Nov 2015, 23 Nov 2015 and 18 Feb 2016.

- **Matters raised by the Portfolio Committee and how has the department addressed these matters are as follows:**

Medium of Instruction in most of the schools is still a huge challenge even after the new dispensation

Response: According to the South African Schools Act, the language policy of a school (which includes the medium of instruction) is determined by the School Governing Body. The department issued guidelines on the language policy for schools, discouraging any form of discrimination based on language. The South African Schools Act is in a review process, to address, amongst other things, the powers of school governing bodies.

The top management of the department does not reflect or represent gender parity.

Response: The Employment Equity Plan (EEP) of the department is made to address the low representation of women and people with disability in the top management (senior and executive) of the Department. The department is making a concerted effort to consider females for appointments as posts become vacant in the top management.

The Department is always late with payment of educators, subsidies and scholar transport

Response: The payments of educators are administered via the PERSAL system. This function was taken away from the Department of Education to the Department of Treasury. The Department of Education had to request permission, in writing, from Treasury to appoint and pay educators. This added to the timeframe in which these activities could be completed, leading to some delays in payment of salaries, especially with regard to newly employed, substitute and temporary educators.

The late payment of subsidies to schools is due to the cash flow challenges of the department, resulting from the budget constraints. Subsidies to schools are prioritized when cash becomes available, especially to the non-fee paying schools.

Late payments of service providers for scholar transport were due to cash flow challenges in the department as well as administrative issues with regard to the incomplete documentation submitted by learner transport service providers for their claims and road worthiness of their vehicles. Since the new financial year of 2015/2016, the function of scholar transport moved from the Department of Education to the Department of Police, Roads and Transport, which does not have cash flow challenges and payments can be made to scholar transport service providers within 30 days as expected.

Scholar transport has not received an increment from the department.

Response: During 2014/2015, the Free State Department of Education experienced budget constraints. During 2014/2015 it was already agreed that the function of learner transport will move from the Department of Education to the Department of Police, Roads and Transport in 2015/2016. The Department of Police, Roads and Transport does not experience cash flow challenges and will be in a better position to negotiate contracts with the service providers based on identified routes and learner numbers. The Department of Police, Roads and Transport has already taken the function over in 2015/2016 and a memorandum of understanding between the Department of Education and the Department of Police, Roads and Transport was concluded.

The department conducts workshops during examinations time

Response: The policy of the department is not to conduct training in the fourth quarter of the academic year (from October to December) or disrupt examinations in any way. If details can be provided on non compliance in this regard, the Department can investigate and take appropriate action.

Xhariep District does not have special schools. The explanation given by the department on the lack of special schools is not adequate.

Response: The Department prioritized the building of a special school in Xhariep District for the 2015/2016 financial year. The planning stage is already completed for the building of a special school in Trompsburg. Almost R3 000 000 was allocated for the building of the special school in 2015/2016 and the bids are advertised. Until this special school is operational, learners with special needs are accommodated in the Special Schools in Motheo District and other districts where relevant. These schools have hostel facilities.

The Department takes long to absorb temporary educators even though there are vacant funded posts.

Response: At the beginning of a new academic year, new post provisioning norms come into place. The filling of post level one vacancies are prioritized by the Department. To fill these posts, permission must be obtained from treasury. The policy determines that after six months, the appointment of an educator in a temporary post level one post (substantive post) must be converted. By July/Aug of each year, temporary educators in funded vacant post level one posts are converted. This process happens alongside the matching of excess educators and state bursary holders to funded vacant (substantive) posts, which must be completed before conversions takes place.

In the case of vacant funded promotional posts (post level two and upwards), appointment of a temporary educator is made until the post is advertised. Conversions is not possible for promotional posts which must be advertised and filled within the procedures for such vacant posts.

Learners that are still struggling to read and write are always progressing to the next grade

Response: According to the National Policy Pertaining to the Progression and Promotion Requirements of the National Curriculum Statements for Grades R – 12, a learner may not be retained for more than four years in a phase. This means that a learner can only “fail” or repeat a year once in a phase, after which the learner has to progress to the next grade. But policies determine further that such learners must be put on a fast tracking program in the next grade to address their barriers to learning so that the learner can “catch up” and be on the expected level for the grade in which the learner finds him/herself. A special tool (SIAS) is used to determine the barriers to learning in individual learners and forms the basis of an individual learner development program. The Department requires schools to identify the progressed learners and develop their programs with the support of the school based support team and the district based support teams. To improve on the implementation of these policies a data base was compiled of progressed learners from Grades 1 to 12. The Province has intensified the monitoring of the support programs for progressed learners during 2015/2016 and evidence of such programs are required from schools and districts.

The Department continues to overspend



Response: The overspending is due to budget constraints and cash flow challenges that the overspending. This is done, amongst other things, via cost containment measures implemented by the department as well as the establishment of structured meetings between Treasury and Education. There are weekly meetings with the budgeting and finance sections and bi-monthly meetings of a high level steering committee between Treasury and Education (chaired by the CEO of Treasury) where expenditure is monitored closely and more stringent measures implemented, especially regarding the compensation budget.

Additional information requested by the Portfolio Committee

Additional information requested was provided to the Portfolio Committee with regard to the farm schools that became non operational due to all the learners moving away from the farms where they were staying and the names of the 7 schools not visited by district officials during the first quarter, but visited during the second quarter.

The technical indicator in the APP 2015/2016 describes educator absenteeism as follows: Absence may be authorized leave of absence due to sickness or family responsibility or it may be that teachers are 'present' but not in the schools because she/he may be undertaking official duties". This information was provided to the Portfolio Committee and included in subsequent quarterly reports to give more meaning to the report on this performance measure.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1 of 26 Nov 2015	PROPAC resolutions from 3 Dec 2014 not yet implemented by Free State Department of Education.	PROPAC resolutions on the agenda as a standing point for discussion at each management meeting until it is fully implemented.	Various audit matters were discussed at Strategic Management Leadership Committee (SMLC) meetings under the heading of "audit action plan." But henceforth a standing item will be included on the agenda of SMLC under the heading: "PROPAC" resolutions".	No
1 of 26 Nov 2015	PROPAC resolutions from 3 Dec 2014 not yet implemented by Free State Department of Education.	Quarterly report to the relevant Executive Authority in terms of progress with the implementation of the PROPAC resolutions.	<p>The Strategic Planning is responsible for liaising, coordination and reporting to all committees of the Legislature. All reports, submissions and presentations are verified by the HOD and signed by the MEC. The progress of the implementation of all the PROPAC resolution is submitted to the MEC on the 20th of each month as part of the KEY Control Matrix reports submitted to Provincial Treasury.</p> <p>CFO will continue to submit reports to the MEC as well as to the relevant units in Provincial Treasury.</p>	Yes
1 of 26 Nov 2015	PROPAC resolutions from 3 Dec 2014 not yet implemented by Free State Department of Education.	Monthly report to Provincial Treasury with regard to implementation, the report supported with relevant source documents	The Department reports monthly to Treasury on the progress made with the implementation of PROPAC resolutions as part of the monthly Key Control Matrix (KCM) reports.	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1 of 26 Nov 2015	PROPAC resolutions from 3 Dec 2014 not yet implemented by Free State Department of Education.	Resolution 1/2014 (7/2013): Paragraph 3 National School Nutrition Grant: Non-compliance with the Division of Revenue Grant framework, Gazette 34280 must be effectively addressed.	Rules regarding the spending of the NSNP grant funds are being incorporated into the MoA entered into between the FSDoE and the schools. Place NSNP on the agenda of the SMLC at least once a quarter.	Yes No
1 of 26 Nov 2015	PROPAC resolutions from 3 Dec 2014 not yet implemented by Free State Department of Education.	Resolution 2/2014 Paragraph 2c: Unauthorised expenditure: The Accounting Officer should provide the internal control measures implemented as well as monitor mechanisms to ensure compliance with the relevant internal controls.	An Intervention Steering Committee established between Provincial Treasury and Free State Department of Education assigned the responsibility to the Department of Education DDG: Corporate Services to conduct a work-study on the establishment of an Internal Control Unit (ICU). Currently there is a moratorium on the filling of vacancies. The department is therefore unable to fill critical vacancies. In the absence of Internal Control Unit (ICU) all responsibility managers will ensure that chief user clerks adhere to all prescripts.	Yes
8 of 26 Nov 2015	Non Compliance with laws and regulations	The portfolio committee noted with concern the extent of non-compliance with laws and regulations related to Supply Chain Management and Information Technology. The Portfolio Committee resolved that the Accounting Officer must:	The department established a Centralised Procurement Committee (CPC) to assist in ensuring compliance with all laws and regulations. The committee meets weekly to consider all requests to procure before issuing formal order. Department will engage with the Accounting Officer regarding the establishment of an internal control unit	Yes No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Non Compliance with laws and regulations	<p>The Portfolio Committee resolved that the Accounting Officer must: (a) Prioritise the findings of the Information System Audit and ensure that an action plan is developed and implemented to address the findings, and</p>	<p>There is and approved IT structure. The Department and the Auditor General identified various shortcomings. IT sub-directorate have already prepared draft policies to address the shortcomings in the system. I.e:</p> <ul style="list-style-type: none"> • Information Security Policy • Active Directory Policies • Patch Management Policy • ICT Risk Management Policy • Corporate Governance of ICT Charter • ICT Acceptable Usage Policy • Information Technology Helpdesk Process • Information Technology Firewall Policy, Firewall Policy Change: Implementation and Firewall Policy Change: Request for Approval. • Firewall Configuration Screenshots. • Information Technology User Account Password Policy • Anti-Virus: Scheduled scan setting <p>There is available:</p> <ul style="list-style-type: none"> • IT Steering Committee Attendance Registers • IT Steering Committee Meeting Minutes 1/2015, 2/2015 • IT Steering Committee Appointment Letters <p>A management plan will be compiled for the consultations on and approvals of the policies as indicated.</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Non Compliance with laws and regulations	<p>The Portfolio Committee resolved that the Accounting Officer must (b) put stringent control measures in place within 60 days from adoption of the resolution and hold officials accountable by implementing a zero tolerance policy in all instances of non-compliance with SCM regulations to ensure the root causes are effectively addressed.</p>	<p>Supply Chain Management Unit issued various circulars to address adequate procurement processes for procurement less than R500 000. The competitive bidding process is in place to ensure all procurement more than R500 000 is advertise nationally and placed on <i>e-tender</i>. Various officials serves on the bid specification, evaluation and adjudication committees. All recommended bids are signed off by the Accounting Officer before contracts are prepared by Legal Services.</p> <p>All non-compliances are reported to Financial Accounting and where there is any transgressions all cases are referred immediately to Security & Risk Management for further investigation. Investigation reports are tabled in the Loss Control Committee to determine liability. Where officials lost state cover, its register as debt on BAS and arrangement are made to deduct outstanding amounts from official's salary. In cases where officials were negligent such cases are referred Labour Relations and Employee wellness for corrective measures or disciplinary procedure</p>	
8 of 26 Nov 2015	<u>Irregular Expenditure</u>	<p>The portfolio committee noted with concern the huge amount of irregular expenditure incurred by the department during the 2014/2015 financial year as reported in the 2014/2015 Annual Report as well as the total of R462m alleged irregular expenditure which must still be investigated.</p> <p>The Portfolio Committee resolved that the Accounting Officer must (a) indicate controls that have been put in place to eradicate or prevent irregular expenditure.</p>	<p>In ensuring that all responsibility managers are guided, SCM developed detailed SCM checklist to prevent any irregularities. In the event where responsibility managers are unable to detect possible irregular expenditure all procurement request are referred to CPC for consideration.</p> <p>The establishment of the Internal Control Unit will further strengthen the current controls in place.</p>	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Irregular Expenditure</u>	The Portfolio committee resolved that the Accounting Officer must (b) Provide a detailed report on disciplinary actions that have been taken against officials that have committed an act of financial misconduct, whether wilfully or negligently as per requirement in terms of Section 81 of the Public Finance Management Act;	The Department dealt with one financial misconduct in the last quarter of 2015, disciplinary action was initiated against the official, who was found guilty and given a Final Written warning. In the first quarter of 2016, 4 cases were reported and two cases have been finalised in terms of disciplinary action and in both cases sanctions of Final Written warning and one week suspension without salary were imposed	Yes
8 of 26 Nov 2015		The Portfolio Committee resolved that the Accounting Office must ensure that the outstanding investigations are finalised by 31 March 2016	Three officials were seconded to security and risk management to focus specifically on investigations of irregular expenditures. An advisory committee on irregular expenditure was established and at the first meeting of the committee on 5 April 2016, 32 cases were finalised. There are 3023 cases dating back from 2006/2007 financial year. A draft management plan was developed to address the outstanding cases with expected completion date of 2018.	No
8 of 26 Nov 2015		The Portfolio Committee resolved furthermore that the Accounting Officer must finalise the investigation to determine the full extent of irregular expenditure before the end of the 2015/2016 financial year.	Due to capacity challenges the department was unable to finalize cases as directed by the legislature. Three officials were allocated to the unit only in February 2016 to start with the investigations. During the audit steering committee it was resolved that the department should outsource the investigations due to the huge number of backlog of the cases. Due to limited financial resources, the department will consider to second more officials to the unit to help with the investigations.	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Unauthorised Expenditure</u>	The Portfolio Committee was concerned with the department's overspending on its appropriated budget and the lack of effective internal controls and assurance by management that the department complies with sections 38(1)(b), (c) and 39 of the PFMA.	<p>The department found itself in a difficult position to balance between non-discretionary (obligatory) funding and compensation of employees which is the main cost drive. Although the number of employees has not increased significantly, the annual improvement in conditions of service as per Provincial Treasury guidelines provided higher than the percentage growth in the equitable share. The guidelines for 2014/15 indicated that provision of 6.5% must be made for improvement in condition of services, compared to the increase of 4.88% in the equitable share. In order to maintain the activities and the programs and sustained or continued with the operations a request was sent to Provincial Treasury for allocation not less than R 12 billion. The 12 billion would have funded compensation fully but also allow the departmental programs to run and maintain funding levels of post that supports learning and teaching including important initiatives that were consistent with our intervention program.</p> <p>The relevant Treasury was informed about the implications of the incorrect allocation. It was also indicated in our budget submission to PT as indicated in annexure A. MEC: Education also send formal correspondences to both the Ministers of Finance as well as Basic Education The department also reported the anticipated over expenditure monthly to Provincial Treasury Management reviewed the expenditure trends as at end of May 2014 and concluded after the implementation of stringent measures.</p>	No
8 of 26 Nov 2015	<u>Unauthorised Expenditure</u>	The Committee resolved that the Accounting Officer must ensure compliance with Sections 38 and 39 of the PFMA and provide a report within 60 days from adoption of the resolution to indicate measures implemented to ensure: Prevention of non-compliance	<p>Financial Accounting Circular no. 4 of 2016 regarding the prevention of irregular expenditure was issued during March 2016</p> <p>Intervention structures between the department and Provincial Treasury were implemented.</p> <p>Cost containment measures were implemented in the department</p>	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Unauthorised Expenditure</u>	The Committee resolved that the Accounting Officer must ensure compliance with Sections 38 and 39 of the PFMA and provide a report within 60 days from adoption of the resolution to indicate measures implemented to ensure: Detection of non-compliance	<p>Preliminary calculations indicates unauthorised expenditure for the 2015/16 financial year. The amount will only be determined after the final virement for 2015/16 was implemented.</p> <p>Spending versus budget is monitored and submitted to Provincial Treasury on a monthly basis.</p> <p>A management report is also prepared and presented at Strategic Management & Leadership Committee (SMLC) on a monthly basis as well as to the Executive Authority</p>	No
8 of 26 Nov 2015	<u>Unauthorised Expenditure</u>	The Committee resolved that the Accounting Officer must ensure compliance with Sections 38 and 39 of the PFMA and provide a report within 60 days from adoption of the resolution to indicate measures implemented to ensure: Effectively address any transgression	<p>Immediately any transgression relating to Financial Misconduct is detected, the Department will investigate and initiate disciplinary action where necessary</p> <p>Reports on investigations finalised are presented to the Loss Control Committee who then makes a recommendation to the Accounting Officer</p> <p>Conduct a trend analysis on misuse of GG Vehicle and implement consequences management</p> <p>Loss Control Committee meetings will be scheduled for the whole financial year in order to deal with investigation reports in a speedy manner.</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Predetermined Objectives</u>	<p>The Portfolio Committee noted with concern that material weaknesses were identified in the administration of the computerised information management system at schools.</p> <p>There were also no standard operating procedures to generate source documents, and the process of preparing and verifying performance information was not documented.</p>	<p>There are SA-SAMS and LUTIZ Standard operating Procedures and the process of preparing and verifying performance information is documents.</p> <p>SA-SAMS Standard Operations and Procedures are distributed yearly for each academic year in the form of a circular signed off by the HOD. Circular MG 2/2016 of 23 Feb 2016.</p> <p>Circular MG 18/2015 of 16 Nov 2015 signed off by the HOD was compiled and distributed to schools detailing the procedures for LURITS data submissions with due dates for the 2016 academic year.</p> <p>The aforementioned is done in support of the legislative framework of the Education Information Policy, Government Gazette no 677 of 6 Aug 2010.</p> <p>Every Monday exception reports are send out from the EMIS section on incomplete and incorrect submissions received from schools. Principals as well as circuit managers, district managers, Chief Director for District Management, DDG, HOD and MEC are informed about the omissions and expected corrections.</p> <p>Build capacity of line managers in the monitoring of compliance with regard to the information legislation, policies and procedures.</p> <p>Undertake monitoring visits to schools to determine the reliability of the control environment at school level.</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Predetermined Objectives</u>	For infrastructure development, practical completion certificates instead of final completion certificates were used as evidence of completed projects	<p>Discussions were held with the national dept of basic education and with the auditor general to agree on using practical completion certificates. Agreement was reached on this matter.</p> <p>The technical indicators in the APP were amended accordingly, allowing practical completion certificates, works completion certificates and snag lists to be accepted as evidence for completion of infrastructure projects.</p> <p>Implement the use of practical completion certificates, works certificates and snag lists as evidence for infrastructure projects per the decision reached with the auditor general and the national department of basic education. Indicate as such in the reports, also where final completion certificates are available.</p>	Yes
8 of 26 Nov 2015	<u>Predetermined Objectives</u>	<p>The Committee resolved that the Accounting Officer must:</p> <p>Implement effective HR management which includes consequence management and ensure that all principals certify and upload valid information about their schools</p>	<p>The continuous defaulting principals were identified and subsequently 133 principals received audi letters.</p> <p>Capacity workshops were held with the circuit managers on how to support and monitor school principals with regard to compliance with SASAMS and determine reasons for non compliance.</p> <p>The responses from the 133 defaulting principals are being awaited to determine their reasons for continuous non compliance.</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Predetermined Objectives</u>	<p>The Committee resolved that the Accounting Officer must:</p> <p>Exercise oversight over those processes in the Department through which significantly important indicators are tracked and that officials in the department formalise these processes that would ensure that information are valid, accurate and complete.</p>	<p>Quarterly reports are submitted to strategic management leadership on the submission of evidence based performance information.</p> <p>Regular meetings are held between Strategic Planning Directorate and Responsibility Managers for the quality assurance of performance information.</p> <p>Include an item on the management of performance information on all meetings of responsibility managers.</p> <p>Develop information management policy and standard operating procedures on all evidenced based information generated in the department for purposes of monitoring and reporting</p>	Yes
8 of 26 Nov 2015	<u>Financial health status</u>	<p>The Portfolio Committee raised a concern about the regression of this department's financial health status since 2013/2014. The following contribute to this regression:</p> <p>Overriding of budget controls</p>	<p>The function is no longer with education it resides with Treasury</p>	Yes
8 of 26 Nov 2015	Financial health status	<p>The Portfolio Committee raised a concern about the regression of this department's financial health status since 2013/2014. The following contribute to this regression:</p> <p>Payments against ledger accounts.</p>	<p>CFO has undertaken that this will not happen any longer.</p>	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Financial health status	<p>The Portfolio Committee raised a concern about the regression of this department's financial health status since 2013/2014. The following contribute to this regression:</p> <p>Non-compliance with Section 38(2) of the PFMA.</p>	<p>The department found itself in a difficult position to balance between non-discretionary (obligatory) funding and compensation of employees which is the main cost driver. Although the number of employees has not increased significantly, the annual improvement in conditions of service as per Provincial Treasury guidelines provided higher than the percentage growth in the equitable share. The guidelines for 2014/15 indicated that provision of 6,5% must be made for improvement in condition of services, compared to the increase of 4,88% in the equitable share. In order to maintain the activities and the programs and sustained or continued with the operations a request was sent to Provincial Treasury for allocation not less than R 12 billion. The 12 billion would have funded compensation fully but also allow the departmental programs to run and maintain funding levels of post that supports learning and teaching including important initiatives that were consistent with our intervention program.</p> <p>The relevant Treasury was informed about the implications of the incorrect allocation. It was also indicated in our budget submission to PT as indicated in annexure A. MEC: Education also send formal correspondences to both the Ministers of Finance as well as Basic Education. The department also reported the anticipated over expenditure monthly to Provincial Treasury Management reviewed the expenditure trends as at end of May 2014 and concluded after the implementation of stringent measures</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Financial health status	<p>The Committee resolved that the Accounting Officer must within 60 days from adoption of the resolution provide a copy of the strategy adopted linked to timeframes to effectively address and improve the financial health status of this department. This strategy must include but is not limited to the following:</p> <p>Decrease compensation of employee costs</p>	<p>Initiatives to curb personnel expenditure, however province is mindful of service delivery imperatives:</p> <ul style="list-style-type: none"> o Increased learner teacher ratio from 28:1 to 30:1 o Introduced Instruction Note on COE wherein the Provincial Treasury verifies whether the post(s) to be filled are funded or unfunded and are also forming part of the Organizational and PERSAL structures. o Further Instruction Note implemented on non-reduction of personnel budget without prior approval by the Provincial Treasury. o Centralised all school based appointments to the Director: Human Resource Administration (Corporate Office). o Management of excess educators (matching and placing within 30 km whilst beyond 30 km resettlement costs will be considered) (currently at 308 excess educators from 1191) Education and Labour Relations Council (ELRC) Chamber is hosted every quarter to discuss various issues including PPN Model, movement of excess educators. o Furthermore, all Organised Labour Unions are kept abreast on regularly basis about key decisions affecting educators, they also sit on the interviews of educators as observers. o Delay in filling of some promotional posts at schools and public servants posts at offices. <p>Initiatives to curb personnel expenditure implemented, however province is mindful of service delivery imperatives:</p> <ul style="list-style-type: none"> o Development of database on potential vacancies (retirees (to determine need for appointment), resignations, temporary employees). o Management of incapacity leaves and ill health retirements o Head counts started in August 2015 o Other proposed initiatives: <p>Moving towards 80:20 split of Equitable Share (COE vs. other economic classification)</p> <p>Retain 1:30 Learner teacher ratio.</p> <p>Managing ratio of educator vs. administrative staff (85:15 ratio)</p> <p>Cap substitute teacher at 250 (long illness /maternity)</p> <p>Cap adhoc/temporary educators at 250 from current 340 (sudden growth in learner numbers/ resignation)</p> <p>Teach SA Ambassador programme – slightly low scale</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Financial health status	<p>The Committee resolved that the Accounting Officer must within 60 days from adoption of the resolution provide a copy of the strategy adopted linked to timeframes to effectively address and improve the financial health status of this department. This strategy must include but is not limited to the following:</p> <p>Ensure commitments comply with Section 38(2) of the PFMA</p>	<p>The department found itself in a difficult position to balance between non-discretionary (obligatory) funding and compensation of employees which is the main cost driver. Although the number of employees has not increased significantly, the annual improvement in conditions of service as per Provincial Treasury guidelines provided higher than the percentage growth in the equitable share. The guidelines for 2014/15 indicated that provision of 6,5% must be made for improvement in condition of services, compared to the increase of 4,88% in the equitable share. In order to maintain the activities and the programs and sustained or continued with the operations a request was sent to Provincial Treasury for allocation not less than R 11 billion. The 11 billion would have funded compensation fully but also allow the departmental programs to run and maintain funding levels of post that supports learning and teaching including important initiatives that were consistent with our intervention program.</p> <p>The relevant Treasury was informed about the implications of the incorrect allocation. It was also indicated in our budget submission to PT as indicated in annexure A. MEC: Education also send formal correspondences to both the Ministers of Finance as well as Basic Education. The department also reported the anticipated over expenditure monthly to Provincial Treasury Management reviewed the expenditure trends as at end of May 2014 and concluded after the implementation of stringent measures</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Financial health status	<p>The Committee resolved that the Accounting Officer must within 60 days from adoption of the resolution provide a copy of the strategy adopted linked to timeframes to effectively address and improve the financial health status of this department. This strategy must include but is not limited to the following:</p> <p>Improve cash management</p>	<p>The 2014/15 budget implementation challenges inclusive of the cash flow problems were symptom of a bigger problem, which points to the credibility of the departmental allocation. Part of the contributing factors which in our view were not consistent with the sound principles of budgeting as indicated below:</p> <p>The carry through effect on compensation of employees was unfortunately not considered and recognize as of the MTEF allocation and has a major bearing on future allocations</p> <p>Lack of consideration of the higher salary increase than was budgeted for as directed by Treasury.</p> <p>Emphasis on percentage increases whereas the allocation is increasing at a decreasing rate over the last 3 financial years particularly considering the real increase and not the nominal effect</p> <p>The huge impact of nationally negotiated improvement in conditions of service to the department given the substantial financial implication associated with such agreements especially considering that the compensation of employees for educators is a major cost driver to the departmental expenditure.</p> <p>The Department had a bank overdraft of R201 million at 31 March 2016</p> <p>The Department implemented cost saving measures during 2013/14 financial year. Management reviewed after six months the effectiveness of the measures and it was agreed that other measures be implemented. In recognition of the need to contain costs, improve the monitoring and implementation of personnel budget and streamline the human resource management processes, the department introduced further measures. Cash management committee was established between Provincial Treasury and the Department to manage cash position of the department and request also additional funding. Three management committees were established to minimize none core spending. The Centralized Procurement Committee (CPC) main focus area was to prevent any unnecessary committing financial the Department. The Payment Authorization Committee (PAC) managed and prioritized payments to service providers and where possible strive to pay within 30 days. The Human Resource (Post Provisioning) Committee (HRC) managed the appointment of educators. This additional measures reduced the projected over expenditure as reported in the In Year Monitoring (IYM) report.</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			Monthly cash requests are submitted to Provincial Treasury by the 20 th each month. Weekly discussions are held with Provincial Treasury to ensure proper cash management.	
8 of 26 Nov 2015	<u>Financial health status</u>	The Committee resolved that the Accounting Officer must within 60 days from adoption of the resolution provide a copy of the strategy adopted linked to timeframes to effectively address and improve the financial health status of this department. This strategy must include but is not limited to the following: Prevent the use of ledger accounts to pay for goods and services	Payment against ledger accounts have been restricted during the 2015/16 financial year to only exceptional cases which has been monitored throughout the year to prevent a re-occurrence of the same situation. Avoid using ledger accounts and monitor the accounts on a monthly basis.	No
8 of 26 Nov 2015	<u>Financial health status</u>	The Committee further resolved that the Accounting Officer must: (a) Implement internal controls to prevent misclassification of expenditure	Known misclassifications based on the prior year's audit have been verified and corrected where necessary. Continue to monitor these known misclassifications from prior year to prevent re-occurrence.	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Financial health status	<p>The Committee further resolved that the Accounting Officer must:</p> <p>(b) Ensure that measures are implemented to improve the recovery rate of staff debt</p>	<p>The Department acknowledges that it has some challenges with regard to debt recovery of which the biggest is the staff establishment of the Financial Accounting Directorate that is not adequate. Given the department's financial position there is no immediate solution for that.</p> <p>Measures implemented to improve the recovery rate of staff debt include the following:</p> <ul style="list-style-type: none"> Reminders, notices of debt and letters of demand are issued and posted in order to persuade debtors to settle and/or make suitable arrangements Monthly debt statements are posted informing the debtor about movement on his/her outstanding debt account In order to ensure recovery the debt is firstly deducted from any leave gratuity payable to an official upon retirement if possible and secondly the debt is recovered from the pension benefit of the official All outstanding debt is noted on the pension route form to be recovered from the pension benefits by National Treasury (Pension Administration) on behalf of the department <p>Provincial Treasury appointed a transversal service provider for the period 1 November 2014 to 31 March 2016 to assist departments with the collection of ex-employee debt. From 1 November 2014 to 31 March 2015 2143 ex-employee debts amounting to R30 650 103.81 were handed over to the service provider and during the period 1 April 2015 to 31 March 2016 a further 1101 ex-employee debts were handed out.</p> <p>Currently the department is focusing on recovery of debt relating to debtors who are still in service of the department.</p> <p>The Department also awaits feedback from Provincial Treasury regarding the extension of the contract with the previous service provider or the appointment of a new service provider for collection of ex-employee and supplier debt.</p>	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	<u>Financial health status</u>	<p>The Committee further resolved that the Accounting Officer must:</p> <p>© Proper cash management practices are exercised.</p>	<p>The Department had a bank overdraft of R201 million at 31 March 2016.</p> <p>Monthly cash requests are submitted to Provincial Treasury by the 20th each month.</p> <p>Weekly discussions are held with Provincial Treasury to ensure proper cash management.</p>	No
8 of 26 Nov 2015	<u>International bursaries</u>	<p>The Portfolio Committee noted with concern the deficiencies related to internal controls and communication in respect of international bursaries that resulted irregular expenditure.</p>	<p>The assertion that there are deficiencies with regard to internal controls in the bursary section is incorrect. There are several controls to ensure compliance with the PFMA. However, it is true that payments for students in Cuba were done without invoices BUT that was beyond our control. Numerous attempts have been made to obtain the invoices but to no avail. Proof to our attempts is available.</p> <p>With regard to certain students in China, contracts do not exist because of unauthorised movements. This matter has been discussed with the HOD and IGR head.</p> <p><u>Status</u></p> <ol style="list-style-type: none"> 1. There are still no invoices for Cuba and it will never be produced according to National and Provincial Department of Health. 2. 176 China students have moved to new institutions and we are awaiting for new contracts. <p>With regard to Cuba, several requests have been made to Provincial Department of Health, National Department of Health and DIRCO; several meetings were held with Chief Financial Officer, Chief Director and Head of Department of Health and Head of Department of Education.</p> <p>With regard to China movements, a delegation went to China to address the movements. Meetings were also held with Inter-Governmental Relations and Education with regard to the contract</p>	No



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>The provincial committee will conduct a visit to various countries to address the challenges.</p> <p>The audit intervention committee under the leadership of the MEC Finance, resolved that the CFO of both departments must meet on a weekly basis to resolve outstanding audit matters.</p> <p>The intervention committee already sat on 13 April 2016.</p>		
8 of 26 Nov 2015	International bursaries	<p>The Committee resolved that the Accounting Officer must review and enhance the relevant internal control system and consultation system with other stake holders within 60 days from adoption of the resolution. Furthermore, senior management must improve assurance levels to ensure compliance with the revised control and consultation system, and report quarterly to the Accounting Officer.</p>		No
8 of 26 Nov 2015	Investigations	<p>The portfolio Committee noted that there are investigations which were not yet finalised at the 2014/2015 reporting date.</p> <p>The Portfolio Committee resolved that the Accounting Officer must report the status and progress within 90 days from adoption of this resolution in respect of:</p> <p>Investigation by the Commercial Crime unit of the South African Police Service into the alleged fraud related to the contract awarded for learner teacher support material.</p>	<p>The SAP is still busy with the investigation.</p> <p>A letter will be written to SAPS to request a progress report.</p>	Yes



Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8 of 26 Nov 2015	Investigations	<p>The portfolio Committee noted that there are investigations which were not yet finalised at the 2014/2015 reporting date.</p> <p>The Portfolio Committee resolved that the Accounting Officer must report the status and progress within 90 days from adoption of this resolution in respect of:</p> <p>The investigation by an independent consulting firm on the comprehensive review of processes employee disclosure and value for money in supply chain management practices. The investigation has been finalised but the report has not yet been made available.</p>	<p>The report is with Treasury. Treasury has not provided the report to the Department of Education.</p>	Yes



9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Misclassification of expenditure-classification between capital and goods and services.	2014/15	<ul style="list-style-type: none"> 2015/16 baseline work has been done from April until October 2015 on NSNP, Bursaries, Infrastructure and Finance Leases, However not all exceptions and verifications has been internally completed, the estimated completion was 31 March 2016. Finance section was waiting for BAS closure since information could not be provided for verification. However through Payment Batches review was performed on a sample of transactions, some transactions were found to be not captured correctly as per SCOA guideline.
Cash and cash equivalents: Financial health.	2014/15	<ul style="list-style-type: none"> Steering committee meetings are taking place as scheduled. Weekly and Monthly Cash Reconciliations are done.
Financial statements not prepared in accordance with Prescribed financial reporting framework <ul style="list-style-type: none"> Irregular expenditure Misclassification of goods and services and capital Commitments. 	2014/15	<ul style="list-style-type: none"> On-going process information submitted on a monthly and quarterly basis for the KCM and the Interim Financial Statements are monitored. Training was provided to the relevant officials during April 2016.
Irregular Expenditure - Investigations (more than 90 days)	2014/15	<ul style="list-style-type: none"> Irregular Expenditure Steering Committee has been appointed and the investigations are in progress.
AOPO - Performance information reported not reliable- Public ordinary schools Programmes	2014/15	<ul style="list-style-type: none"> The progress will be determined by the actions of the Chief Director District Management. If consequence management is applied the estimate and actual can be drastically improved but without action it will stay low.
AOPO - Supporting documentation not adequate	2014/15	<ul style="list-style-type: none"> Delivery notes for Educational Toys from 5 districts for 200 schools were submitted to Strategic Planning Directorate for verification process. Upon verification it was discovered that the evidence of deliveries to 40 schools in Lejweleputswa did not correspond with 2014/15 financial year. The prescribed reporting template that was designed by the Provincial Office was not used. The evidence therefore was found not assisting in the process. Corrective Measures: At a meeting held on 25 November 2015 with the Director: Strategic Planning the Primary Schools Directorate committed to write a letter to the District Director to correct the evidence submitted using the correct template. This letter will be sent out by Friday, 27 November with the response date of 4 December 2015.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Programme 8: Infrastructure development Reliability of reported performance information	2014/15	<ul style="list-style-type: none"> Informal interactions between Infrastructure and Strategic Management have been undertaken. A formal meeting will be undertaken before the 15th of October 2015 to determine the contents and nature of the engagement with the office of the AG. Formal Description letter has been drawn for submission to Strategic Management. Meeting arranged by Strategic Management with AG to iron out differences. The AG has been engaged and areas of disagreements ironed out
Portions of unspent conditional grant at schools not reverting back to the Revenue Fund as per DoRA	2014/15	<ul style="list-style-type: none"> A circular is currently being drafted to schools to ensure that all surplus funds are spent in line with DBE guidelines. The Department has reconsidered the possibility of subsidiary accounts. The NSNP unit is in the process of developing and implementing standardised monitoring procedures that will assist the improved implementation of school nutrition. A MOA has been drafted between the schools and the Accounting Officer to ensure the NSNP funds are managed as per guidelines.
Conditional Grants - Non-compliance with DoRA requirements on the Education Infrastructure Grant (EIG)	2014/15	<ul style="list-style-type: none"> Clarity has not been sought and finalised on this specific matter. However a letter will be drawn to seek clarity before the end of October 2015. The letter has not been finalised but will be before the end of the 2nd week of November 2015. The letter has been drawn for clarity on this matter.
Contract and Procurement management: Declaration of interest not done by bidders and employees	2014/15	<ul style="list-style-type: none"> Circulars was circulated to schools, Districts and directorates to sensitise officials on the importance of applying for approval for performing remunerative works outside the public Service
Contract and Procurement management: Declaration of interest supporting documents not provided	2014/15	<ul style="list-style-type: none"> A meeting with Provincial Treasury was held on 30 Sept 2015. The advice received was that as from 01 April 2016 National Treasury will do all verifications of suppliers on the database and declarations are among other things that they will check. For bids above R500, 000.00 Treasury advised that a list of recommended companies with details of their directors/ shareholders and their identity numbers should be sent to provincial treasury for verification before the final award is done. This should take place until further notice.
Contract and Procurement: Competitive Bidding: Non-compliance with the tender documents requirements	2014/15	<ul style="list-style-type: none"> Standard/Special Bid Conditions will be scrutinized and rectified to be consistent.
Risk Management & Internal Audit	2014/15	<ul style="list-style-type: none"> Due to the moratorium on the filling of vacant posts, there has been no filling of posts.



Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Audit Committee	2014/15	<ul style="list-style-type: none"> • Advert to appoint new committee members was done. The applications and long list are in HR for the process to identify the qualifying candidates.

10. INTERNAL CONTROL UNIT

Financial Controls

Managers are responsible for compliance of all legislative requirements in respect of financial management. Guidelines, circulars, standard operating procedures, checklist and instruction notes were issued to further assist manager to adhere with prescript. There was significant improvement but there is still a need to ensure 100% compliance.

Strong financial controls will allow for reliable financial reporting throughout the department, which will allow for more solid financial management of the operation. Strong controls also provide greater peace of mind that the accounting data is correct and the money is better protected from potential irregularities. That, in turn, allows for better service delivery.

There is currently not a dedicated unit or person that monitors or enforces compliance with all prescripts before payments are processed. The establishment of a financial control will assist the department a great deal in obtaining an audit opinion with no findings. Mindful of the limited resources, the unit will have to be established through restructuring by using existing personnel in the department.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, governance and control processes."

- Make an objective assessment of your operations, and share ideas for best practices.
- Provide counsel for improving controls, processes and procedures, performance, and risk management.
- Suggest ways for reducing costs, enhancing revenues, and improving service delivery.
- Deliver competent consulting, assurance, and facilitation services.

Summary of audit work done:

The IAA must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic disciplined approach:

- **Governance-** Making appropriate recommendations for improving governance process
- **Risk Management-** Evaluating risk exposures relating to the organisation's governance, operations, and information system
- **Control-** Evaluate the adequacy and effectiveness of controls in responding to risk within the organisation's governance, operations and information system.

Key activities and objectives of the audit committee:

Audit committee assist the department to discharge its responsibility for adequate and effective risk management risk management, governance and control processes and for the economy, efficiency and effectiveness of the institution's activities, audit committee must review the following:

- Effectiveness of the internal control systems
- Effectiveness of the internal audit function
- Risk areas of the institution's operations to be covered in the scope of internal and external audits
- Adequacy, reliability and accuracy of the financial information provided to management and other users of such information
- Any accounting and auditing concerns identified as a result of internal and external audits
- Institution's compliance with legal and regulatory provisions
- The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

Attendance of audit committee meetings by audit committee members (Tabular form):

Name	22 April 2015	30 July 2015	28 October 2015	24 February 2016
Dr. AV Bouwer (Chairperson)	✓	✓	✓	✓
Adv. NM van Heerden	✓	✓	✓	✓
Mr. SA Ngwenya	X	X	X	✓
Mr TG Motloi	✓	✓	✓	X

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Dr AV Bouwer	Doctoral Degree(PHD)	External	N/A	01 August 2012- 31 May 2016	N/A	4
Mr TG Motloi	Management Development programme	External	N/A	01 August 2012- 31 May 2016	N/A	3
Adv NM van Heerden	Bachelor of Law (LLB)	External	N/A	01 August 2012- 31 May 2016	N/A	4
Mr SA Ngwenya	Qualified chartered Accountant(CA)	External	N/A	01 August 2012- 31 May 2016	N/A	2



12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2016.

Audit Committee Members and Attendance:

The Audit Committee consisted of the members listed hereunder. During the current year, four (4) meetings were held. These members operated the committee from 1 April 2015 to 31 March 2016.

Name of the Member	Meetings	Apologies
Dr. AV Bouwer (Chairperson)	4	0
Adv. NM van Heerden	4	0
Mr. S Ngwenya	2	2
Mr TG Motloi	3	1

All four (4) members of the Audit Committee are independent, with no interest in the management or conduct of the business of the Department.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed.

In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluation of controls, risk management processes, as well as the identification of corrective action and suggested enhancements to the controls and processes.

From the various reports of the Internal Auditors, it was noted that there was no significant breach of controls although the audit reviews disclosed significant risk exposures. Accordingly, we can report that the system of internal control for the period under review was, partially effective and efficient.

We are of the view that management needs to urgently institute effective control measures to address control weaknesses on a sustainable basis in the following areas:

- Performance Information
- Irregular Expenditure
- Contingent liability
- Accruals
- Commitments
- Inventory
- Misclassification Expenditure

Lastly, we encourage management to continue to fully implement the recommendations of Auditor-General, Internal Audit and Risk Management in an integrated manner.

The quality of in year management and monthly / quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of monthly and quarterly reports issued during the year under review.

Evaluation of Financial Statements

The Audit Committee will:

- Review and discuss the audited/unaudited annual financial statement to be included in the annual report, with the auditor-general and the Accounting officer;
- Review the Auditor-General's management report and management 's response thereto;
- Review any changes in accounting policies and procedures;
- Review the departments compliance with legal and regulatory provisions;
- Review the information on predetermined objectives to be included in the annual report;
- Review significant adjustments resulting from the audit.
- Review the quality and timeliness of the financial information availed to the audit committee for oversight purpose during the year such as interim financial statement.

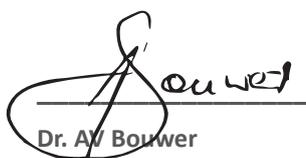
Internal Audit Activity

The internal audit function evaluates the adequacy and effectiveness of controls in responding to risks within the department and making appropriate recommendations for improving governance process.

Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

Conclusion



Dr. AW Bouter

Chairperson of the Audit Committee

Department of Education

31 July 2016



PART D:

HUMAN RESOURCE
MANAGEMENT

1. INTRODUCTION

Planning for human resource needs is one of the greatest challenges facing managers and leaders. In order to meet this challenge, a uniform process that provides a disciplined approach for matching human resources with the anticipated needs of the education department is essential.

The Human Resource Plan is developed in response to the need identified by the Free State Department of Education for the system development of its human resource workforce. This Plan is underpinned by the government's priorities to provide tangible improvements in service delivery especially to the citizens of the Free State Province.

HR Planning is a systematic process for identifying, acquiring, developing and retaining employees to meet the needs of the organisation. It requires leadership, clearly articulated vision, mission, strategic objectives and cooperative supportive efforts of staff in several functional areas. It is an inclusive process, drawing together programme management, strategic planning, budget, human resources and programme staff. It involves collaboration and information sharing.

2. OVERVIEW OF HUMAN RESOURCES

2.1 The status of human resources

The Department acknowledges the fact that some of its workforce will leave their employment permanently as a result of terminations, deaths, resignations, HIV/AIDS pandemic, retirements and other reasons common across the organisation and the Department.

In the process of planning for effective and efficient utilisation of human resource in the Department, it is imperative to understand the context within which such planning should take place. The Human Resource Plan takes during the time when the Department is reviewing its approved structure which addresses the priorities of the Government in providing quality service delivery.

With regards to Public Servants the majority of posts are permanently filled and a few are currently vacant and will be advertised during the financial year, pending approval. All qualifying temporary teachers will be appointed in permanent capacity only when they have completed continuous 6 months period.

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

In order to enhance learner performance and improve the quality of results at all levels, Human Resources concentrated on recruiting qualified graduates for scarce subjects such as English, Maths, Science and African Languages for all Grades.

The allocation of international bursaries was prioritised. The Department focussed on increasing the allocation of Part-time bursaries for Foundation Phase. More attention will be on integration of Grade R into the mainstream schools (public schools). The Department intensified the placement of Fundza Lushaka and Provincial Bursars and teacher Development programs will be intensified. Through these programs, teachers will be encouraged to work together to learn and share strategies of how to teach content. Newly appointed teachers will be inducted and mentored on an ongoing basis.

In the current financial year, School Management Teams (SMTs), Subject Advisors and Circuit Managers will receive training to enable them to take a lead in curriculum management and provide much-needed support to schools. SMT members will also be trained on Instructional Leadership. As part of the succession plan Deputy Principals will be trained as potential principals.

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

To maintain a quality teaching workforce now and in the future, the Department of Education must anticipate the workplace challenges of the future, provide work environments that attract and retain the best teachers, and make the best use of our valuable human resources.



The resources needed to run the workforce planning include skills, data and information and funding. Strategic workforce planning skills need to be developed among managers in general, and developed as a professional function for specialist education human resource planners. Improving data and information for human resource planning is crucial and needs to be addressed urgently.

The Human Resource Plan is used to implement the Department's strategic plan, address skills imbalances and develop a strategy to ensure that the organisation has a continuous supply of highly skilled competent workers. It lays out specific tasks and actions that our Department needs to take in order to achieve its strategic goals and objectives.

It also determines the type of workforce to be recruited, trained and developed to ensure that the Department can function effectively and fulfil its mandate. It is of importance to note that this HR Plan cannot address everything at once but to give an overview to the approach followed to the collation of employees data over time, from across the sector, which is relevant to and useful for effective Human Resource Planning.

If human resource planning fails, or fails to be integrated, services can break down, the skills of teachers can be wasted, policy commitments can remain unfulfilled, above all the quality of teaching and learning can be affected.

Workforce planning aims to improve the balance between demand and supply in the context of continual change. This is difficult. To maximise the chance of achieving it, both sides of the equation must be addressed. We need to understand and manage workforce demand as well as supply and to join them up. In practice this means that the options for services should be assessed against the options for marshalling the skills and numbers of teachers needed. Each set of options must influence the other.

Human resource planning is far more than a technical exercise in data processing. It involves management decisions of a high order, requiring difficult judgements based on a broad range of knowledge and evidence. Effective planning for the future teaching workforce needs to become a standard part of strategic management. This requires a change of outlook at provincial level and among many of its stakeholders. At the least, they should have a common understanding and a common language if Human Resource Planning is to be effective and integrated.

2.4 Achievements and challenges faced by the department, as well as future human resource plans /goals.

- Accelerated the placement of all staff declared additional to their respective establishments.
- Robust reduction of officials who are on Long Incapacity Leave thus resulting in huge savings on Compensation of Employees.
- Inadequate supply of qualified Foundation Phase, Maths and Science teachers.
- Inability to place un and under qualified Excess teachers.
 - Unqualified and underqualified teachers

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 2015 and 31 March 2016

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
Administration	857 118	702 134	3 806	151 178	81.92%	268
Public Ordinary School Education	8 778 167	7 830 181	7 875	940 111	89.20%	308
Independent School Subsidies	35 113	0	0	35 113	0.00%	0
Public Special School Education	402 002	355 398	0	46 604	88.41%	280
Early Childhood Development	117 505	114 833	0	2 672	97.73%	75
Infrastructure Development	760 081	4 587	0	755 494	0.60%	655
Examination and education related services	537 403	174 052	8 869	354 482	32.39%	91
Total	11 487 389	9 181 185	20 550	2 285 654	79.92%	280

Information on Table 3.1.1 is from BAS.

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

Salary Bands	Personnel Expenditure (R'000)	% of total Personnel Cost	Number of Employees	Average personnel cost per employee R'000
Lower skilled (Levels 1-2)	257 173	2.80%	2 207	117
Skilled (Levels 3-5)	568 438	6.19%	3 196	178
Highly skilled production (Levels 6-8)	5 370 209	58.49%	17 305	310
Highly skilled supervision (Levels 9-12)	2 738 331	29.83%	5 327	514
Senior management (Levels 13-16)	38 726	0.42%	33	1 174
Other	1 011	0.01%	2	506
Contract (Levels 1-2)	6 442	0.07%	76	85
Contract (Levels 3-5)	10 722	0.12%	72	149
Contract (Levels 6-8)	1 127	0.01%	4	282
Contract (Levels 9-12)	4 603	0.05%	7	658
Contract (Levels 13-16)	904	0.01%	1	904
Periodical Remuneration	11 744	0.13%	1 662	7
Abnormal Appointment	143 449	1.56%	2 841	50
TOTAL	9 152 879	99.69%	32 733	280

Information on table 3.1.2 is from Vulindlela



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

Programme	Salaries		Overtime		Housing allowance		Medical Assistance	
	Amount R'000	Salaries as a % of total personnel cost	Amount R'000	Overtime as a % of total personnel cost	Amount R'000	Housing allowance as a % of total personnel cost	Amount R'000	Medical Assistance as a % of total personnel cost
Administration	475 727	67.75%	1 835	0.26%	18 989	2.70%	36 350	5.18%
Public Ordinary School Education	5 965 062	76.18%	91	0.00%	241 913	3.09%	438 266	5.60%
Independent School Subsidies	0	0%	0	0%	0	0%	0	0%
Public Special School Education	254 371	71.57%		0.00%	12 568	3.54%	21 438	6.03%
Early Childhood Development	11 211	9.76%		0.00%	189	0.16%	538	0.47%
Infrastructure Development	3 271	71.31%		0.00%	43	0.94%	116	2.53%
Examination and education related services	73 490	42.22%	4 032	2.32%	2 243	1.29%	4 885	2.81%
Total	6 783 132	73.88%	5 958	0.06%	275 945	3.01%	501 593	5.46%

Information on table 3.1.3 is from BAS. Included in R 6 783 132 is an amount of R 149 million of unauthorised expenditure approved without funding.

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

Salary bands	Salaries		Overtime		Home Owners allowance		Medical Assistance	
	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass. (R'000)	Medical Ass. as % of Personnel Cost
Lower skilled (Levels 1-2)	172 370	67.02%	358	0.1%	23540	9.15%	21687	8.43%
Skilled (Levels 3-5)	394 540	69.41%	2717	0.5%	34319	6.04%	43865	7.72%
Highly skilled production (Levels 6-8)	4 037 680	75.19%	997	0.0%	163667	3.05%	230855	4.30%
Highly skilled supervision (Levels 9-12)	2 059 169	75.20%	1835	0.1%	54103	1.98%	88444	3.23%
Senior management (Levels 13-16)	32 397	83.66%	0	0.0%	44	0.11%	466	1.20%
Other	786	77.74%	0	0.0%	0	0.00%	36	3.56%
Contract (Levels 1-2)	5 544	86.06%	29	0.5%	125	1.94%	107	1.66%
Contract (Levels 3-5)	9 122	85.08%	0	0.0%	234	2.18%	211	1.97%
Contract (Levels 6-8)	853	75.69%	0	0.0%	45	3.99%	57	5.06%
Contract (Levels 9-12)	3 856	83.77%	0	0.0%	16	0.35%	25	0.54%
Contract (Levels 13-16)	769	85.07%	0	0.0%	0	0.00%	0	0.00%
Periodical Remuneration	-	0.00%	0	0.0%	0	0.00%	0	0.00%
Abnormal Appointment	106 660	74.35%	0	0.0%	0	0.00%	0	0.00%
TOTAL	6 823 746	74.55%	5936	0.1%	276093	3.02%	385753	4.21%

Information on Table 3.1.4 is from Vulindlela. Vulindlela was used to calculate averages.

3.2. Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

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

Programme	POST_ STATUS	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
FED: AUXILIARY & ASSOCIATE SERV	PERM	52	45	13.46	0
ADMINISTRATION	PERM	2 007	1 818	9.42	1
ADMINISTRATION	TEMP	23	2	91.3	0
PUBLIC ORDINARY SCHOOL EDUC	PERM	24 721	22 868	7.5	0
PUBLIC ORDINARY SCHOOL EDUC	TEMP	1 890	1 988	-5.19	0
PUBLIC SPECIAL SCHOOL EDU	PERM	1 309	1 183	9.63	0
PUBLIC SPECIAL SCHOOL EDU	TEMP	77	88	-10.39	0
ADULT BASIC EDUCATION & TRAIN	PERM	3	3	0	0
EARLY CHILDHOOD DEVELOPMENT	PERM	42	37	11.9	0
AUXILIARY & ASSOCIATED SERV	PERM	226	194	14.16	0
TOTAL		30 350	28 226	7.00	1

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

Salary band	POST_ STATUS	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Levels 1 - 2	TEMP	2	54	-2600	0
Levels 1 - 2	PERM	2 498	2 228	10.81	0
Levels 13 - 16	PERM	40	33	17.5	1
Levels 3 - 5	TEMP	35	797	-2177.14	0
Levels 3 - 5	PERM	3 762	3 197	15.02	0
Levels 6 - 8	TEMP	27	1 224	-4433.33	0
Levels 6 - 8	PERM	2 883	15 714	-445.06	0
Levels 9 - 12	TEMP	1 926	3	99.84	0
Levels 9 - 12	PERM	19 177	4 967	74.1	0
UNCLASSIFIED (SALARY LEVEL 99)		0	9		0
TOTAL		30 350	28 226	7.0	1



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

Critical occupation	POST_STATUS	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED	PERM	68	56	17.6	0
ADMINISTRATIVE RELATED	TEMP	1	0	100.0	0
APPRAISERS-VALUERS AND RELATED PROFESSIONALS	PERM	2	2	0.0	0
ARCHITECTS TOWN AND TRAFFIC PLANNERS	TEMP	1	0	100.0	0
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	PERM	1	1	0.0	0
BUILDING AND OTHER PROPERTY CARETAKERS	PERM	90	89	1.1	0
BUS AND HEAVY VEHICLE DRIVERS	PERM	24	23	4.2	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	PERM	2 149	1 945	9.5	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	TEMP	2	22	-1000.0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	PERM	8	9	-12.5	0
COMMUNICATION AND INFORMATION RELATED	PERM	6	7	-16.7	0
COMPUTER PROGRAMMERS.	PERM	3	3	0.0	0
ENGINEERS AND RELATED PROFESSIONALS	TEMP	1	0	100.0	0
FARM HANDS AND LABOURERS	PERM	42	33	21.4	0
FARMING FORESTRY ADVISORS AND FARM MANAGERS	PERM	3	3	0.0	0
FINANCE AND ECONOMICS RELATED	PERM	47	36	23.4	0
FINANCIAL AND RELATED PROFESSIONALS	PERM	30	27	10.0	0
FINANCIAL AND RELATED PROFESSIONALS	TEMP	2	0	100.0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS	PERM	122	196	-60.7	0
FOOD SERVICES AIDS AND WAITERS	PERM	11	11	0.0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	PERM	6	5	16.7	0

Critical occupation	POST_STATUS	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
HEAD OF DEPARTMENT/ CHIEF EXECUTIVE OFFICER	PERM	1	2	-100.0	0
HEALTH SCIENCES RELATED	PERM	0	1	0	0
HOUSEHOLD AND LAUNDRY WORKERS	PERM	1 309	1 093	16.5	0
HOUSEHOLD AND LAUNDRY WORKERS	TEMP	1	43	-4200.0	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	PERM	0	2	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	PERM	27	20	25.9	0
HUMAN RESOURCES CLERKS	PERM	231	218	5.6	0
HUMAN RESOURCES CLERKS	TEMP	3	0	100.0	0
HUMAN RESOURCES RELATED	PERM	56	40	28.6	0
INSPECTORS OF AP- PRENTICES WORKS AND VEHICLES	PERM	11	9	18.2	0
LIBRARIANS AND RELATED PROFESSIONALS	PERM	10	10	0.0	0
LIBRARY MAIL AND RELATED CLERKS	PERM	59	58	1.7	0
LIGHT VEHICLE DRIVERS	PERM	37	29	21.6	0
LIGHT VEHICLE DRIVERS	TEMP		1		0
LOGISTICAL SUPPORT PERSONNEL	PERM	16	12	25.0	0
MATERIAL-RECORDING & TRANS CLERKS	PERM	150	158	-5.3	0
MATERIAL-RECORDING & TRANS CLERKS	TEMP	1	0	100.0	0
MESSENGERS PORTERS AND DELIVERERS	PERM	16	14	12.5	0
MOTOR VEHICLE DRIVERS	PERM	1	2	-100.0	0
MOTORISED FARM AND FORESTRY PLANT OPERATORS	PERM	3	3	0.0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	PERM	1 859	1 653	11.1	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	TEMP	12	16	-33.3	0



Critical occupation	POST_STATUS	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	PERM	40	37	7.5	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	PERM	37	31	16.2	0
OTHER OCCUPATIONS	PERM	21 641	20 101	7.1	0
OTHER OCCUPATIONS	TEMP	1 959	1 995	-1.8	0
PRINTING AND RELATED MACHINE OPERATORS	PERM	12	12	0.0	0
PROFESSIONAL NURSE	PERM	16	14	12.5	0
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE	PERM	1	3	-200.0	0
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE	TEMP	5	0	100.0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	PERM	46	43	6.5	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	TEMP	2	0	100.0	0
SECURITY GUARDS	PERM	51	47	7.8	0
SECURITY OFFICERS	PERM	15	14	6.7	0
SENIOR MANAGERS	PERM	36	22	38.9	1
SOCIAL WORK AND RELATED PROFESSIONALS	PERM	21	19	9.5	0
STAFF NURSES AND PUPIL NURSES	PERM	5	3	40.0	0
STAFF NURSES AND PUPIL NURSES	TEMP	0	1	0	0
TRADE LABOURERS	PERM	40	32	20.0	0
WATER PLANT AND RELATED OPERATORS	PERM	1	0	100.0	0
TOTAL		30 350	28 226	7.0	1

Notes

- The CORE classification, as prescribed by the DPSA, was used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

3.3. Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
13	26	21	81%	5	19%
14	7	6	86%	1	14%
15	3	3	100%	0	0%
16	2	2	100%	0	0%
Total	38	32	84%	6	16%

Table 3.3.2 SMS post information as on 30 September 2015

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
13	26	22	85%	4	15%
14	7	6	86%	1	14%
15	3	3	100%	0	0
16	2	2	100%	0	0
Total	38	33	87%	5	13%



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

SMS Level	Advertising	Filling of posts	
		Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
SALARY LEVEL 16	no vacancies	not applicable	not applicable
SALARY LEVEL 15	no vacancies	not applicable	not applicable
SALARY LEVEL 14	1 vacancy - not yet advertised. FSDoE submitted requests to FS Treasury to advertise vacant posts. Instruction to only fill posts in new financial year 2016/2017	None	None
SALARY LEVEL 13	5 vacancies - not yet advertised. FSDoE submitted requests to FS Treasury to advertise vacant posts. Instruction to only fill posts in new financial year 2016/2017	None	None
TOTAL	6	0	0

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

Reasons for vacancies not advertised within six months
Financial Constraints

Reasons for vacancies not filled within six months
Financial Constraints

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

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

3.4. Job Evaluation

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

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

Salary band	POST TYPE	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
Levels 1 - 2	PERM	2 498	0	0	0	0	0	0
Levels 1 - 2	TEMP	2	0	0	0	0	0	0
Levels 13 - 16	PERM	40	0	0	0	0	0	0
Levels 3 - 5	PERM	3 762	0	0	0	0	0	0
Levels 3 - 5	TEMP	35	0	0	0	0	0	0
Levels 6 - 8	PERM	2 883	0	0	0	0	0	0
Levels 6 - 8	TEMP	27	0	0	0	0	0	0
Levels 9 - 12	PERM	19 177	0	0	0	0	0	0
Levels 9 - 12	TEMP	1 926	0	0	0	0	0	0
TOTAL		30 350	0	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 2015 and 31 March 2016

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

Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.



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

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	NA
Total number of employees whose salaries exceeded the level determined by job evaluation				NA
Percentage of total employed				NA

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

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

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

Employees with a disability	0	0	0	0	0
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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3.5 Employment Changes

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

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

Salary band	POST STATUS	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Levels 1 - 2	PERM	2 139	65	57	2.66
Levels 1 - 2	TEMP	91	52	10	10.99
Levels 13 - 16	PERM	35	0	3	8.57
Levels 3 - 5	PERM	3 316	97	218	6.57

Salary band	POST STATUS	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Levels 3 - 5	TEMP	667	867	506	75.86
Levels 6 - 8	PERM	16 121	279	1081	6.71
Levels 6 - 8	TEMP	989	1 016	663	67.04
Levels 9 - 12	PERM	5 138	18	578	11.25
Levels 9 - 12	TEMP	8	2	4	50
Unclassified	PERM	9	0	0	0
TOTAL		28 513	2 396	3120	10.94

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

Critical occupation	POST STATUS	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED	PERM	62	2	7	11.29
APPRAISERS-VALUERS AND RELATED PROFESSIONALS	PERM	2	0	0	0.00
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	PERM	1	0	0	0.00
BUILDING AND OTHER PROPERTY CARETAKERS	PERM	92	1	7	7.61
BUILDING AND OTHER PROPERTY CARETAKERS	TEMP	2	0	0	0.00
BUS AND HEAVY VEHICLE DRIVERS	PERM	21	2	2	9.52
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	PERM	1 967	33	109	5.54
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	TEMP	50	18	0	0.00
CLIENT INFORM CLERKS (SWITCHBOARD RECEPTION CLERKS)	PERM	9	0	0	0.00
COMMUNICATION AND INFORMATION RELATED	PERM	8	0	1	12.50
COMPUTER PROGRAMMERS.	PERM	3	0	0	0.00
ENGINEERS AND RELATED PROFESSIONALS	PERM	1	0	1	100.00
FARM HANDS AND LABOURERS	PERM	34	5	6	17.65
FARMING FORESTRY ADVISORS AND FARM MANAGERS	PERM	2	1	0	0.00
FINANCE AND ECONOMICS RELATED	PERM	39	0	3	7.69
FINANCIAL AND RELATED PROFESSIONALS	PERM	28	0	1	3.57



Critical occupation	POST STATUS	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
FINANCIAL CLERKS AND CREDIT CONTROLLERS	PERM	199	0	6	3.02
FOOD SERVICES AIDS AND WAITERS	PERM	12	0	1	8.33
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	PERM	5	0	0	0.00
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	PERM	2	0	0	0.00
HEALTH SCIENCES RELATED	PERM	1	0	0	0.00
HOUSEHOLD AND LAUNDRY WORKERS	PERM	1 074	33	62	5.77
HOUSEHOLD AND LAUNDRY WORKERS	TEMP	63	39	10	15.87
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	PERM	2	0	0	0.00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	PERM	22	1	3	13.64
HUMAN RESOURCES CLERKS	PERM	219	2	8	3.65
HUMAN RESOURCES CLERKS	TEMP		2	0	
HUMAN RESOURCES RELATED	PERM	46	1	7	15.22
INSPECTORS OF APPRENTICES WORKS AND VEHICLES	PERM	8	1	0	0.00
LIBRARIANS AND RELATED PROFESSIONALS	PERM	10	0	0	0.00
LIBRARY MAIL AND RELATED CLERKS	PERM	60	0	1	1.67
LIGHT VEHICLE DRIVERS	PERM	33	1	3	9.09
LIGHT VEHICLE DRIVERS	TEMP		1	0	
LOGISTICAL SUPPORT PERSONNEL	PERM	14	0	2	14.29
MATERIAL-RECORDING AND TRANSPORT CLERKS	PERM	167	1	9	5.39
MESSENGERS PORTERS AND DELIVERERS	PERM	12	0	1	8.33
MOTOR VEHICLE DRIVERS	PERM	2	1	1	50.00
MOTORISED FARM AND FORESTRY PLANT OPERATORS	PERM	3	0	0	0.00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	PERM	1 644	51	71	4.32
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	TEMP	27	18	4	14.81
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	PERM	38	0	1	2.63
OTHER INFORMATION TECHNOLOGY PERSONNEL.	PERM	36	0	4	11.11
OTHER OCCUPATIONS	PERM	20 654	320	1 596	7.73
OTHER OCCUPATIONS	TEMP	1 611	1 858	1 169	72.56

Critical occupation	POST STATUS	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
PRINTING AND RELATED MACHINE OPERATORS	PERM	13	0	2	15.38
PROFESSIONAL NURSE	PERM	13	0	0	0.00
PROFESSIONAL NURSE	TEMP	1	0	0	0.00
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE	PERM	3	0	0	0.00
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	PERM	43	3	3	6.98
SECURITY GUARDS	PERM	56	0	9	16.07
SECURITY OFFICERS	PERM	14			0.00
SENIOR MANAGERS	PERM	24	0	3	12.50
SOCIAL WORK AND RELATED PROFESSIONALS	PERM	18	0	0	0.00
SOCIAL WORK AND RELATED PROFESSIONALS	TEMP	1	0	0	0.00
SPEECH THERAPY AND AUDIOLOGY	PERM	1	0	0	0.00
STAFF NURSES AND PUPIL NURSES	PERM	3	0	0	0.00
STAFF NURSES AND PUPIL NURSES	TEMP	0	1	0	0
TRADE LABOURERS	PERM	38	0	7	18.42
TOTAL		28 513	2 396	3 120	10.94

Notes

- The CORE classification, as prescribed by the DPSA, was used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
 - (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
 - (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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



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

Termination Type	POST_STATUS	Number	% of Total Resignations
DEATH / DEMISE	PERMANENT	180	3.6%
DEATH / DEMISE	TEMPORARY	7	0.1%
RESIGNATION	PERMANENT	940	19.1%
RESIGNATION	TEMPORARY	47	1.0%
CONTRACT EXPIRY	PERMANENT	619	12.5%
CONTRACT EXPIRY	TEMPORARY	2235	45.3%
DISMISSAL:ILL HEALTH	PERMANENT	63	1.3%
DISMISSAL:MISCONDUCT	PERMANENT	29	0.6%
DISMISSAL:MISCONDUCT	TEMPORARY	2	0.0%
RETIREMENT	PERMANENT	806	16.3%
RETIREMENT	TEMPORARY	6	0.1%
Total		4934	100.0%
Termination as % of Employment		17.5%	

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

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
ADMINISTRATIVE RELATED	62	1	1.61	0	0
APPRAISERS-VALUERS AND RELATED PROFESSIONALS	2	0	0	0	0
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	1	0	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	2	0	0	0	0
BUILDING AND OTHER PROPERTY CARETAKERS	92	0	0	0	0
BUS AND HEAVY VEHICLE DRIVERS	21	0	0	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	1967	1	0.05	0	0
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	50	0	0	0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	9	0	0	0	0
COMMUNICATION AND INFORMATION RELATED	8	0	0	0	0

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
COMPUTER PROGRAMMERS.	3	0	0	0	0
ENGINEERS AND RELATED PROFESSIONALS	1	0	0	0	0
FARM HANDS AND LABOURERS	34	0	0	0	0
FARMING FORESTRY ADVISORS AND FARM MANAGERS	2	0	0	0	0
FINANCE AND ECONOMICS RELATED	39	2	5.13	0	0
FINANCIAL AND RELATED PROFESSIONALS	28	0	0		
FINANCIAL CLERKS AND CREDIT CONTROLLERS	199	0	0	0	0
FOOD SERVICES AIDERS AND WAITERS	12	0	0	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	5	0	0	0	0
HEAD OF DEPARTMENT/ CHIEF EXECUTIVE OFFICER	2	0	0	0	0
HEALTH SCIENCES RELATED	1	0	0	0	0
HOUSEHOLD AND LAUNDRY WORKERS	1074	0	0	0	0
HOUSEHOLD AND LAUNDRY WORKERS	63	0	0	0	0
HOUSEHOLD FOOD AND LAUNDRY SERVICES RELATED	2	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	22	0	0	0	0
HUMAN RESOURCES CLERKS	219	0	0	0	0
HUMAN RESOURCES RELATED	46	0	0	0	0
INSPECTORS OF APPRENTICES WORKS AND VEHICLES	8	0	0	0	0
LIBRARIANS AND RELATED PROFESSIONALS	10	0	0	0	0
LIBRARY MAIL AND RELATED CLERKS	60	0	0	0	0
LIGHT VEHICLE DRIVERS	33	0	0	0	0
LOGISTICAL SUPPORT PERSONNEL	14	0	0	0	0



Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
MATERIAL-RECORDING AND TRANSPORT CLERKS	167	0	0	0	0
MESSENGERS PORTERS AND DELIVERERS	12	0	0	0	0
MOTOR VEHICLE DRIVERS	2	0	0	0	0
MOTORISED FARM AND FORESTRY PLANT OPERATORS	3	0	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	27	0	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	1644	1	0.06	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	38	0	0	0	0
OTHER INFORMATION TECHNOLOGY PERSONNEL.	36	0	0	0	0
OTHER OCCUPATIONS	1611	1	0.06		
OTHER OCCUPATIONS	20654	320	1.55	169	0.82
PRINTING AND RELATED MACHINE OPERATORS	13	0	0	0	0
PROFESSIONAL NURSE	13	0	0	0	0
PROFESSIONAL NURSE	1	0	0	0	0
QUANTITY SURVEYORS & RELA PROF NOT CLASS ELSEWHERE	3	0	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	43	0	0	0	0
SECURITY GUARDS	56	0	0	0	0
SECURITY OFFICERS	14	0	0	0	0
SENIOR MANAGERS	24	2	8.33		
SOCIAL WORK AND RELATED PROFESSIONALS	1	0	0	0	0
SOCIAL WORK AND RELATED PROFESSIONALS	18	0	0	0	0
SPEECH THERAPY AND AUDIOLOGY	1	0	0	0	0
STAFF NURSES AND PUPIL NURSES	3	0	0	0	0
TRADE LABOURERS	38	0	0	0	0

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
TOTAL	28513	328	1.15	169	0.59

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

Salary Band	POST STATUS	Employees 1 April 2015	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of
Levels 1 - 2	PERMANENT	2139	0	0	0	0
Levels 1 - 2	TEMPORARY	91	0	0	0	0
Levels 13 - 16	PERMANENT	35	2	5.71	0	0
Levels 3 - 5	PERMANENT	3316	2	0.06	0	0
Levels 3 - 5	TEMPORARY	667	0	0	0	0
Levels 6 - 8	PERMANENT	16121	198	1.23	65	0.4
Levels 6 - 8	TEMPORARY	989	1	0.1	0	0
Levels 9 - 12	PERMANENT	5138	125	2.43	104	2
Levels 9 - 12	TEMPORARY	8	0	0	0	0
Unclassified	PERMANENT	9	0	0	0	0
TOTAL		28513	328	1.15	169	0.59



3.6 Employment Equity

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

Occupational category	POST STATUS	Female			FE-MALE	Male				MALE	Total	
		African	Co-loured	Indian		White	African	Co-loured	Indian			White
	PERM	10	1	1	64	76	2	0	0	5	7	83
	TEMP	0	0	0	2	2	0	0	0	0	0	2
SENIOR OFFICIALS AND MANAGERS	PERM	1773	67	2	390	2232	1998	81	4	432	2515	4747
SENIOR OFFICIALS AND MANAGERS	TEMP	0	0	0	0	0	1	0	0	1	2	2
PROFESSIONALS	PERM	9093	183	6	2009	11291	3630	70	0	399	4099	15390
PROFESSIONALS	TEMP	1070	26	2	226	1324	592	15	0	56	663	1987
TECHNICIANS AND ASSOCIATE PROFESSIO	PERM	39	2	0	23	64	52	1	0	6	59	123
CLERKS	PERM	1318	48	0	278	1644	661	18	0	12	691	2335
CLERKS	TEMP	9	1	0	4	14	2	0	0	0	2	16
SERVICE SHOP AND MARKET SALES WORKE	PERM	9	0	0	1	10	54	0	0	2	56	66
SERVICE SHOP AND MARKET SALES WORKE	TEMP	0	0	0	1	1	0	0	0	0	0	1
CRAFT AND RELATED TRADE WORKERS	PERM	4	0	0	0	4	5	0	0	1	6	10
PLANT AND MACHINE OPERATORS AND ASS	PERM	7	3	0	0	10	56	1	0	2	59	69
PLANT AND MACHINE OPERATORS AND ASS	TEMP	0	0	0	0	0	1	0	0	0	1	1
LABOURERS AND RELATED WORKERS	PERM	1562	82	0	185	1829	1393	52	0	51	1496	3325
LABOURERS AND RELATED WORKERS	TEMP	40	1	0	7	48	17	2	0	2	21	69
TOTAL		14934	414	11	3190	18549	8464	240	4	969	9677	28226

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

Occupational band	POST STATUS	Female				FEMALE	Male				MALE	Total
		African	Coloured	Indi-an	White		Afri-can	Coloured	Indi-an	White		
UNCLASSIFIED (SALARY LEVEL 99)	PERM	0	0	0	8	8	1	0	0	0	1	9
TOP MANAGEMENT	PERM	0	0	0	0	0	6	0	0	0	6	6
SENIOR MANAGEMENT	PERM	5	1	0	1	7	17	1	1	1	20	27
PROF QUAL & EXP MID-MANAGEMENT	PERM	398	18	2	157	575	691	32	1	277	1001	1576
PROF QUAL & EXP MID-MANAGEMENT	TEMP	0	0	0	0	0	1	0	0	0	1	1
SKILLED QUAL & JUN-MAGAGEMENT	PERM	10658	254	7	2447	13366	5039	123	2	575	5739	19105
SKILLED QUAL & JUN-MAGAGEMENT	TEMP	647	16	2	191	856	314	6	0	50	370	1226
SEMI-SKILLED & DISCRETIONARY	PERM	1700	78	0	297	2075	1043	41	0	38	1122	3197
SEMI-SKILLED & DISCRETIONARY	TEMP	436	11	0	48	495	285	9	0	8	302	797
UNSKILLED & DEFINED DECISION	PERM	1054	35	0	40	1129	1054	26	0	19	1099	2228
UNSKILLED & DEFINED DECISION	TEMP	36	1	0	1	38	13	2	0	1	16	54
Total		14934	414	11	3190	18549	8464	240	4	969	9677	28226

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

Occupational band	POST STATUS	Female				FEMALE	Male				MALE	Total
		African	Coloured	Indi-an	White		African	Coloured	Indi-an	White		
UNCLASSIFIED	PERM	1496	37	1	157	1691	806	24	0	46	876	2567
PROF QUAL & EXP MID-MANAGEMENT	PERM	0	0	0	0	0	3	0	0	5	8	8
SKILLED QUAL & JUN-MAGAGEMENT	PERM	187	9	2	74	272	91	6	0	25	122	394
SKILLED QUAL & JUN-MAGAGEMENT	TEMP	897	20	1	322	1240	407	10	0	72	489	1729
SEMI-SKILLED & DISCRETIONARY	PERM	73	1	0	20	94	33	0	0	4	37	131



	TEMP	628	12	0	71	711	417	14	0	19	450	1161
SEMI-SKILLED & DISCRETIONARY	TEMP	628	12	0	71	711	417	14	0	19	450	1161
UNSKILLED & DEFINED DECISION	PERM	52	0	0	6	58	42	3	0	2	47	105
UNSKILLED & DEFINED DECISION	TEMP	40	0	0	1	41	21	2	0	1	24	65
Total		3373	79	4	651	4107	1820	59	0	174	2053	6160

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

Occupational band	POST STATUS	Female				FEMALE	Male				Total	
		African	Co- loured	Indian	White		African	Coloured	Indian	White		
SENIOR MANAGEMENT	PERM	0	0	0	0	0	1	0	0	2	2	
PROF QUAL & EXP MID-MANAGEMENT	PERM	20	2	0	3	25	44	2	0	14	60	85
SKILLED QUAL & JUN-MANAGEMENT	PERM	188	6	0	31	225	159	8	0	15	182	407
SKILLED QUAL & JUN-MANAGEMENT	TEMP	0	0	0	0	0	1	0	0	0	1	1
SEMI-SKILLED & DISCRETIONARY	PERM	1	0	0	0	1	1	0	0	0	1	2
TOTAL		209	8	0	34	251	206	11	0	29	246	497

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

Occupational band	POST STATUS	Male				FEMALE	Female				Total	
		African	Coloured	Indian	White		African	Coloured	Indian	White		
UNCLASSIFIED	PERM	363	10	0	90	463	210	4	0	24	238	701
SENIOR MANAGEMENT	PERM	0	0	0	0	0	2	0	0	0	2	2
PROF QUAL & EXP MID-MANAGEMENT	PERM	45	2	0	16	63	89	7	0	39	135	198
SKILLED QUAL & JUN-MANAGEMENT	PERM	720	25	1	208	954	419	9	0	37	465	1419
SKILLED QUAL & JUN-MANAGEMENT	TEMP	662	17	2	263	944	371	7	0	56	434	1378
SEMI-SKILLED & DISCRETIONARY	PERM	94	8	0	22	124	95	4	0	6	105	229



3.7 Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2015

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	1	1	1	100%
Salary Level 16	1	1	1	100%
Salary Level 15	3	4	4	100%
Salary Level 14	7	5	4	80%
Salary Level 13	26	23	23	100%
Total	38	34	33	97%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2015

Reasons
1 SMS members have not complied.

Notes

- The reporting date in the heading of this table is aligned with that of Table 3.7.1.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2015

Reasons
The employees who have not complied will be denied all performance benefits including Pay Progression and Performance Bonuses.

Notes

- The reporting date in the heading of this table is aligned with that of Table 3.7.1.

3.8 Performance Rewards

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

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total with-in group	Cost (R'000)	Average cost per employee
African					
Male	396	8343	4.7	2 726	6 884
Female	585	14725	4	3 853	6 586
Asian					
Male	0	4	0	0	0
Female	0	11	0	0	0
Coloured					
Male	15	236	6.4	134	8 927
Female	34	412	8.3	244	7 189
White					
Male	29	958	3	314	10 818
Female	220	3140	7	1 889	8 586
Total	1279	27829	4.6	9160	7162
Employees with a disability	8	42	19	58	7 205
Total	1287	27871	4.6	9 217	7 162

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

Salary band	Beneficiary Profile			Cost		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)	275	2210	12.4	1 018	3 702	0.01%
Skilled (level 3-5)	640	3166	20.2	3 707	5 792	0.04%
Highly skilled production (level 6-8)	300	16956	1.8	2 911	9 703	0.03%
Highly skilled supervision (level 9-12)	67	5355	1.3	1 363	20 343	0.01%
Total	1282	27 687				0.09%



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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	20	56	35.7	506	25 300
Appraisers-valuers and related professionals	0	2	0	0	0
Artisan project and related superintendents	0	1	0	0	0
Building and other property caretakers	13	90	14.4	58	4 462
Bus and heavy vehicle drivers	6	23	26.1	27	4 500
Cleaners in offices workshops hospitals etc.	294	1974	14.9	1 163	3 956
Client inform clerks(switchboard receipt inform clerks)	0	9	0	0	0
Communication and information related	5	6	83.3	49	9 800
Computer programmers.	1	3	33.3	10	10 000
Farm hands and labourers	0	33	0	0	0
Farming forestry advisors and farm managers	0	3	0	0	0
Finance and economics related	14	36	38.9	240	17 143
Financial and related professionals	11	28	39.3	158	14 364
Financial clerks and credit controllers	40	198	20.2	326	8 150
Food services aids and waiters	0	12	0	0	0
General legal administration & rel. professionals	1	5	20	41	41 000
Head of department/chief executive officer	0	2	0	0	0
Health sciences related	0	1	0	0	0
Household and laundry workers	164	1131	14.5	771	4 701
Household food and laundry services related	0	2	0	0	0
Human resources & organisat developm & relate prof	10	21	47.6	130	13 000
Human resources clerks	104	217	47.9	935	8 990
Human resources related	25	40	62.5	421	16 840
Inspectors of apprentices works and vehicles	3	9	33.3	42	14 000
Librarians and related professionals	1	10	10	13	13 000

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Library mail and related clerks	12	58	20.7	96	8 000
Light vehicle drivers	11	30	36.7	49	4 455
Logistical support personnel	4	12	33.3	50	12 500
Material-recording and transport clerks	31	160	19.4	249	8 032
Messengers porters and deliverers	4	14	28.6	18	4 500
Motor vehicle drivers	0	1	0	0	0
Motorised farm and forestry plant operators	0	3	0	0	0
Other administrat & related clerks and organisers	410	1674	24.5	2 923	7 129
Other administrative policy and related officers	13	37	35.1	149	11 462
Other information technology personnel.	5	31	16.1	59	11 800
Other occupations	26	21644	0.1	143	5 500
Printing and related machine operators	5	12	41.7	27	5 400
Professional nurse	6	14	42.9	115	19 167
Quantity surveyors & rela prof not class elsewhere	0	3	0	0	0
Rank: Unknown	0	84	0	0	0
Secretaries & other keyboard operating clerks	14	43	32.6	108	7 714
Security guards	15	48	31.3	68	4 533
Security officers	6	14	42.9	45	7 500
Senior managers	3	22	13.6	132	44 000
Social work and related professionals	7	19	36.8	85	12 143
Staff nurses and pupil nurses	0	4	0	0	0
Trade labourers	3	32	9.4	13	4 333
TOTAL	1287	27871	4.6	9219	7163

Notes

- The CORE classification, as prescribed by the DPSA, was used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;



- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;
- Please note the compensation of employees in 2015/2016 of R9 181 185 000 was used for the calculation.

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	5	22	22.7	219	43 800	22 252
Band B	0	6	0	0	0	0
Band C	0	4	0	0	0	0
Band D	0	2	0	0	0	0
Total	5	34	14.7	219	43800	22252

3.9 Foreign Workers

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

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

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% Change	Number	% Change
Levels 3 - 5	17	11.9	11	9.0	-6	28.6
Levels 6 - 8	94	65.7	82	67.2	-12	57.1
Levels 9 - 12	32	22.4	29	23.8	-3	14.3
TOTAL	143	100	122	100	-21	100

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

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	1	0.7	1	0.8	0	0

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
FINANCIAL CLERKS AND CREDIT CONTROLLERS	1	0.7	1	0.8	0	0
HOUSEHOLD AND LAUNDRY WORKERS	2	1.4	2	1.6	0	0
HUMAN RESOURCES CLERKS	1	0.7	1	0.8	0	0
LIBRARIANS AND RELATED PROFESSIONALS	1	0.7	1	0.8	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	1	0.7	1	0.8	0	0
OTHER OCCUPATIONS	136	95.1	115	94.3	-21	100
TOTAL	143	100	122	100	-21	100

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2015 to 31 December 2016

Salary band	Total days	Days with medical certificate	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Levels 1 - 2	8092	2516	%31	3719	6.3	2.2	3 352 713
Levels 13 - 16	87	26	%30	36	0.1	2.4	335 307
Levels 3 - 5	16524	4466	%27	7638	12.9	2.2	11 048 451
Levels 6 - 8	77068	21135	%28	38753	65.3	2.0	94 795 442
Levels 9 - 12	21573	4977	%23	9235	15.6	2.3	41 392 619
TOTAL	123344	33120	%27	59381	100	2.1	150 924 531

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

Salary band	Total days	Days with medical certificate	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Levels 1 - 2	1208	54	%4	54	2.4	22.4	479 232
Levels 13 - 16	109	2	%1	2	0.1	54.5	407 006
Levels 3 - 5	3169	177	%5	178	8.1	17.8	1 958 940



Salary band	Total days	Days with medical certificate	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Levels 6 - 8	33950	1494	%4	1494	67.7	22.7	41 837 291
Levels 9 - 12	12583	478	%4	479	21.7	26.3	23 903 680
TOTAL	51019	2205	%4	2207	100	23.1	68 586 150

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 2015 to 31 December 2016

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Levels 1 - 2	31749	1884	17
Levels 13 - 16	936	40	23
Levels 3 - 5	51372	2748	19
Levels 6 - 8	24769	2690	9
Levels 9 - 12	25499	2031	13
TOTAL	134325	9393	14

Table 3.10.4 Capped leave for the period 1 January 2015 to 31 December 2016

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2016
Lower skilled (Levels 1-2)	11	4	3	1.5
Skilled Levels 3-5)	375	118	3	19
Highly skilled production (Levels 6-8)	5371.46	2954	2	23
Highly skilled supervision (Levels 9-12)	3574.19	1724	2	62
Senior management (Levels 13-16)	26	5	5	103
Total	9357.65	4805	2	29

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

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

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2015/2016 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2015/2016	0	0	0
Current leave payout on termination of service for 2015/2016	0	0	0
Total	0	0	0

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
No employees have been identified to be at high risk of contracting HIV.	N/A

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		No	
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		Employee Health and Wellness sub-directorate has 18 officials promoting the well-being of officials.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		Wellness Management (Health awareness circulars, information sessions, health awareness pamphlets and wellness days). HIV/AIDS Policy (conducting Voluntary HIV
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	



Question	Yes	No	Details, if yes
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		Employee Health and Wellness Policy HIV/AIDS 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		HIV/AIDS Policy is used to protect officials who are HIV Positive and those who are perceived to be HIV positive.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		2016 Results: Head Office: 15 Motheo District: 55 Xhariep District: 57 Thabo Mofutsanyana District: 36 Fezile Dabi District: 11
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		No	

3.12 Labour Relations

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

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

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

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	6	32
Verbal warning	0	0
Written warning	1	1.9
Final written warning	48	92
Suspended without pay	31	59
Fine	43	83
Demotion	2	3.9
Dismissal	13	36.5
Not guilty	13	36.5
Case withdrawn	35	67

Outcomes of disciplinary hearings	Number	% of total
Total	192	412

Total number of Disciplinary hearings finalised	192
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2015 and 31 March 2016

Type of misconduct	Number	% of total
Absenteeism	13	18.85
Improper conduct	21	30.45
Theft	4	5.8
Corporal Punishment	16	23.2
Assault	25	36.25
Examination Irregularity	9	13.05
Failure to carry out a lawful order	12	17.4
Insubordination	14	20.3
Poor Performance	11	15.95
Dishonesty	6	8.7
Mismanagement of funds	8	11.6
Misuse of GG vehicle	6	8.7
Total	145	197.2

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

Grievances	Number	% of Total
Number of grievances resolved	51	85%
Number of grievances not resolved	9	15%
Total number of grievances lodged	60	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 20YY and 31 March 20ZZ

Disputes	Number	% of Total
Number of disputes upheld	71	75.2
Number of disputes dismissed	35	37.1
Total number of disputes lodged	106	100%



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

Total number of persons working days lost	None
Total costs working days lost	None
Amount recovered as a result of no work no pay (R'000)	None

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

Number of people suspended	10
Number of people who's suspension exceeded 30 days	6
Average number of days suspended	9 months
Cost of suspension(R'000)	R1 174

3.13 Skills development

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

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

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships and Internships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2202	0	0	180	180
	Male	2506	0	0	189	189
Professionals	Female	12618	25	0	25255	25280
	Male	4768	25	0	25255	25280
Technicians and associate professionals	Female	64	0	0	0	0
	Male	59	0	0	0	0
Clerks	Female	692	225	0	198	423
	Male	692	225	0	199	424
Service and sales workers	Female	11	0	0	0	0
	Male	56	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	4	0	0	0	0
	Male	6	0	0	0	0
Plant and machine operators and assemblers	Female	10	0	0	0	0
	Male	60	0	0	0	0
Elementary occupations	Female	1873	0	0	0	0
	Male	1501	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships and Internships	Skills Programmes & other short courses	Other forms of training	Total
Sub Total	Female	18507	0	0	0	0
	Male	9648	0	0	0	0
Total		28155	500	0	51276	51776

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

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			
			Learnerships (and Internships)	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2202	0	0	0	0
	Male	2506	0	0	0	0
Professionals	Female	12618	17	9709	128	9854
	Male	4768	16	9709	72	9797
Technicians and associate professionals	Female	64	0	0	0	0
	Male	59	0	0	0	0
Clerks	Female	692	244	647	378	1269
	Male	692	52	647	200	899
Service and sales workers	Female	11	0	0	0	0
	Male	56	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	4	0	0	0	0
	Male	6	0	0	0	0
Plant and machine operators and assemblers	Female	10	0	0	0	0
	Male	60	0	0	0	0
Elementary occupations	Female	1873	0	0	0	0
	Male	1501	0	0	0	0
Sub Total	Female	18507	0	0	0	0
	Male	9648	0	0	0	0
Total		28155	329	20712	778	21819



3.14 Injury on duty

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	17	32%
Temporary Total Disablement	34	65%
Permanent Disablement	1	2%
Fatal	0	0%
Total	52	100%

3.15 Utilisation of Consultants

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

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

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

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Training of teachers on the implementation of CAPS in the Technical Schools	1x PMI Training	5	R 499 945.20
Training of teachers on the implementation of CAPS in the Technical Schools	1x PMI Training	5	R 455 996.40
Technical Science PAT workshop	1 x Angela Stott	1	R 80 600.00
Training for 200 physical sciences teachers	1 x Angela Stott	15	R 377 022.00
Teacher training on braille for the blind	1 x Institute for the Blind	5	R 81 393.58
Training of grade 10-12 Physical Sciences teachers on electricity	1 x Angela Stott	10	R 203 210.00
Supporting the Highflyer Camps	1 x Central University of Technology	18	R 5 015 248.00
Supporting schools at Risks to be ready for examinations in Thabong	1 x Jenn Training and Consultancy	144	R 4 228 804.20

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Supporting schools at Risks to be ready for examinations in Motheo	1 x Jenn Training and Consultancy	96	R 8 500 000.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
09	05	299	R 19 442 219.38

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Supporting schools at Risks	100%	100%	0
Technical Science PAT workshop	100%	100%	0
Training of teachers on the implementation of CAPS in the Technical Schools	42%	13,10%	0

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

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

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



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

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

3.16 Severance Packages

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

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



PART E:

ANNUAL FINANCIAL STATEMENTS



Report of the auditor-general to the Free State Legislature on vote no. 6: Department of Education

Report on the financial statements

Introduction

1. I have audited the financial statements of the Department of Education set out on pages 171 to 270, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

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

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for qualified opinion

Immovable tangible capital assets

6. I was unable to obtain sufficient appropriate audit evidence regarding immovable tangible capital assets due to shortcomings identified in the asset register and non-submission of information in support of these assets. I was unable to confirm immovable tangible capital assets by alternative means. Consequently, I was unable to determine whether any adjustments relating to immovable tangible capital assets stated at R998 952 000 (2015: R690 914 000) in note 30 to the financial statements were necessary. In addition, the department did not recognise all the values for immovable tangible capital assets in accordance with the chapter on capital assets in the Modified Cash Standard as the department did not maintain adequate records of completed infrastructure assets and mobile structures. I was not able to determine the full extent of the misstatement of immovable tangible capital assets as it was impracticable to do so.

Expenditure for capital assets

7. I was unable to obtain sufficient appropriate audit evidence for capital expenditure relating to partnerships due to inadequate systems of internal control in place for the recording and reconciling of transactions with supporting documentation. I could not confirm capital expenditure by alternative means. Consequently, I was unable to determine whether any adjustment to expenditure for capital assets stated at R647 682 000 in the financial statements were necessary. In addition, the department incorrectly classified expenditure for goods and services as expenditure for capital assets in accordance with the chapter on expenditure in the Modified Cash Standard. Consequently, expenditure for capital assets included in note 9 to the financial statements is overstated by R85 245 305 and goods and services expenditure included in note 5 is understated by R85 245 305. This misclassification is also reflected in the disclosure of expenditure per economic classification in the appropriation statement.

Irregular Expenditure

8. The department did not include particulars of all irregular expenditure incurred in the notes to the financial statements, as required by section 40(3)(b)(i) of the PFMA. Payments amounting to R356 249 334 made in contravention of the supply chain management requirements were incorrectly disclosed as irregular expenditure under investigation whereas this should have been disclosed as irregular expenditure incurred in the main disclosure note. In addition, the department did not disclose all instances of irregular expenditure incurred in the current year relating to recurring contracts already confirmed to be irregular in prior years as the department did not maintain adequate records of all irregular expenditure. I was unable to determine the impact on irregular expenditure as it was impracticable to do so.

Commitments

9. The department did not account for all commitments in accordance with the chapter on provisions and contingents in the Modified Cash Standard, as adequate records of all commitments were not maintained. Consequently, commitments are understated by R116 434 225.

Transfers and subsidies

10. I was unable to obtain sufficient appropriate audit evidence for international bursaries that are included in the amount disclosed as transfers and subsidies. I could not confirm these transfer and subsidies by alternative means. Consequently, I was unable to determine whether any adjustment to transfers and subsidies stated at R1 154 843 000 in the financial statements was necessary.

Qualified opinion

11. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matters

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

Restatement of corresponding figures

13. As disclosed in note 31 to the financial statements, the corresponding figures for 31 March 2015 have been restated as a result of an error discovered during the financial year ending 31 March 2016 in the financial statements of the department at, and for the year ended, 31 March 2015.



Financial sustainability

14. Note 34 to the financial statements assess the department's ability to continue as going concern. It highlights the intervention of the provincial treasury in terms of section 36(3) of the PFMA from 1 April 2015 as well as the fact that there are inadequate cash resources to surrender unspent funds to the provincial revenue fund. These matters indicate material uncertainties relating to events and conditions that may cast significant doubt on the department's ability to meet its financial obligations as they fall due and to achieve service delivery as outlined in the annual performance plan.

15. The deteriorating trend in the financial sustainability of the department and the risk that the department might not be able to meet its obligations are amongst others the fact that the bank balance of the department is in an overdraft position amounting to R641 434 000 (2015: R825 992 000) while programme 6 which is funded by the Education infrastructure grant have been materially underspent by R126 391 000 (2015: R119 015 000) and should be cash backed. This is an indication that the conditional grants were not used for its intended purpose, but for daily operations. Furthermore as per note 10 to the financial statements the department incurred unauthorised expenditure of R746 463 000 over a period of two years, of which the full amount still has to be presented to provincial legislature to determine whether it will be approved with or without funding. Should it be approved without funding, it will become a direct charge to the appropriation of the department in the following financial year. In addition, the department has material payables and accruals of R380 212 000 (2015: R269 956 000) as well as commitments of R1 003 891 000 (2015: R2 474 195 000), which will also put more pressure on the department's ability to meet its obligations as they fall due in the next financial year.

Report on other legal and regulatory requirements

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

Predetermined objectives

17. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
 - Programme 2: Public ordinary schooling on pages 51 to 55 and 57 to 59
 - Programme 5: Early childhood development on pages 64 to 68 (excluding statistical table on page 67)
 - Programme 6: Infrastructure development on pages 68 to 77
 - Programme 7: Examination and education related services on pages 77 to 85

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

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

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

Programme 2: Public ordinary schooling

Reliability of reported performance information

21. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. Adequate and reliable corroborating evidence could not be provided for the reported achievements against planned targets of 38% of indicators.

Programme 5: Early childhood development

22. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme.

Programme 6: Infrastructure development

23. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme.

Programme 7: Examination and education related services

Usefulness of reported performance information

24. Treasury regulation (TR) 5.2.4 requires the strategic/annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. Statistical indicators that account for 57% of the total of reported indicators and targets were not consistent with those in the 2014-2019 Medium term strategic framework and the approved strategic plan.
25. The processes and systems that produced the indicator should be verifiable, as required by the FMPPI. Important statistical indicators were not verifiable.

Additional matters

26. I draw attention to the following matters:

Achievement of planned targets

27. Refer to the annual performance report on pages 46 to 85 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected programmes reported from paragraphs 21 to 26 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 of programme 7: Examination and education related services. As management subsequently corrected only some of the misstatements, I identified material findings on the usefulness and reliability of the reported performance information.



Unaudited supplementary information

29. The supplementary information set out on pages 271 to 285 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report on them.

Compliance with legislation

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

Budgets

31. Effective steps were not taken to prevent unauthorised expenditure, amounting to R157 100 000 (2015: R589 363 000) as disclosed in note 10 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and TR9.1.1.

Annual financial statements

32. The financial statements submitted for auditing were not in all respects prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Procurement and contract management

33. Goods and services of a transaction value above R500 000 relating to partnerships were procured without inviting competitive bids, as required by TR 16A6.1. Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of TR 16A6.4.

Expenditure management

34. Effective steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and TR 9.1.1. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph.
35. Contractual obligations and money owed by the department were not met or settled within 30 days, as required by section 38(1)(f) of the PFMA and TR 8.2.3.

Conditional grants received

36. The department did not evaluate its performance in respect of programmes or functions funded by the national school nutrition grant, the education infrastructure grant, the HIV/Aids grant, the maths science and technology grant and the occupational specific dispensation for therapist grant, as required by sections 11(6)(a) and 12(5)(a) of the DoRA.

Internal control

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

Leadership

38. Although management established a formal code of conduct which addresses appropriate ethical and moral behaviour, continuous monitoring of adherence to such policies needs to be improved as several instances of non-compliance with legislation and departmental policies and procedures were noted.
39. Leadership did not always respond adequately and timeously to external audit recommendations as repeat findings were noted with regard to financial reporting, reporting on performance information and compliance with legislation.
40. Leadership did not adequately and timeously exercise oversight in the case of alleged irregular expenditure as these investigations only commenced during the latter part of the financial year under review.

Financial and performance management

41. A proper record keeping system was not implemented to ensure that complete, timely, relevant, accurate and accessible information was available to support financial reporting. Challenges relating to retrieval of documentation at the infrastructure and bursary directorates were brought to the attention of management during previous audits but sufficient steps were not taken to remedy the situation. This was partially due to lack of capacity within the infrastructure directorate as well as dependency on other departments.
42. The monitoring and evaluation processes that were established were not in all instances effective in the finance and corporate services branches due to a lack of consequence management to regularly review and monitor compliance with legislation and internal policies and procedures. As a result there were significant non-compliance issues that could have been avoided.

Governance

43. The risk management unit did not closely monitor management's responses to the department's strategic and operational risks. Limited progress was made with investigations into alleged and confirmed irregular expenditure. The effectiveness of this unit was negatively impacted by a lack of capacity due to vacancies.
44. Management did not timeously and adequately address concerns raised by the internal audit unit and the audit committee. This impacted on the effectiveness of the internal audit unit and the audit committee with the result that they were unable to influence an improvement in the control environment of the department. Furthermore, internal control deficiencies and emerging risks identified in the previous audits were again identified during the current audit.

Other reports

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

Performance audits

46. The public reporting envisaged in the previous year was postponed to 2015-16. To facilitate comprehensive reporting the scope of the performance audit on the curriculum support and monitoring provided by education districts to schools was extended to include all nine provinces.

Investigations

47. In the 2013-14 financial year, the commercial crimes unit of the South African Police Service commenced with an investigation into alleged fraud relating to a contract awarded for learner teacher support material. The investigation was still on-going at the reporting date.



48. Subsequent to year-end, an external service provider was appointed to perform a special investigation into alleged irregularities at the supply chain management directorate as well as the infrastructure directorate. The investigation was still on-going at the reporting date.

Auditor - General

Bloemfontein

31 July 2016



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence



ANNUAL FINANCIAL STATEMENTS FREE STATE DEPARTMENT OF EDUCATION

For the year ended
31 March 2016



Table of Contents

Appropriation Statement	173
Notes to the Appropriation Statement	221
Statement of Financial Performance	224
Statement of Financial Position	225
Statement of Changes in Net Assets	226
Cash Flow Statement	227
Notes to the Annual Financial Statements (including Accounting policies)	228
Annexures (Unaudited supplementary information)	271



Appropriation per programme											
2015/16						2014/15					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Programme											
1. Administration	885,662		(20,520)	865,142	857,118	8,024	99.1%	771,992	865,605		
2. Public Ordinary School Education	8,537,679		96,208	8,633,887	8,778,167	(144,280)	101.7%	8,201,000	8,540,779		
3. Independent School Subsidies	61,172		-	61,172	35,113	26,059	57.4%	59,039	66,504		
4. Public Special School Education	411,345		4,357	415,702	402,002	13,700	96.7%	383,145	382,949		
5. Early Childhood Development	125,791		(6,852)	118,939	117,505	1,434	98.8%	129,923	129,919		
6. Infrastructure Development	887,133		(661)	886,472	760,081	126,391	85.7%	615,785	493,096		
7. Examination & Education Related Services	906,641		(72,532)	834,109	537,403	296,706	64.4%	755,853	895,073		
8. Further Education & Training	-		-	-	-	-	-	185,111	173,607		
9. Adult Basic Education & Training	-		-	-	-	-	-	164,216	164,213		
TOTAL	11,815,423	-	-	11,815,423	11,487,389	328,034	97.2%	11,266,064	11,711,745		
Reconciliation with statement of financial performance											
ADD											
Aid assistance				339				564			
Actual amounts per statement of financial performance (total revenue)				11,815,762				11,266,628			
ADD					339						225
Aid assistance											
Prior year unauthorised expenditure approved without funding					298,066						7,839
Actual amounts per statement of financial performance (total expenditure)					11,785,794						11,719,809

The Further Education & Training and Adult Basic Education & Training programmes moved to the Department of Higher Education with effect from 1 April 2015.



Appropriation per economic classification									
2015/16									
	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	9,502,034		(5)	9,502,029	9,684,245	(182,216)	101.9%	9,516,674	9,663,343
Compensation of employees	8,843,034		148,145	8,991,179	9,181,185	(190,006)	102.1%	9,120,810	8,943,132
Salaries and wages	7,538,046		96,462	7,634,508	7,826,167	(191,659)	102.5%	7,856,322	7,704,899
Social contributions	1,304,988		51,683	1,356,671	1,355,018	1,653	99.9%	1,264,488	1,238,233
Goods and services	658,460		(149,081)	509,379	501,590	7,789	98.5%	395,864	719,932
Administrative fees	2,719		(89)	2,630	903	1,727	34.3%	101	502
Advertising	1,016		280	1,296	1,294	2	99.8%	1,231	1,209
Minor assets	922	170	(111)	981	522	459	53.2%	7,394	367
Audit costs: External	17,564		(1,067)	16,497	16,497	-	100.0%	3,000	14,866
Bursaries: Employees	13,001		(9,518)	3,483	3,482	1	100.0%	2,613	2,902
Catering: Departmental activities	23,803	(50)	(14,287)	9,466	8,854	612	93.5%	6,305	5,471
Communication	19,037		(1,693)	17,344	17,330	14	99.9%	13,264	18,557
Computer services	52,046		(9,214)	42,832	40,841	1,991	95.4%	26,290	45,925
Consultants: Business and advisory services	36,682	1,100	(29,470)	8,312	8,241	71	99.1%	16,886	14,283
Infrastructure and planning services	328		41	369	367	2	99.5%	-	215
Legal services	3,563		(243)	3,320	3,318	2	99.9%	91	390
Contractors	7,542		837	8,379	8,592	(213)	102.5%	3,007	3,871
Agency and support / outsourced services	133		(1)	132	132	-	100.0%	14,124	14,913
Entertainment	47		(22)	25	22	3	88.0%	47	29
Fleet services	24,407		1,264	25,671	25,670	1	100.0%	3,500	23,945
Inventory: Clothing material and supplies	53		(45)	8	8	-	100.0%	20	-



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	6,900	(170)	(100)	6,630	5,987	643	90.3%	6,665	5,668
Inventory: Learner and teacher support material	177,721	150	(69,154)	108,717	99,020	9,697	91.1%	88,639	288,554
Inventory: Materials and supplies	1,041		(65)	976	310	666	31.8%	181	180
Inventory: Medical supplies	1,523		(17)	1,506	1,389	117	92.2%	78	3
Inventory: Other supplies	62,145	200	9,043	71,388	90,756	(19,368)	127.1%	44,939	51,169
Consumable supplies	5,463	2	(2,474)	2,991	2,969	22	99.3%	1,748	1,294
Consumable: Stationery, printing and office supplies	13,456	10	(3,906)	9,560	7,412	2,148	77.5%	6,321	5,907
Operating leases	25,539		1,206	26,745	26,741	4	100.0%	1,271	24,537
Property payments	67,983	4	(15,123)	52,864	52,757	107	99.8%	26,930	21,733
Transport provided: Departmental activity	7,859		(798)	7,061	6,979	82	98.8%	28,879	64,759
Travel and subsistence	51,245	(416)	(9,024)	41,805	33,609	8,196	80.4%	60,713	60,904
Training and development	16,154		9,963	26,117	25,484	633	97.6%	19,604	18,831
Operating payments	17,643	(1,000)	(5,315)	11,328	11,231	97	99.1%	11,310	28,269
Venues and facilities	925		(606)	319	248	71	77.7%	672	638
Rental and hiring	-		627	627	625	2	99.7%	41	41
Interest and rent on land	540		931	1,471	1,470	1	99.9%	-	279
Interest	540		931	1,471	1,470	1	99.9%	-	279



	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1,509,000			1,509,000	1,154,843	354,157	76.5%	1,315,798	1,603,975
Departmental agencies and accounts	8,881			8,881	8,879	2	100.0%	9	8
Departmental agencies and accounts	8,881			8,881	8,879	2	100.0%	9	8
Non-profit institutions	1,041,476		(69,372)	972,104	876,224	95,880	90.1%	878,183	1,150,857
Households	458,643		69,372	528,015	269,740	258,275	51.1%	437,606	453,110
Social benefits	20,700		68,823	89,523	89,511	12	100.0%	47,605	84,437
Other transfers to households	437,943		549	438,492	180,229	258,263	41.1%	390,001	368,673
Payments for capital assets	804,389		(616)	803,773	647,682	156,707	80.5%	433,592	437,978
Buildings and other fixed structures	788,401		(616)	787,785	642,245	146,156	81.5%	418,287	432,243
Buildings	788,401		(616)	787,785	642,245	146,156	81.5%	418,287	432,243
Machinery and equipment	13,279			13,279	5,437	7,842	40.9%	13,925	5,735
Transport equipment								5,915	
Other machinery and equipment	13,279			13,279	5,437	7,842	40.9%	8,010	5,735
Intangible assets	2,709			2,709	-	2,709	-	1,380	-
Payments for financial assets	-		621	621	619	2	99.7%	-	6,449
TOTAL	11,815,423	-	-	11,815,423	11,487,389	328,034	97.2%	11,266,064	11,711,745



Programme 1: Administration									
2015/16									
	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. Office of the MEC	9,096		(1,005)	8,091	8,074	17	99.8%	8,782	8,732
2. Corporate Services	344,543		(3,910)	340,633	334,293	6,340	98.1%	238,071	324,199
3. Education Management	508,882		(3,164)	505,718	504,442	1,276	99.7%	513,938	520,123
4. Human Resource Development	16,010		(10,858)	5,152	5,146	6	99.9%	6,350	8,296
5. Education Management Information Systems	7,131		(1,583)	5,548	5,163	385	93.1%	4,851	4,255
Total for sub programmes	885,662		(20,520)	865,142	857,118	8,024	99.1%	771,992	865,605
Economic classification									
Current payments									
Compensation of employees	871,143		(26,026)	845,117	844,942	175	100.0%	757,151	850,704
Salaries and wages	703,760		(1,543)	702,217	702,134	83	100.0%	693,211	690,774
Social contributions	605,332		(1,377)	603,955	603,838	117	100.0%	600,643	598,691
Goods and services	98,428		(166)	98,262	98,296	(34)	100.0%	92,568	92,083
Administrative fees	166,854		(24,655)	142,199	142,107	92	99.9%	63,940	159,679
Advertising	577		(88)	489	480	9	98.2%	99	501
Minor assets	906		280	1,186	1,185	1	99.9%	362	360
Audit costs: External	441		(12)	429	416	13	97.0%	304	217
Bursaries: Employees	17,564		(1,067)	16,497	16,497	-	100.0%	3,000	14,866
Catering: Departmental activities	13,001		(9,518)	3,483	3,482	1	100.0%	1,496	1,785
	1,687		(726)	961	950	11	98.9%	477	448



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Communication	18,638		(1,498)	17,140	17,135	5	100.0%	13,000	18,296
Computer services	11,626		(8,587)	3,039	3,037	2	99.9%	3,818	16,855
Consultants: Business and advisory services	2,560		(233)	2,327	2,326	1	100.0%	5,551	3,367
Infrastructure and planning services								-	105
Legal services	3,563		(243)	3,320	3,318	2	99.9%	91	390
Contractors	7,382		931	8,313	8,531	(218)	102.6%	2,342	2,804
Agency and support / outsourced services	126		(1)	125	125	-	100.0%	343	1,067
Entertainment	47		(22)	25	22	3	88.0%	47	29
Fleet services	23,240		1,809	25,049	25,049	-	100.0%	3,500	23,945
Inventory: Clothing material and supplies	53		(45)	8	8	-	100.0%	20	-
Inventory: Learner and teacher support material	9		(7)	(2)	1	1	50.0%	141	141
Inventory: Materials and supplies	299		(1)	298	297	1	99.7%	-	-
Inventory: Other supplies								-	1,612
Consumable supplies	2,394	2	(582)	1,814	1,801	13	99.3%	534	368
Consumable: Stationery, printing and office supplies	5,190	10	(1,221)	3,979	3,931	48	98.8%	2,144	1,930
Operating leases	25,490	4	588	26,078	26,074	4	100.0%	1,232	24,537
Property payments	1,044		(230)	818	810	8	99.0%	165	3,647
Transport provided: Departmental activity	326		(49)	277	276	1	99.6%	218	219
Travel and subsistence	19,212	(16)	(1,140)	18,056	17,886	170	99.1%	16,949	17,287
Training and development	455		(208)	247	246	1	99.6%	951	703
Operating payments	10,728		(2,491)	8,237	8,222	15	99.8%	7,033	24,094



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Venues and facilities	296		(294)	2	2	-	100.0%	123	106
Interest and rent on land	529		172	701	701	-	100.0%	-	251
Interest	529		172	701	701	-	100.0%	-	251
Transfers and subsidies	2,501		4,905	7,406	7,399	7	99.9%	8,628	8,626
Departmental agencies and accounts	12			12	10	2	83.3%	9	8
Departmental agencies	12			12	10	2	83.3%	9	8
Households	2,489		4,905	7,394	7,389	5	99.9%	8,619	8,618
Social benefits	2,446		4,905	7,351	7,346	5	99.9%	8,619	8,618
Other transfers to households	43			43	43	-	100.00%	-	-
Payments for capital assets	12,018			12,018	4,177	7,841	34.8%	6,213	3,941
Machinery and equipment	9,309			9,309	4,177	5,132	44.9%	5,013	3,941
Other machinery and equipment	9,309			9,309	4,177	5,132	44.9%	5,013	3,941
Intangible assets	2,709			2,709	-	2,709	-	1,200	-
Payments for financial assets									
	-		601	601	600	1	99.8%	-	2,334
Total	885,662	-	(20,520)	865,142	857,118	8,024	99.1%	771,992	865,605



1.1 Office of the MEC										
2015/16										
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	2014/15
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Current payments	9,090		(1,005)	8,085	8,074	11	99.9%	8,707	8,707	8,707
Compensation of employees	7,767		(123)	7,644	7,638	6	99.9%	6,346	6,347	6,347
Goods and services	1,323		(882)	441	436	5	98.9%	2,361	2,360	2,360
Payments for capital assets	6			6	-	6	-	75	25	25
Machinery and equipment	6			6	-	6	-	75	25	25
Total	9,096	-	(1,005)	8,091	8,074	17	99.8%	8,782	8,732	8,732



1.2 Corporate Services											
2015/16											2014/15
Economic classification	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		R'000
Current payments	333,936		(4,102)	329,834	329,815	19	100.0%	231,994	320,226		
Compensation of employees	208,130		5,770	213,900	213,899	1	100.0%	193,886	193,663		
Goods and services	125,294		(9,800)	115,494	115,476	18	100.0%	38,108	126,318		
Interest and rent on land	512		(72)	440	440	-	100.0%	-	245		
Transfers and subsidies	1,346		(400)	946	941	5	99.5%	1,390	1,389		
Departmental agencies and accounts	1			1	-	1	-	2	1		
Households	1,345		(400)	945	941	4	99.6%	1,388	1,388		
Payments for capital assets	9,261			9,261	2,946	6,315	31.8%	4,687	2,466		
Machinery and equipment	6,552			6,552	2,946	3,606	45.0%	3,487	2,466		
Intangible assets	2,709			2,709	-	2,709	-	1,200	-		
Payments for financial assets	-		592	592	591	1	99.8%	-	118		
Total	344,543		(3,910)	340,633	334,293	6,340	98.1%	238,071	324,199		



1.3 Education Management										
2015/16						2014/15				
Economic classification	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	R'000	R'000
Current payments	505,964		(8,456)	497,508	497,381	127	100.0%	505,279	511,173	
Compensation of employees	481,706		(6,100)	475,606	475,536	70	100.0%	484,535	482,587	
Goods and services	24,241		(2,600)	21,641	21,584	57	99.7%	20,744	28,580	
Interest and rent on land	17		244	261	261			-	6	
Transfers and subsidies	1,155		5,283	6,438	6,436	2	100.0%	7,208	7,207	
Departmental agencies and accounts	11			11	10	1	90.9%	7	7	
Households	1,144		5,283	6,427	6,426	1	100.0%	7,201	7,200	
Payments for capital assets	1,763			1,763	616	1,147	34.9%	1,451	1,450	
Machinery and equipment	1,763			1,763	616	1,147	34.9%	1,451	1,450	
Payments for financial assets	-		9	9	9	0	100.0%	-	293	
Total	508,882		(3,164)	505,718	504,442	1,276	99.7%	513,938	520,123	



1.4 Human Resource Development											
		2015/16						2014/15			
Economic classification	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		R'000
Current payments	16,010		(10,858)	5,152	5,146	6	99.9%	6,350	6,373		6,373
Compensation of employees	2,273		(930)	1,343	1,340	3	99.8%	4,666	4,400		4,400
Goods and services	13,737		(9,928)	3,809	3,806	3	99.9%	1,684	1,973		1,973
Payments for financial assets											1,923
Total	16,010		(10,858)	5,152	5,146	6	99.9%	6,350	8,296		8,296



1.5 Education Management Information Systems											
2015/16											2014/15
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	R'000	R'000
Current payments	6,143		(1,605)	4,538	4,526	12	99.7%	4,821	4,225		
Compensation of employees	3,884		(160)	3,724	3,721	3	99.9%	3,778	3,777		
Goods and services	2,259		(1,445)	814	805	9	98.9%	1,043	448		
Transfers and subsidies	-		22	22	22	0	100.0%	30	30		
Households	-		22	22	22	0	100.0%	30	30		
Payments for capital assets	988			988	615	373	62.2%	-	-		
Machinery and equipment	988			988	615	373	62.2%	-	-		
Total	7,131		(1,583)	5,548	5,163	385	93.1%	4,851	4,255		



Programme 2: Public Ordinary School Education											
2015/16											2014/15
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		R'000
Sub programme											
1. Public Primary Level	4,708,704		121,348	4,830,052	5,008,754	(178,702)	103.7%	4,630,443	4,892,694		
2. Public Secondary Level	3,419,749		(5,584)	3,414,165	3,392,707	21,458	99.4%	3,192,565	3,278,285		
3. Human Resource Development	27,453		(19,500)	7,953	7,875	78	99.0%	16,900	16,191		
4. School Sport, Culture & Media Services	28,759		(56)	28,703	28,635	68	99.8%	28,107	28,155		
5. Conditional Grants	353,014		-	353,014	340,196	12,818	96.4%	332,985	325,454		
Total for sub programmes	8,537,679		96,208	8,633,887	8,778,167	(144,280)	101.7%	8,201,000	8,540,779		
Economic classification											
Current payments	7,696,385		96,190	7,792,575	7,970,744	(178,169)	102.3%	7,603,781	7,671,577		
Compensation of employees	7,494,955		144,910	7,639,865	7,830,181	(190,316)	102.5%	7,496,387	7,493,090		
Salaries and wages	6,359,089		93,447	6,452,536	6,644,485	(191,949)	103.0%	6,415,738	6,412,775		
Social contributions	1,135,866		51,463	1,187,329	1,185,696	1,633	99.9%	1,080,649	1,080,315		
Goods and services	201,419		(49,479)	151,940	139,794	12,146	92.0%	107,394	178,459		
Administrative fees	142		(1)	141	140	1	99.3%	1	-		
Advertising	110			110	109	1	99.1%	200	179		
Minor assets	128	170	(99)	199	3	196	1.5%	430	115		
Catering: Departmental activities	5,636	(150)	(1,947)	3,539	2,977	562	84.1%	1,465	996		
Communication	361		(160)	201	193	8	96.0%	253	250		
Computer services	2,986		(477)	2,509	522	1,987	20.8%	2,749	2,748		



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	5,404	1,100	(6,470)	34	4	30	11.8%	958	780
Contractors	52		(42)	10	6	4	60.0%	3	2
Agency and support / outsourced services	7			7	7	-	100.0%	3,108	3,107
Fleet services	1,167		(545)	622	621	1	99.8%	-	-
Inventory: Food and food supplies	6,900	(170)	(100)	6,630	5,987	643	90.3%	6,665	5,668
Inventory: Learner and teacher support material	108,851	150	(20,751)	88,250	82,647	5,603	93.7%	77,304	150,977
Inventory: Materials and supplies	740		(64)	676	11	665	1.6%	80	79
Inventory: Medical supplies	20		(17)	3	1	2	33.3%	4	3
Inventory: Other supplies	31,853	200	(3,977)	28,076	26,998	1,078	96.2%	88	77
Consumable supplies	2,386		(1,322)	1,064	850	214	79.9%	600	329
Consumable: Stationery, printing and office supplies	2,807		(1,867)	940	851	89	90.5%	642	552
Operating leases	31		618	649	649	-	100.0%	34	-
Property payments	3,032		(1,427)	1,605	1,522	83	94.8%	4,750	4,729
Transport provided: Departmental activity	683		(387)	296	219	77	74.0%	25	18
Travel and subsistence	11,051	(300)	(4,807)	5,944	5,638	306	94.9%	3,566	3,597
Training and development	11,979		(3,158)	8,821	8,391	430	95.1%	3,259	3,192
Operating payments	4,603	(1,000)	(2,191)	1,412	1,317	95	93.3%	957	826
Venues and facilities	490		(288)	202	131	71	64.9%	253	235
Interest and rent on land	11		759	770	769	1	99.9%	-	28
Interest	11		759	770	769	1	99.9%	-	28



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	839,899		-	839,899	806,806	33,093	96.1%	595,967	865,147
Non-profit institutions	822,063		(62,896)	759,167	726,076	33,091	95.6%	559,330	791,033
Households	17,836		62,896	80,732	80,730	2	100.0%	36,637	74,114
Social benefits	17,836		62,347	80,183	80,182	1	100.0%	36,637	74,114
Other transfers to households	-		549	549	548	1	99.8%	-	-
Payments for capital assets	1,395			1,395	600	795	43.0%	1,252	598
Machinery and equipment	1,395			1,395	600	795	43.0%	1,252	598
Other machinery and equipment	1,395			1,395	600	795	43.0%	1,252	598
Payments for financial assets	-		18	18	17	1	94.4%	-	3,457
Total	8,537,679		96,208	8,633,887	8,778,167	(144,280)	101.7%	8,201,000	8,540,779



2.1 Public Primary Level											
Economic classification	2015/16						2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	R'000	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Current payments	4,363,989		122,112	4,486,101	4,677,606	(191,505)	104.3%	4,459,824	4,530,713	4,530,713	
Compensation of employees	4,279,406		134,797	4,414,203	4,606,162	(191,959)	104.3%	4,413,361	4,411,947	4,411,947	
Goods and services	84,572		(13,381)	71,191	70,737	454	99.4%	46,463	118,739	118,739	
Interest and rent on land	11		696	707	707	-	100.0%	-	27	27	
Transfers and subsidies	344,153		(764)	343,389	330,971	12,418	96.4%	170,272	360,100	360,100	
Non-profit institutions	330,494		(49,556)	280,938	268,521	12,417	95.6%	150,948	303,414	303,414	
Households	13,659		48,792	62,451	62,450	1	100.0%	19,324	56,686	56,686	
Payments for capital assets	562			562	177	385	31.5%	347	380	380	
Machinery and equipment	562			562	177	385	31.5%	347	380	380	
Payments for financial assets	-				-			-	1,501	1,501	
Total	4,708,704	-	121,348	4,830,052	5,008,754	(178,702)	103.7%	4,630,443	4,892,694	4,892,694	



2.2 Public Secondary Level											
2015/16											2014/15
Economic classification	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		R'000
Current payments	3,234,865		(5,584)	3,229,281	3,227,861	1,420	100.0%	3,089,469	3,089,596		3,089,596
Compensation of employees	3,187,567		10,253	3,197,820	3,196,557	1,263	100.0%	3,053,367	3,052,090		3,052,090
Goods and services	47,298		(15,900)	31,398	31,242	156	99.5%	36,102	37,505		37,505
Interest and rent on land	-		63	63	62	1	98.4%	-	1		1
Transfers and subsidies	184,884			184,884	164,846	20,038	89.2%	102,465	186,821		186,821
Non-profit institutions	180,714		(13,340)	167,374	147,336	20,038	88.0%	85,177	169,417		169,417
Households	4,170		13,340	17,510	17,510	-	100.0%	17,288	17,404		17,404
Payments for capital assets								631	23		23
Machinery and equipment								631	23		23
Payments for financial assets									1,845		1,845
Total	3,419,749	-	(5,584)	3,414,165	3,392,707	21,458	99.4%	3,192,565	3,278,285		3,278,285



2.3 Human Resource Development											
2015/16											2014/15
Economic classification	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		R'000
Current payments	27,453		(19,500)	7,953	7,875	78	99.0%	12,768	12,768		12,768
Compensation of employees					1	(1)	-	-	-		-
Goods and services	27,453		(19,500)	7,953	7,874	79	99.0%	12,768	12,768		12,768
Transfers and subsidies											
Non-profit institutions					-			4,132	3,422		3,422
Payments for financial assets											
Total	27,453		(19,500)	7,953	7,875	78	99.0%	16,900	16,191		16,191



2.4 School Sport, Culture & Media Services											
2015/16											
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2014/15			
								Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments	28,671		(825)	27,846	27,834	12	100.0%	27,914	27,964		
Compensation of employees	27,232		(140)	27,092	27,086	6	100.0%	26,813	26,813		
Goods and services	1,439		(685)	754	748	6	99.2%	1,101	1,151		
Transfers and subsidies	7		764	771	770	1	99.9%	25	24		
Households	7		764	771	770	1	99.9%	25	24		
Payments for capital assets	81			81	26	55	32.1%	168	167		
Machinery and equipment	81			81	26	55	32.1%	168	167		
Payments for financial assets	-		5	5	5	-	100.0%				
Total	28,759		(56)	28,703	28,635	68	99.8%	28,107	28,155		



2.5 Conditional Grants											
Economic classification	2015/16						2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Current payments	41,407		(13)	41,394	29,568	11,826	71.4%	13,806	10,536	13,806	10,536
Compensation of employees	750			750	375	375	50.0%	2,846	2,240	2,846	2,240
Goods and services	40,657		(13)	40,644	29,193	11,451	71.8%	10,960	8,296	10,960	8,296
Transfers and subsidies	310,855			310,855	310,219	636	99.8%	319,073	314,780	319,073	314,780
Non-profit institutions	310,855			310,855	310,219	636	99.8%	319,073	314,780	319,073	314,780
Payments for capital assets	752			752	397	355	52.8%	106	28	106	28
Machinery and equipment	752			752	397	355	52.8%	106	28	106	28
Payments for financial assets	-		13	13	12	1	92.3%	-	110	-	110
Total	353,014	-	-	353,014	340,196	12,818	96.4%	332,985	325,454	332,985	325,454



Programme 3: Independent School Subsidies										
2015/16							2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme										
1. Primary Level	35,471			35,471	20,329	15,142	57.3%	31,552	39,018	
2. Secondary Level	25,701			25,701	14,784	10,917	57.5%	27,487	27,486	
Total for sub programmes	61,172	-	-	61,172	35,113	26,059	57.4%	59,039	66,504	
Economic classification										
Transfers and subsidies	61,172			61,172	35,113	26,059	57.4%	59,039	66,504	
Non-profit institutions	61,172			61,172	35,113	26,059	57.4%	59,039	66,504	
Total	61,172			61,172	35,113	26,059	57.4%	59,039	66,504	



3.1 Primary Level									
2015/16									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2014/15	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	35,471			35,471	20,329	15,142	57.3%	31,552	39,018
Non-profit institutions	35,471			35,471	20,329	15,142	57.3%	31,552	39,018
Total	35,471			35,471	20,329	15,142	57.3%	31,552	39,018

3.2 Secondary Level									
2015/16									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2014/15	
								Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	25,701			25,701	14,784	10,917	57.5%	27,487	27,486
Non-profit institutions	25,701			25,701	14,784	10,917	57.5%	27,487	27,486
Total	25,701			25,701	14,784	10,917	57.5%	27,487	27,486



Programme 4: Public Special School Education									
2015/16									
	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. Schools	405,470		4,398	409,868	396,168	13,700	96.7%	364,787	364,591
2. School Sport, Culture & Media Services	100		(41)	59	59	-	100.0%	-	-
3. Conditional Grants	5,775		-	5,775	5,775	-	100.0%	18,358	18,358
Total for sub programmes	411,345		4,357	415,702	402,002	13,700	96.7%	383,145	382,949
Economic classification									
Current payments	351,119		4,357	355,476	355,474	2	100.0%	330,285	329,918
Compensation of employees	351,019		4,398	355,417	355,398	19	100.0%	330,285	329,898
Salaries and wages	297,412		3,741	301,153	301,162	(9)	100.0%	283,323	282,948
Social contributions	53,607		657	54,264	54,236	28	99.9%	46,962	46,950
Goods and services	100		(41)	59	76	(17)	128.8%	-	20
Transport provided: Departmental activity	100		(41)	59	59	-	100.0%	-	-
Travel and subsistence									2
Operating payments	-			-	17	(17)	-	-	18
Transfers and subsidies	60,226		-	60,226	46,528	13,698	77.3%	52,860	52,860
Non-profit institutions	59,907		(1,247)	58,660	44,967	13,693	76.7%	51,571	51,571
Households	319		1,247	1,566	1,561	5	99.7%	1,289	1,289
Social benefits	319		1,247	1,566	1,561	5	99.7%	1,289	1,289



2015/16							2014/15		
Economic classification	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
Payments for financial assets	-				-			-	171
Total	411,345	-	4,357	415,702	402,002	13,700	96.7%	383,145	382,949

4.1 Schools

2015/16							2014/15		
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	345,244		4,398	349,642	349,640	2	100.0%	311,927	311,560
Compensation of employees	345,244		4,398	349,642	349,623	19	100.0%	311,927	311,540
Goods and services	-			-	17	(17)	-	-	20
Transfers and subsidies	60,226		-	60,226	46,528	13,698	77.3%	52,860	52,860
Non-profit institutions	59,907		(1,247)	58,660	44,967	13,693	99.7%	51,571	51,571
Households	319		1,247	1,566	1,561	5	99.7%	1,289	1,289
Payments for financial assets	-				-			-	171
Total	405,470		4,398	409,868	396,168	13,700	96.7%	364,787	364,591



4.2 School Sport, Culture & Media Services										
2015/16							2014/15			
Economic classification	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	R'000	R'000
Current payments	100		(41)	59	59	-	100.0%	-	-	-
Goods and services	100		(41)	59	59	-	100.0%	-	-	-
Total	100		(41)	59	59	-	100.0%	-	-	-

4.3 Conditional Grants										
2015/16							2014/15			
Economic classification	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	R'000	R'000
Current payments	5,775			5,775	5,775	-	100.0%	18,358	18,358	18,358
Compensation of employees	5,775			5,775	5,775	-	100.0%	18,358	18,358	18,358
Total	5,775			5,775	5,775	-	100.0%	18,358	18,358	18,358



Programme 5: Early Childhood Development											
2015/16											2014/15
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Sub programme											
1. Grade R in Public Schools	116,845		(6,752)	110,093	109,718	375	99.7%	123,091	123,089		
2. Grade R in Early Childhood Development Centres	7,946		(100)	7,846	6,806	1,040	86.7%	6,832	6,830		
3. Conditional Grants	1,000			1,000	981	19	98.1%	-	-		
Total for sub programmes	125,791		(6,852)	118,939	117,505	1,434	98.8%	129,923	129,919		
Economic classification											
Current payments	116,907		(1,947)	114,960	114,903	57	100.0%	123,213	123,139		
Compensation of employees	116,541		(1,651)	114,890	114,833	57	100.0%	112,615	112,542		
Salaries and wages	114,594		(1,525)	113,069	113,016	53	100.0%	110,762	110,796		
Social contributions	1,947		(126)	1,821	1,817	4	99.8%	1,853	1,746		
Goods and services	366		(296)	70	70	-	100.0%	10,598	10,597		
Catering: Departmental activities	3			3	3	-	100.0%	-	-		
Inventory: Learner and teacher support material	296		(296)	-	-	-	-	3,741	3,740		
Inventory: Other supplies	-			-	-	-	-	6,857	6,857		
Training and development	67			67	67	-	100.0%	-	-		



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	8,824		(4,905)	3,919	2,542	1,377	64.9%	6,710	6,708
Non-profit institutions	8,804		(4,903)	3,901	2,524	1,377	64.7%	6,638	6,637
Households	20		(2)	18	18	-	100.0%	72	71
Social benefits	20		(2)	18	18	-	100.0%	72	71
Payments for capital assets	60		60	60	60	-	100.0%	-	-
Machinery and equipment	60		60	60	60	-	100.0%	-	-
Other machinery and equipment	60		60	60	60	-	100.0%	-	-
Payments for financial assets	-			-	-			-	72
Total	125,791		(6,852)	118,939	117,505	1,434	98.8%	129,923	129,919



5.1 Grade R in Public Schools									
Economic classification	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	109,632		(1,847)	107,785	107,748	37	100.0%	117,613	117,540
Compensation of employees	109,336		(1,551)	107,785	107,748	37	100.0%	107,015	106,943
Goods and services	296		(296)	-	-	-	-	10,598	10,597
Transfers and subsidies	7,213		(4,905)	2,308	1,970	338	85.4%	5,478	5,477
Non-profit institutions	7,193		(4,903)	2,290	1,952	338	85.2%	5,406	5,406
Households	20		(2)	18	18	-	100.0%	72	71
Payments for financial assets	-			-	-	-	-	-	72
Total	116,845		(6,752)	110,093	109,718	375	99.7%	123,091	123,089



5.2 Grade R in Early Childhood Development Centres

Economic classification	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6,335		(100)	6,235	6,234	1	100.0%	5,600	5,599
Compensation of employees	6,335		(100)	6,235	6,234	1	100.0%	5,600	5,599
Transfers and subsidies	1,611			1,611	572	1,039	35.5%	1,232	1,231
Non-profit institutions	1,611			1,611	572	1,039	35.5%	1,232	1,231
Households									
Total	7,946		(100)	7,846	6,806	1,040	86.7%	6,832	6,830

5.3 Conditional Grants

Economic classification	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	940			940	921	19	98.0%	-	-
Compensation of employees	870			870	851	19	97.8%	-	-
Goods and services	70			70	70	-	100.0%	-	-
Payments for capital assets	60			60	60	-	100.0%	-	-
Machinery and equipment	60			60	60	-	100.0%	-	-
Total	1,000			1,000	981	19	98.1%	-	-



Programme 6: Infrastructure Development									
2015/16							2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Administration	12,152		(4,184)	7,968	6,467	1,501	81.2%	9,325	6,720
2. Public Ordinary Schools	836,422		3,523	839,945	719,440	120,505	85.7%	539,922	439,330
3. Special Schools	19,559		(3,900)	15,659	11,275	4,384	72.0%	31,283	26,630
4. Early Childhood Development	19,000		3,900	22,900	22,899	1	100.0%	35,255	20,416
Total for sub programmes	887,133	-	(661)	886,472	760,081	126,391	85.7%	615,785	493,096
Economic classification									
Current payments	97,232		(45)	97,187	117,836	(20,649)	121.2%	62,867	59,498
Compensation of employees	9,000		(4,412)	4,588	4,587	1	100.0%	4,661	4,658
Salaries and wages	8,458		(4,412)	4,046	4,045	1	100.0%	4,143	4,141
Social contributions	542			542	542	-	100.0%	518	517
Goods and services	88,232		4,367	92,599	113,249	(20,650)	122.3%	58,206	54,840
Consultants: Business and advisory services	-		3,162	3,162	3,161	1	100.0%	-	-
Infrastructure and planning services	328		41	369	367	2	99.5%	-	110
Contractors	53			53	53	-	100.0%	165	568
Inventory: Other supplies	25,611		13,021	38,632	59,078	(20,446)	152.9%	37,991	42,620
Consumable supplies	-			-	213	(213)	-	173	173
Property payments	62,240		(12,568)	49,672	49,668	4	100.0%	19,877	11,208
Travel and subsistence			84	84	84	-	100.0%	-	161



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rental and hiring			627	627	625	2	99.7%	-	-
Transfers and subsidies									
Non-profit institutions	-			-	-	-	-	128,644	1,355
	-			-	-	-	-	128,644	1,355
Payments for capital assets	789,901		(616)	789,285	642,245	147,040	81.4%	424,274	432,243
Buildings and other fixed structures	788,401		(616)	787,785	642,245	145,540	81.5%	418,287	432,243
Buildings	788,401		(616)	787,785	642,245	145,540	81.5%	418,287	432,243
Machinery and equipment	1,500			1,500	-	1,500	-	5,987	-
Transport equipment	-			-	-	-	-	5,915	-
Other machinery and equipment	1,500			1,500	-	1,500	-	72	-
Total	887,133	-	(661)	886,472	760,081	126,391	85.7%	615,785	493,096



6.1 Administration											
2015/16											
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	2014/15	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Current payments	10,600		(4,373)	6,227	6,226	1	100.0%	6,528	5,543		
Compensation of employees	9,000		(4,412)	4,588	4,587	1	100.0%	4,661	4,658		
Goods and services	1,600		39	1,639	1,639	-	100.0%	1,867	885		
Payments for capital assets	1,552		189	1,741	241	1,500	13.8%	2,797	1,177		
Buildings and other fixed structures	52		189	241	241	-	100.0%	2,797	1,177		
Machinery and equipment	1,500			1,500	-	1,500	-	-	-		
Total	12,152		(4,184)	7,968	6,467	1,501	81.2%	9,325	6,720		



6.2 Public Ordinary Schools											
2015/16											2014/15
Economic classification	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	R'000	R'000
Current payments	86,459		4,328	90,787	111,437	(20,650)	122.7%	56,339	51,379		51,379
Goods and services	86,459		4,328	90,787	111,437	(20,650)	122.7%	56,339	51,379		51,379
Transfers and subsidies	-			-	-	-	-	128,644	1,355		1,355
Non-profit institutions	-			-	-	-	-	128,644	1,355		1,355
Payments for capital assets	749,963		(805)	749,158	608,003	141,155	81.2%	354,939	386,596		386,596
Buildings and other fixed structures	749,963		(805)	749,158	608,003	141,155	81.2%	348,952	386,596		386,596
Machinery and equipment	-			-	-	-	-	5,987	-		-
Total	836,422	-	3,523	839,945	719,440	120,505	85.7%	539,922	439,330		439,330



6.3 Special Schools											
2015/16											
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	2014/15		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	Final Appropriation	Actual expenditure	
Current payments	173			173	173	-	100.0%			2,576	
Goods and services	173			173	173	-	100.0%			2,576	
Payments for capital assets	19,386		(3,900)	15,486	11,102	4,384	71.7%	31,283		24,054	
Buildings and other fixed structures	19,386		(3,900)	15,486	11,102	4,384	71.7%	31,283		24,054	
Total	19,559	-	(3,900)	15,659	11,275	4,384	72.0%	31,283		26,630	

6.4 Early Childhood Development											
2015/16											
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	2014/15		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	Final Appropriation	Actual expenditure	
Payments for capital assets	19,000		3,900	22,900	22,899	1	100.0%	35,255		20,416	
Buildings and other fixed structures	19,000		3,900	22,900	22,899	1	100.0%	35,255		20,416	
Total	19,000	-	3,900	22,900	22,899	1	100.0%	35,255		20,416	



Programme 7: Examination & Education Related Services										
2015/16										
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	2014/15
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme										
1. Payments to SETA	8,869			8,869	8,869	-	100.0%	-	-	-
2. Professional Services	88,288		(477)	87,811	87,374	437	99.5%	80,068	80,065	80,065
3. Special Projects	676,227		(59,151)	617,076	321,234	295,842	52.1%	552,187	693,167	693,167
4. External Examinations	121,558		(12,904)	108,654	108,469	185	99.8%	110,912	110,910	110,910
5. Conditional Grants	11,699			11,699	11,457	242	97.9%	12,686	10,931	10,931
Total for sub programmes	906,641	-	(72,532)	834,109	537,403	296,706	64.4%	755,853	895,073	895,073
Economic classification										
Current payments										
Compensation of employees	369,248		(72,534)	296,714	280,346	16,368	94.5%	295,811	456,460	456,460
Salaries and wages	167,759		6,443	174,202	174,052	150	99.9%	151,766	151,749	151,749
Social contributions	153,161		6,588	159,749	159,621	128	99.9%	138,892	138,930	138,930
Goods and services	14,598		(145)	14,453	14,431	22	99.8%	12,874	12,819	12,819
Administrative fees	201,489		(78,977)	122,512	106,294	16,218	86.8%	144,045	304,711	304,711
Advertising	2,000			2,000	283	1,717	14.2%	1	1	1
Minor assets	-			-	-	-	-	65	65	65
Bursaries: Employees	353			353	103	250	29.2%	6,648	23	23
Catering: Departmental activities	-			-	-	-	-	1,117	1,117	1,117
Communication	16,477	100	(11,614)	4,963	4,924	39	99.2%	2,981	2,649	2,649
Computer services	38		(35)	3	2	1	66.7%	1	1	1
	37,434		(150)	37,284	37,282	2	100.0%	19,723	26,322	26,322



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	28,718		(25,929)	2,789	2,750	39	98.6%	10,377	10,136
Contractors	55	(52)		3	2	1	66.7%	315	315
Agency and support / outsourced services	-			-	-	-	-	10,673	10,739
Inventory: Learner and teacher support material	68,565		(48,100)	20,465	16,372	4,093	80.0%	6,869	133,112
Inventory: Materials and supplies	2			2	2	-	100.0%	101	101
Inventory: Medical supplies	1,503			1,503	1,388	115	92.3%	74	-
Inventory: Other supplies	4,681	(1)		4,680	4,680	-	100.0%	3	3
Consumable supplies	683	(570)		113	105	8	92.9%	376	360
Consumable: Stationery, printing and office supplies	5,459	(818)		4,641	2,630	2,011	56.7%	3,138	3,038
Operating leases	18			18	18	-	100.0%	-	-
Property payments	1,667	(898)		769	757	12	98.4%	2,003	2,019
Transport provided: Departmental activity	6,750	(321)		6,429	6,425	4	99.9%	28,372	64,242
Travel and subsistence	20,982	(100)	(3,161)	17,721	10,001	7,720	56.4%	38,157	37,847
Training and development	3,653		13,329	16,982	16,780	202	98.8%	10,282	9,824
Operating payments	2,312	(633)		1,679	1,675	4	99.8%	2,432	2,459
Venues and facilities	139	(24)		115	115	-	100.0%	296	297
Rental and hiring	-			-	-	-	-	41	41
Transfers and subsidies	536,378			536,378	256,455	279,923	47.8%	459,408	438,076
Departmental agencies and accounts	8,869			8,869	8,869	-	100.0%	-	-
Departmental agencies	8,869			8,869	8,869	-	100.0%	-	-



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Non-profit institutions	89,530		(326)	89,204	67,544	21,660	75.7%	69,059	69,058
Households	437,979		326	438,305	180,042	258,263	41.1%	390,349	369,018
Social benefits	79		326	405	404	1	99.8%	348	345
Other transfers to households	437,900			437,900	179,638	258,262	41.0%	390,001	368,673
Payments for capital assets	1,015			1,015	600	415	59.1%	634	509
Machinery and equipment	1,015			1,015	600	415	59.1%	634	509
Other machinery and equipment	1,015			1,015	600	415	59.1%	634	509
Payments for financial assets	-		2	2	2	-	100.0%	-	-
Total	906,641		(72,532)	834,109	537,403	296,706	64.4%	775,853	895,073

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification	8,869			8,869	8,869	-	100.0%	-	-
Transfers and subsidies	8,869			8,869	8,869	-	100.0%	-	-
Departmental agencies and accounts	8,869			8,869	8,869	-	100.0%	-	-
Total	8,869			8,869	8,869	-	100.0%	-	-

7.1 Payments to SETA



7.2 Professional Services											
2015/16										2014/15	
Economic classification	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	R'000	
Current payments	87,837		(803)	87,034	86,807	227	99.7%	79,534	79,517		
Compensation of employees	84,556		(203)	84,353	84,205	148	99.8%	76,370	76,354		
Goods and services	3,281		(600)	2,681	2,602	79	97.1%	3,164	3,163		
Transfers and subsidies	79		326	405	404	1	99.8%	116	115		
Households	79		326	405	404	1	99.8%	116	115		
Payments for capital assets	372			372	163	209	43.8%	418	418		
Machinery and equipment	372			372	163	209	43.8%	418	418		
Payments for financial assets	-							-	15		
Total	88,288	-	(477)	87,811	87,374	437	99.5%	80,068	80,065		



7.3 Special Projects											
2015/16											
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2014/15			
								Final Appropriation	Actual expenditure	R'000	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Current payments	148,797		(58,825)	89,972	74,052	15,920	82.3%	93,252		255,548	
Compensation of employees	-			-	-	-	-	544		543	
Goods and services	148,797		(58,825)	89,972	74,052	15,920	82.3%	92,708		255,005	
Interest and rent on land											
Transfers and subsidies	527,430		(326)	527,104	247,182	279,922	46.9%	458,935		437,606	
Non-profit institutions	89,530		(326)	89,204	67,544	21,660	75.7%	68,934		68,933	
Households	437,900			437,900	179,638	258,262	41.0%	390,001		368,673	
Payments for financial assets	-			-	-	-	-	-		13	
Total	676,227	-	(59,151)	617,076	321,234	295,842	52.1%	552,187		693,167	



7.4 External Examinations									
2015/16									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	121,280		(12,906)	108,374	108,367	7	100.0%	110,524	110,523
Compensation of employees	82,003		6,594	88,597	88,596	1	100.0%	73,437	73,437
Goods and services	39,277		(19,500)	19,777	19,771	6	100.0%	37,087	37,086
Transfers and subsidies	-			-	-	-	-	297	296
Non-profit institutions	-			-	-	-	-	125	125
Households	-			-	-	-	-	172	171
Payments for capital assets	278			278	100	178	36.0%	91	91
Machinery and equipment	278			278	100	178	36.0%	91	91
Payments for financial assets	-		2	2	2	-	100.0%		
Total	121,558	-	(12,904)	108,654	108,469	185	99.8%	110,912	110,910



7.5 Conditional Grants											
2015/16											2014/15
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	R'000	R'000
Current payments	11,334			11,334	11,120	214	98.1%	12,501	10,872		
Compensation of employees	1,200		52	1,252	1,251	1	99.9%	1,415	1,415		
Goods and services	10,134		(52)	10,082	9,869	213	97.9%	11,086	9,457		
Transfers and subsidies	-			-	-	-	-	60	59		
Households	-			-	-	-	-	60	59		
Payments for capital assets	365			365	337	28	92.3%	125	-		
Machinery and equipment	365			365	337	28	92.3%	125	-		
Total	11,699	-	-	11,699	11,457	242	97.9%	12,686	10,931		



Programme 8: Further Education and Training									
2015/16					2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Conditional Grants	-			-	-			185,111	173,607
Total for sub programmes	-			-	-			185,111	173,607
Economic classification									
Current payments								180,642	9,445
Compensation of employees								171,148	-
Salaries and wages								146,020	-
Social contributions								25,128	-
Goods and services								9,494	9,445
Advertising								604	605
Minor assets								12	12
Catering: Departmental activities								1,350	1,350
Communication								10	10
Contractors								182	182
Consumable supplies								65	64
Consumable: Stationery, printing and office supplies								249	249
Transport provided: Departmental activity								35	35
Travel and subsistence								1,477	1,447



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development								5,112	5,112
Operating payments								398	379
Transfers and subsidies								3,914	164,071
Non-profit institutions								3,274	164,071
Households								640	-
Social benefits								640	-
Payments for capital assets								555	19
Machinery and equipment								375	19
Other machinery and equipment								375	19
Intangible assets								180	-
Payments for financial assets								-	72
Total	-	-	-	-	-	-	-	185,111	173,607



8.1 Conditional Grants									
Economic classification	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees								180,642	9,445
Goods and services								171,148	-
								9,494	9,445
Transfers and subsidies								3,914	164,071
Non-profit institutions								3,274	164,071
Households								640	-
Payments for capital assets								555	19
Machinery and equipment								375	19
Intangible assets								180	-
Payments for financial assets								-	72
Total	-	-	-	-	-	-	-	185,111	173,607

The Further Education & Training function moved to the Department of Higher Education with effect from 1 April 2015.



Programme 9: Adult Basic Education & Training									
2015/16									
	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. Public Centres								137,967	137,965
2. Professional Services								26,249	26,248
Total for sub programmes	-	-	-	-	-	-	-	164,216	164,213
Economic classification									
Current payments								162,924	162,602
Compensation of employees								160,737	160,421
Salaries and wages								156,801	156,618
Social contributions								3,936	3,803
Goods and services								2,187	2,181
Catering: Departmental activities								32	28
Inventory: Learner and teacher support material								584	584
Consumable: Stationery, printing and office supplies								148	138
Operating leases								5	-
Property payments								135	130
Transport provided: Departmental activity								229	245
Travel and subsistence								564	563



	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments								490	493
Transfers and subsidies								628	628
Non-profit institutions								628	628
Payments for capital assets								664	668
Machinery and equipment								664	668
Other machinery and equipment								664	668
Payments for financial assets								-	315
Total								164,216	164,213



9.2 Professional Services										
2015/16										
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	2014/15
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Current payments										
Compensation of employees								26,192	26,191	
Goods and services								25,285	25,285	
								907	906	
Payments for capital assets										
Machinery and equipment								57	57	
								57	57	
Total								26,249	26,248	

The programme Adult Basic Education & Training moved to the Department of Higher Education with effect from 1 April 2015.



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-E) to the Annual Financial Statements.

1. 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.

2. 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.

3. 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
		R'000	R'000	R'000	%
	Administration	865,142	857,118	8,024	0.93%
<p><i>The under spending under Machinery & equipment was due to cost containment measures implemented during the financial year. The reason to implement cost containment measures was to reduce expenditure in order to reduce overspending on Compensation of employees,</i></p>					
	Public Ordinary School Education	8,633,887	8,778,167	(144,280)	(1.67%)
<p><i>The overspending is mainly under Compensation of Employees due to insufficient budget allocation received and higher than anticipated improvement in conditions of service. The under spending on Non-profit institutions was due to cash constraints. The saving under Machinery & equipment was due to cost containment measures implemented during the financial year.</i></p>					
	Independent School Subsidies	61,172	35,113	26,059	42.60%
<p><i>The under spending was due to cash constraints that the Department was experiencing during the financial year and accruals was paid during the month of April 2016.</i></p>					
	Public Special School Education	415,702	402,002	13,700	3.30%
<p><i>The under spending was mainly under Non-profit institutions due to cash constraints that the Department was experiencing during the financial year and accruals was paid during the month of April 2016.</i></p>					
	Early Childhood Development	118,939	117,505	1,434	1.21%
<p><i>The under spending was mainly under Non-profit institutions due to cash constraints that the Department was experiencing during the financial year and accruals was paid during the month of April 2016.</i></p>					



	Final Appropriation R'000	Actual Expen- diture R'000	Variance R'000 R'000	Variance as a % of Final Appro- priation %
Infrastructure Development	886,472	760,081	126,391	14.26%

The under spending is mainly under Buildings & fixed structures and Machinery & equipment due to cash constraints. The under spending under Compensation of employees was due to delays of appointments and will be utilised to defray some of the overspending on Goods & services. The overspending under Goods & services is due to item misclassifications which were corrected.

Examination and education related services	834,109	537,403	296,706	35.57%
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The under spending on Non-profit institutions and Households was due to cash constraints. The saving under Machinery & equipment was due to cost containment measures implemented during the financial year to avoid overspending at the end of the financial year.

4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payments				
Compensation of employees	8,991,179	9,181,185	(190,006)	(2.11%)
Goods and services	509,379	501,590	7,789	1.53%
Interest and rent on land	1,471	1,470	1	0.07%
Transfers and subsidies				
Departmental agencies and accounts	8,881	8,879	2	0.02%
Non-profit institutions	972,104	876,224	95,880	9.86%
Households	528,015	269,740	258,275	48.91%
Payments for capital assets				
Buildings and other fixed structures	787,785	642,245	145,540	18.47%
Machinery and equipment	13,279	5,437	7,842	59.06%
Intangible assets	2,709	-	2,709	100.0%
Payments for financial assets	621	619	2	0.00%



The overspending on Compensation of employees is mainly due to insufficient funding received and higher than anticipated increase in improvement in conditions of services. The under spending on Non-profit institutions, Households and Buildings & other fixed structures is due to cash constraints that the Department experienced during the financial year in order to have enough cash to fund Compensation of employees. The saving under Goods & services and Intangible assets is due to the implementation of cost containment measures implemented during the financial year in order to fund Compensation of employees.

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Education infrastructure grant	881,568	755,177	126,931	14.34%
HIV&AIDS (Life skills education) grant	11,699	11,457	242	2.07%
Maths, science & technology grant	32,145	21,525	10,620	33.04%
National school nutrition programme grant	320,869	318,670	2,199	0.69%
OSD for therapists	5,775	5,775	-	0.00%
Expanded public works programme integrated grant for provinces	3,108	3,108	-	0.00%
Social sector expanded public works programme grant for provinces	1,000	981	19	1.90%

Education infrastructure grant: The Department anticipated that some of the projects that started in the second half of the financial year, such as contractor development (CDP) would maintain an upward momentum. Consequently, this would have had a positive impact on expenditure, thus assisting the department to achieve 100% expenditure. However at the beginning of the third quarter the financial position of the department took an unfavourable turn and this hampered payment process. This led to contractors abandoning sites as well as reduction in the submission of invoices, hence the 15% under spending. The change in procurement methodology from normal tender to CDP and massification slowed down expenditure trends.

HIV&AIDS (Life skills education) grant: Spending amounts to 97.9% of the adjusted budget of R11,699 million.

Maths, science & technology grant: The grant under spent due to commitments to a total of R9,334 million that could not be paid due to cash constraints.

National school nutrition programme grant: The under spending of 0.7% is due to outstanding sundry payments and commitments.

OSD for therapists: The total amount appropriated was spent.

Expanded public works programme integrated grant for provinces: The total amount appropriated was spent.

Social sector expanded public works programme grant for provinces: Spending amount to 98.1% of the adjusted budget of R1 million.



	Note	2015/16 R'000	2014/15 R'000
REVENUE			
Annual appropriation	<u>1</u>	11,815,423	11,266,064
Aid assistance	<u>3</u>	339	564
TOTAL REVENUE		11,815,762	11,266,628
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>4</u>	9,181,185	8,943,132
Goods and services	<u>5</u>	501,590	719,932
Interest and rent on land	<u>6</u>	1,470	279
Aid assistance	<u>3</u>	339	225
Total current expenditure		9,684,584	9,663,568
Transfers and subsidies			
Transfers and subsidies	<u>8</u>	1,154,843	1,603,975
Total transfers and subsidies		1,154,843	1,603,975
Expenditure for capital assets			
Tangible assets	<u>9</u>	647,682	437,978
Total expenditure for capital assets		647,682	437,978
Unauthorised expenditure approved without funding	<u>10</u>	298,066	7,839
Payments for financial assets	<u>7</u>	619	6,449
TOTAL EXPENDITURE		11,785,794	11,719,809
SURPLUS/(DEFICIT) FOR THE YEAR		29,968	(453,181)
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		29,968	(453,520)
Annual appropriation		(169,439)	(589,159)
Conditional grants		139,471	135,639
Aid assistance	<u>3</u>	-	339
SURPLUS/(DEFICIT) FOR THE YEAR		29,968	(453,181)



	Note	2015/16 R'000	2014/15 R'000
ASSETS			
Current assets		870,120	998,344
Unauthorised expenditure	<u>10</u>	746,463	887,429
Prepayments and advances	<u>11</u>	31,050	31,920
Receivables	<u>12</u>	92,607	78,995
Non-current assets		1,196	1,573
Receivables	<u>12</u>	1,196	1,573
TOTAL ASSETS		871,316	999,917
LIABILITIES			
Current liabilities		831,724	966,772
Voted funds to be surrendered to the Revenue Fund	<u>13</u>	187,068	135,843
Departmental revenue to be surrendered to the Revenue Fund	<u>14</u>	474	2,511
Bank overdraft	<u>15</u>	641,434	825,992
Payables	<u>16</u>	2,748	2,087
Aid assistance repayable	<u>3</u>	-	339
TOTAL LIABILITIES		831,724	966,772
NET ASSETS		39,592	33,145
Represented by:			
Recoverable revenue		39,592	33,145
TOTAL		39,592	33,145



	Note	2015/16 R'000	2014/15 R'000
Recoverable revenue			
Opening balance		33,145	31,860
Transfers:		6,447	1,285
Debts revised		(536)	(210)
Debts recovered (included in departmental receipts)		(2,258)	(4,350)
Debts raised		9,241	5,845
Closing balance		39,592	33,145
TOTAL		39,592	33,145



	Note	2015/16 R'000	2014/15 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		11,835,415	11,286,888
Annual appropriated funds received	<u>1.1</u>	11,815,423	11,266,064
Departmental revenue received	<u>2</u>	18,980	18,385
Interest received	<u>2.3</u>	673	1,875
Aid assistance received	<u>3</u>	339	564
Net (increase)/decrease in working capital		129,262	(400,157)
Surrendered to Revenue Fund		(157,533)	(165,171)
Surrendered to RDP Fund/Donor		(339)	-
Current payments		(9,824,080)	(9,081,091)
Interest paid	<u>6</u>	(1,470)	(279)
Payments for financial assets		(619)	(6,449)
Transfers and subsidies paid		(1,154,843)	(1,604,649)
Net cash flow available from operating activities	<u>17</u>	825,793	29,092
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>9</u>	(647,682)	(437,978)
Proceeds from sale of capital assets	<u>2.4</u>	-	3
Net cash flows from investing activities		(647,682)	(437,975)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		6,447	1,285
Increase/(decrease) in non-current payables			
Net cash flows from financing activities		6,447	1,285
Net increase/(decrease) in cash and cash equivalents		184,558	(407,598)
Cash and cash equivalents at beginning of period		(825,992)	(418,394)
Cash and cash equivalents at end of period	<u>18</u>	(641,434)	(825,992)



Summary of significant accounting policies

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.

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 (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>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.</p>



7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p>
8	<p>Expenditure</p>
8.1	<p>Compensation of employees</p>
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accrued expenditure payable</p> <p>Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable.</p> <p>Accrued expenditure payable is measured at cost.</p>
8.4	<p>Leases</p>
8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.



9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments are done in terms of the memorandum of agreement or as per arrangement between the parties involved upon receipt of the cash flow forecast or requests from the service provider.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Loans and payables are recognised in the statement of financial position at cost.</p>



16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.</p> <p>All assets acquired prior to 1 April 2005 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2005 may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2005 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
17	Provisions and Contingents
17.1	<p>Provisions</p> <p>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 or service potential will be required to settle the obligation and 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.</p>
17.2	<p>Contingent liabilities</p> <p>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.</p>



17.3	<p>Contingent assets</p> <p>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.</p>
17.4	<p>Commitments</p> <p>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.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>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.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>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.</p> <p>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.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>



<p>23</p>	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<p>24</p>	<p>Capitalisation reserve</p> <p>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 recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<p>25</p>	<p>Recoverable revenue</p> <p>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. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<p>26</p>	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
<p>27</p>	<p>Inventories <i>(Effective from 1 April 2017)</i></p> <p>At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.</p>
<p>28</p>	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the substance of the partnership. The transaction is accounted for as either capital assets, finance or operating leases in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>



1. Annual Appropriation

1.1 Annual Appropriation

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

	2015/16			2014/15	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	865,142	865,142	-	771,992	771,992
Public Ordinary School Education	8,633,887	8,633,887	-	8,201,000	8,201,000
Independent School Subsidies	61,172	61,172	-	59,039	59,039
Public Special School Education	415,702	415,702	-	383,145	383,145
Early Childhood Development	118,939	118,939	-	129,923	129,923
Infrastructure Development	886,472	886,472	-	615,785	615,785
Examinations & Education Related Services	834,109	834,109	-	755,853	755,853
Further Education and Training	-	-	-	185,111	185,111
Adult Basic Education and Training	-	-	-	164,216	164,216
Total	11,815,423	11,815,423	-	11,266,064	11,266,064

The programmes of Further Education and Training and Adult Basic Education were transferred to the Department of Higher Education with effect from 1 April 2015.



1.2 Conditional grants

	Note	2015/16 R'000	2014/15 R'000
Total grants received	33	1,256,164	1,160,261
Provincial grants included in Total Grants received		-	-

The comparative figures were restated to exclude Provincial Earmarked Funding previously disclosed under this note.

2. Departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Sales of goods and services other than capital assets	2.1	13,313	13,309
Fines, penalties and forfeits	2.2	271	530
Interest, dividends and rent on land	2.3	673	1,875
Sales of capital assets	2.4	-	3
Transactions in financial assets and liabilities	2.5	5,396	4,546
Total revenue collected		19,653	20,263
Less: Own revenue included in appropriation	<u>14</u>	(19,653)	(20,263)
Departmental revenue collected		-	-

2.1 Sales of goods and services other than capital assets

	Note	2015/16 R'000	2014/15 R'000
	2		
Sales of goods and services produced by the department		13,275	13,252
Other sales		13,275	13,252
Sales of scrap, waste and other used current goods		38	57
Total		13,313	13,309

2.2 Fines, penalties and forfeits

	Note	2015/16 R'000	2014/15 R'000
	2		
Fines		271	530
Total		271	530

**2.3 Interest, dividends and rent on land**

	Note	2015/16	2014/15
	2	R'000	R'000
Interest		673	1,875
Total		673	1,875

2.4 Sale of capital assets

	Note	2015/16	2014/15
	2	R'000	R'000
Tangible assets		-	3
Machinery and equipment	28.2	-	3
Total		-	3

The proceeds from movable tangible capital assets sold for cash during 2015/16 amounted to R232.97.

2.5 Transactions in financial assets and liabilities

	Note	2015/16	2014/15
	2	R'000	R'000
Receivables		1,777	2,576
Stale cheques written back		15	96
Other Receipts including Recoverable Revenue		3,604	1,874
Total		5,396	4,546

3. Aid assistance

	Note	2015/16	2014/15
		R'000	R'000
Opening Balance		339	-
Prior period error			-
As restated		339	-
Transferred from statement of financial performance			339
Paid during the year		(339)	-
Closing Balance		-	339

3.1 Analysis of balance by source

	Note	2015/16	2014/15
		R'000	R'000
Aid assistance from RDP	3	-	339
Closing balance		-	339



3.2 Analysis of balance

	Note	2015/16 R'000	2014/15 R'000
Aid assistance repayable	3	-	339
Closing balance		-	339

The closing balance for 2014/15 is derived from aid assistance of R564 thousand received and expenditure incurred of R225 thousand.

4. Compensation of employees

4.1 Salaries and Wages

	Note	2015/16 R'000	2014/15 R'000
Basic salary		6,634,098	6,587,187
Performance award		14,951	13,419
Service Based		19,024	18,546
Compensative/circumstantial		139,619	114,095
Periodic payments		8,702	15,669
Other non-pensionable allowances		1,009,773	955,983
Total		7,826,167	7,704,899

The comparative figures were restated due to a misclassification identified during the 2014/15 audit: Basic salary R66 thousand, Performance award R13 thousand and Other non-pensionable allowances R595 thousand.

4.2 Social contributions

	Note	2015/16 R'000	2014/15 R'000
Employer contributions			
Pension		851,327	829,403
Medical		501,592	406,626
UIF		13	16
Bargaining council		740	735
Official unions and associations		1,346	1,453
Total		1,355,018	1,238,233
Total compensation of employees		9,181,185	8,943,132
Average number of employees		30,574	33,074

**5. Goods and services**

	Note	2015/16 R'000	2014/15 R'000
Administrative fees		903	502
Advertising		1,294	1,209
Minor assets	5.1	522	367
Bursaries (employees)		3,482	2,902
Catering		8,854	5,470
Communication		17,330	18,559
Computer services	5.2	40,841	45,925
Consultants: Business and advisory services		8,241	14,282
Infrastructure and planning services		367	216
Legal services		3,318	391
Contractors		8,592	3,871
Agency and support / outsourced services		132	14,914
Entertainment		22	29
Audit cost – external	5.3	16,497	14,866
Fleet services		25,670	23,945
Inventory	5.4	197,469	345,574
Consumables	5.5	10,381	7,199
Operating leases		26,741	24,536
Property payments	5.6	52,757	21,732
Rental and hiring		625	41
Transport provided as part of the departmental activities		6,979	64,757
Travel and subsistence	5.7	33,609	60,905
Venues and facilities		248	637
Training and development		25,485	18,833
Other operating expenditure	5.8	11,231	28,270
Total		501,590	719,932

5.1 Minor assets

	Note	2015/16 R'000	2014/15 R'000
	5		
Tangible assets		522	367
Machinery and equipment		522	367
Total		522	367



5.2 Computer services

	Note	2015/16	2014/15
	5	R'000	R'000
SITA computer services		8,494	13,243
External computer service providers		32,347	32,682
Total		40,841	45,925

5.3 Audit cost – External

	Note	2015/16	2014/15
	5	R'000	R'000
Regularity audits		16,497	14,866
Total		16,497	14,866

5.4 Inventory

	Note	2015/16	2014/15
	5	R'000	R'000
Clothing material and accessories		8	-
Food and food supplies		5,987	5,668
Learning, teaching and support material		99,019	288,553
Materials and supplies		310	181
Medical supplies		1,389	3
Other supplies	5.4.1	90,756	51,169
Total		197,469	345,574

5.4.1 Other supplies

	Note	2015/16	2014/15
	5.4	R'000	R'000
Assets for distribution		90,756	51,169
Machinery and equipment		90,756	44,312
Library material		-	6,857
Total		90,756	51,169

**5.5 Consumables**

	Note	2015/16	2014/15
	5	R'000	R'000
Consumable supplies		2,969	1,293
Uniform and clothing		244	14
Household supplies		2,154	984
Building material and supplies		17	10
IT consumables		542	137
Other consumables		12	148
Stationery, printing and office supplies		7,412	5,906
Total		10,381	7,199

5.6 Property payments

	Note	2015/16	2014/15
	5	R'000	R'000
Municipal services		2,824	6,571
Property maintenance and repairs		49,155	10,620
Other		778	4,541
Total		52,757	21,732

5.7 Travel and subsistence

	Note	2015/16	2014/15
	5	R'000	R'000
Local		32,989	47,080
Foreign		620	13,825
Total		33,609	60,905

5.8 Other operating expenditure

	Note	2015/16	2014/15
	5	R'000	R'000
Professional bodies, membership and subscription fees		27	33
Resettlement costs		2,334	2,561
Other		8,870	25,676
Total		11,231	28,270



6. Interest and rent on land

	Note	2015/16 R'000	2014/15 R'000
Interest paid		1,470	279
Total		1,470	279

7. Payments for financial assets

	Note	2015/16 R'000	2014/15 R'000
Other material losses written off	7.1	618	240
Debts written off	7.2	1	6,209
Total		619	6,449

7.1 Other material losses written off

	Note 7	2015/16 R'000	2014/15 R'000
Nature of losses			
Fruitless and wasteful expenditure		-	237
Damage GG vehicles		23	-
Claims against SARS for 2004/05 and 2005/06 financial years		591	-
Damages subsidised vehicles		4	3
Total		618	240

7.2 Debts written off

	Note 7	2015/16 R'000	2014/15 R'000
Nature of debts written off			
Ex-employee debt		1	6,209
Total debt written off		1	6,209

**8. Transfers and subsidies**

		2015/16 R'000	2014/15 R'000
	Note		
Departmental agencies and accounts	Annex 1A	8,878	8
Non-profit institutions	Annex 1B	876,224	1,150,856
Households	Annex 1C	269,741	453,111
Total		1,154,843	1,603,975

The comparative figure for transfers to households was restated with R674 thousand due to a misclassification identified in the 2014/15 audit.

9. Expenditure for capital assets

		2015/16 R'000	2014/15 R'000
	Note		
Tangible assets		647,682	437,978
Buildings and other fixed structures	30	642,245	432,243
Machinery and equipment	28	5,437	5,735
Total		647,682	437,978

The comparative figures were restated with R5,915 million due to the reclassification of Mobile schools from Machinery & equipment to Buildings & other fixed structures.

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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	647,682	-	647,682
Buildings and other fixed structures	642,245	-	642,245
Machinery and equipment	5,437	-	5,437
Total	647,682	-	647,682



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

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	437,978	-	437,978
Buildings and other fixed structures	432,243	-	432,243
Machinery and equipment	5,735	-	5,735
Total	437,978	-	437,978

The comparative figures were restated with R5,915 million due to the reclassification of Mobile schools from Machinery & equipment to Buildings & other fixed structures.

9.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2015/16 R'000	2014/15 R'000
Tangible assets			
Machinery and equipment		2,248	4,902
Total		2,248	4,902

10. Unauthorised expenditure

10.1 Reconciliation of unauthorised expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		887,429	506,326
Prior period error			-
As restated		887,429	506,326
Unauthorised expenditure – discovered in current year (as restated)		157,100	589,363
Less: Amounts approved by Parliament/Legislature with funding		-	(200,421)
Less: Amounts approved by Parliament/Legislature without funding		(298,066)	(7,839)
Capital			
Current		(298,066)	(7,839)
Transfers and subsidies			
Closing balance		746,463	887,429



The closing balance that originated in the 2014/15 (R589,363m) and 2015/16 (R157,100m) financial years has not been finalised by the Free State Legislature yet. An amount of R222,544 million was recorded as approved without funding subsequent to the reporting date due to the Free State Finance Management Amendment Act, no. 4 of 2016, assented to on 28 June 2016.

10.2 Analysis of balance per economic classification

	2015/16 R'000	2014/15 R'000
Current	486,183	602,865
Transfers and subsidies	260,280	284,564
Total	746,463	887,429

10.3 Analysis of balance per type

	2015/16 R'000	2014/15 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	746,463	887,429
Total	746,463	887,429

10.4 Details of unauthorised expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16 R'000
Overspending of Programme 2: Public Ordinary School Education	To be investigated	157,100
Total		157,100

11. Prepayments and advances

	Note	2015/16 R'000	2014/15 R'000
Travel and subsistence		88	514
Advances paid	11.1	30,962	31,406
Total		31,050	31,920

11.1 Advances paid

	Note	2015/16 R'000	2014/15 R'000
National departments	Annex 7	27,347	20,852
Public entities	Annex 7	3,615	10,554
Total		30,962	31,406



12. Receivables

	Note	2015/16			2014/15		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	12.1	15,678		15,678	11,925	-	11,925
Recoverable expenditure	12.2	2,035		2,035	2,300	-	2,300
Staff debt	12.3	62,581	1,196	63,777	53,187	1,573	54,760
Other debtors	12.4	12,313		12,313	11,583	-	11,583
Total		92,607	1,196	93,803	78,995	1,573	80,568

12.1 Claims recoverable

	Note 12 and Annex 3	2015/16 R'000	2014/15 R'000
National departments		1,533	812
Provincial departments		1,280	2,049
Public entities		12,865	9,064
Total		15,678	11,925

12.2 Recoverable expenditure (disallowance accounts)

	Note 12	2015/16 R'000	2014/15 R'000
Salary reversal control		-	225
Salary tax debt		351	497
Disallowance damages and losses		1,684	1,578
Total		2,035	2,300

12.3 Staff debt

	Note 12	2015/16 R'000	2014/15 R'000
Housing guarantees		1,684	1,670
Private phone debt		138	139
In-service debts		14,595	10,301
Ex-employee debt		47,360	42,650
Total		63,777	54,760

**12.4 Other debtors**

	Note	2015/16	2014/15
	12	R'000	R'000
Supplier debt		3,549	2,889
Bursary debt		8,764	8,694
Total		12,313	11,583

12.5 Fruitless and wasteful expenditure

	Note	2015/16	2014/15
	12	R'000	R'000
Opening balance		-	237
Less amounts written off		-	(237)
Total		-	-

12.6 Impairment of receivables

	Note	2015/16	2014/15
		R'000	R'000
Estimate of impairment of receivables		67,462	58,680
Total		67,462	58,680

Impairment loss for staff debt and other debtors was calculated from the recovery rate for all debt during the 2015/16 financial year as 89% of the total outstanding debt at year-end.

13. Voted funds to be surrendered to the Revenue Fund

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		135,843	145,863
Prior period error			-
As restated		135,843	145,863
Transfer from statement of financial performance (as restated)		29,968	(453,520)
Add: Unauthorised expenditure for current year	10	157,100	589,363
Paid during the year		(135,843)	(145,863)
Closing balance		187,068	135,843



14. Departmental revenue to be surrendered to the Revenue Fund

	Note	2015/16 R'000	2014/15 R'000
Opening balance		2,511	1,556
Prior period error			
As restated		2,511	1,556
Own revenue included in appropriation		19,653	20,263
Paid during the year		(21,690)	(19,308)
Closing balance		474	2,511

15. Bank Overdraft

	Note	2015/16 R'000	2014/15 R'000
Consolidated Paymaster General Account		439,879	531,334
Overdraft with commercial banks (Local)		201,555	294,658
Total		641,434	825,992

16. Payables – current

	Note	2015/16 R'000	2014/15 R'000
Clearing accounts	16.1	2,748	2,087
Total		2,748	2,087

16.1 Clearing accounts

	Note 16	2015/16 R'000	2014/15 R'000
Salary ACB Recalls		601	173
State guarantees		581	581
Salary Deductions		1,566	1,315
Pension Recoverable		-	18
Total		2,748	2,087

**17. Net cash flow available from operating activities**

	Note	2015/16 R'000	2014/15 R'000
Net surplus/(deficit) as per Statement of Financial Performance		29,968	(453,181)
Add back non cash/cash movements not deemed operating activities		795,825	482,273
Increase in receivables – current		(13,235)	(8,341)
(Increase)/decrease in prepayments and advances		870	(9,387)
Decrease in other current assets		298,066	208,260
Increase/(decrease) in payables – current		661	(1,326)
Proceeds from sale of capital assets		-	(3)
Expenditure on capital assets		647,682	437,978
Surrenders to Revenue Fund		(157,533)	(165,171)
Surrenders to RDP Fund		(339)	
Own revenue included in appropriation		19,653	20,263
Net cash flow generated by operating activities		825,793	29,092

18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2015/16 R'000	2014/15 R'000
Consolidated Paymaster General account		(439,879)	(531,334)
Cash with commercial banks (Local)		(201,555)	(294,658)
Total		(641,434)	(825,992)

19. Contingent liabilities and contingent assets**19.1 Contingent liabilities**

Liable to	Nature	Note	2015/16 R'000	2014/15 R'000
Housing loan guarantees	Employees	Annex 2A	-	310
Claims against the department		Annex 2B	6,412	5,373
Intergovernmental payable (unconfirmed)		Annex 4	4	
Total			6,416	5,683

Claims against the department will only become payable depending on the outcome of litigation.



20. Commitments

	Note	2015/16 R'000	2014/15 R'000
Current expenditure			
Approved and contracted		74,984	102,796
Approved but not yet contracted		1,184	1,846
		76,168	104,642
Capital expenditure			
Approved and contracted		927,555	1,169,858
Approved but not yet contracted		168	1,199,695
		927,723	2,369,553
Total Commitments		1,003,891	2,474,195

Infrastructure contracts included in capital expenditure – approved & contracted normally runs for a period longer than one year.

21. Accruals and payables not recognised

21.1 Accruals

		2015/16 R'000	2014/15 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	244	78	322
Interest and rent on land			102
Transfers and subsidies			71,398
Capital assets	141	120	261
Total	385	198	583

	Note	2015/16 R'000	2014/15 R'000
Listed by programme level			
Administration		351	19,312
Public Ordinary School Education		221	9,625
Infrastructure Development			156,037
Examination and Education Related Services		11	79,550
Further Education and Training		-	4,290
Adult Basic Education and Training		-	1,142
Total		583	269,956



The department experienced challenges due to accruals carried over from previous years. The functions of Further Education and Training as well as Adult Basic Education and Training were transferred to the Department of Higher Education with effect from 1 April 2015. The comparative figure for Goods & services was restated with (R551) thousand and Capital assets with R551 thousand due to a misclassification identified during the 2014/15 audit.

21.2 Payables not recognised

			2015/16	2014/15
			R'000	R'000
Listed by economic classification				
		30 Days	30+ Days	Total
				Total
Goods and services		19,910	109,969	129,879
Interest and rent on land		48	10	58
Transfers and subsidies		14,346	201,978	216,324
Capital assets		1,702	31,666	33,368
Total		36,006	343,623	379,629
Listed by programme level				
	Note		2015/16	2014/15
			R'000	R'000
Administration			34,211	-
Public Ordinary School Education			133,371	-
Independent School Subsidies			24,451	-
Public Special School Education			13,551	-
Early Childhood Development			2,584	-
Infrastructure Development			35,080	-
Examination and Education Related Services			136,381	-
Total			379,629	-
Included in the above totals are the following:				
Confirmed balances with other departments	Annex 4		9,453	12,779
Total			9,453	12,779

Accruals and Payables not recognised were previously combined but have been split in two sub-notes with effect from the 2015/16 financial year.



22. Employee benefits

	Note	2015/16	2014/15
		R'000	R'000
Leave entitlement		94,544	88,082
Service bonus (Thirteenth cheque)		282,366	280,088
Performance awards		9,205	17,589
Capped leave commitments		790,148	837,405
Other		39,776	25,746
Total		1,216,039	1,248,910

Leave credits with a negative value of R1,366 million is included in the amount disclosed as leave entitlement. This represents cases where leave for a future period was already captured on Persal before the reporting date. A negative amount of R560 thousand is included in the amount for capped leave commitments. Included in the amount for Other employee benefits are Long service awards that were payable before 31 March 2016 as well as a provision for awards to be paid to officials who will qualify in the 2016/17 financial year. At this stage the department is not able to reliably measure the long term portion of the long service awards.

23. Lease commitments

23.1 Operating leases expenditure

2015/16	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	174	20,686	20,860
Later than 1 year and not later than 5 years		21,464	21,464
Later than five years		430	430
Total lease commitments	174	42,580	42,754
2014/15	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	141	13,810	13,951
Later than 1 year and not later than 5 years	-	15,638	15,638
Total lease commitments	141	29,448	29,589

The disclosure includes one lease for additional classroom facilities, one for additional office accommodation and 8 for LTSM warehouses. All these contracts have expired but the department is still using the facilities and paying a rental amount for this therefore these leases are disclosed for one month only. 27 Lease agreements for equipment have also already expired and are currently being leased on a month-to-month basis. Included in the lease commitments for machinery and equipment is 372 GG-vehicles that the department is renting from the Government Garage for which the department is paying a daily tariff depending on the type and engine capacity of the vehicle.



23.2 Finance leases expenditure

2015/16	Machinery and equipment R'000	Total R'000
Not later than 1 year	5,256	5,256
Later than 1 year and not later than 5 years	4,381	4,381
Total lease commitments	9,637	9,637
<hr/>		
2014/15	Machinery and equipment R'000	Total R'000
Not later than 1 year	5,531	5,531
Later than 1 year and not later than 5 years	2,449	2,449
Total lease commitments	7,980	7,980

Leased assets are mainly leased in terms of the provincial transversal contract (FSPG004/11 and FSPT006/14/15). In both cases the lease period is 36 months starting from the commencement date. Rental is payable monthly in arrears. The lease commitments includes 131 photocopiers to the amount of R7,470m and 657 cell phone/data packages to the amount of R2,167m.

For the transversal contract for office equipment the department has the option to extend the lease for a maximum further period of 24 months. This is done on the same terms and conditions at 25% of the original rental amount. Applications for price adjustments may be submitted to Provincial Treasury for consideration. National Treasury is in the process of reviewing Governments fixed line and mobile communication expenditure. As an interim measure departments should extend contracts with mobile service providers that expire before 30 April 2016 on a month-to-month basis until 30 April 2016. Contracts that are expiring after 30 April 2016 must be honoured until completion.



24. Accrued departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Fines, penalties and forfeits		90	169
Total		90	169

24.1 Analysis of accrued departmental revenue

	Note	2015/16 R'000	2014/15 R'000
Opening balance		169	94
Less: amounts received		(263)	(455)
Add: amounts recognised		184	644
Less: amounts written-off/reversed as irrecoverable		-	(114)
Closing balance		90	169

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		1,223,412	774,197
Prior period error			206,793
As restated		1,223,412	980,990
Add: Irregular expenditure – relating to prior year			-
Add: Irregular expenditure – relating to current year		163,762	266,460
Less: Prior year amounts condoned		-	(24,038)
Less: Current year amounts condoned		-	-
Closing balance		1,387,174	1,223,412
Analysis of awaiting condonation per age classification			
Current year		163,762	266,460
Prior years		1,223,412	956,952
Total		1,387,174	1,223,412

The comparative figure for Irregular expenditure relating to current year was restated with R13,742 million due to expenditure confirmed as Irregular expenditure in the 2015/16 financial year and with R206,793 million affecting the prior year opening balance and R15,000 in respect of the prior year due to investigations not done within 90 days.



25.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16 R'000
Contractors: Non-compliance with procurement of infrastructure contracts	Under investigation	55,072
Non-compliance with SCM procedures	Under investigation	5,167
Payments not authorised per financial delegations	Under investigation	8,248
Bids advertised for less than 21 days	Under investigation	981
Suppliers in service of state	Under investigation	144
Declaration of interest & Tax clearance certificates	Under investigation	8,500
Variation orders exceeding 20% of contract amount	Under investigation	2,601
Investigations not done within 90 days	Under investigation	677
Contracts previously recorded as irregular	Under investigation	81,150
Events management transversal contract – invoices does not agree	To be investigated	49
Events management transversal contract – items not on signed contract	To be investigated	1,173
Total		163,762

During the audit irregular expenditure related to events management was identified that could not yet be quantified as the full population, including the prior financial year, was not reviewed and will be investigated by the Department of the Premier during the next financial year.



25.3 Details of irregular expenditures under investigation (not included in the main note)

Incident	2015/16 R'000
Non-compliance with SCM procedures	11
Participation in National Transversal contract for rental of office equipment	172
Contractors: Non-compliance with procurement of infrastructure contracts	13,924
Services rendered without orders	666
Multi-year Partnership (2013/14) payments	120,659
Multi-year Partnership (2014/15) payments	53,260
Multi-year Partnership (2015/16) payments	106,122
Multi-year Partnership (2013/14) payments	10,000
Multi-year Partnership (2014/15) payments	40,000
Multi-year Partnership (2016/15) payments	40,000
Non-compliance with SCM procedures – International Travel	15,660
Deviations not according to laws & regulations	4,226
Quotations not obtained from 3 suppliers	345
Irregular contracts identified by DPW	6,642
Possible collusion between bidders	1,565
Misrepresentation of information	3,714
Procurement & contract management: Interest in suppliers	29,139
Total	446,105

The full extent of the abovementioned expenditure still needs to be investigated and confirmed.

25.4 Prior period error

Nature of prior period error	Note	2014/15 R'000
Relating to 2013/14 <i>[affecting the opening balance]</i>		206,793
Investigations not done within 90 days		206,793
Relating to 2014/15		28,742
Expenditure incurred in 2014/15 financial year and only confirmed as irregular expenditure in the current 2015/16 financial year		13,742
Investigations not done within 90 days		15,000
Total prior period errors		235,535



The comparative figure for Irregular expenditure relating to current year was restated with R13,742 million due to expenditure confirmed as Irregular expenditure in the 2015/16 financial year and with R206,793 million affecting the prior year opening balance and R15,000 in respect of the prior year due to investigations not done within 90 days.

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

	Note	2015/16 R'000	2014/15 R'000
Opening balance		3,195	17,604
Prior period error			-
As restated		3,195	17,604
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		2,246	385
Less: Amounts resolved		(3,836)	(14,781)
Less: Amounts transferred to receivables for recovery	15.6	-	(13)
Closing balance		1,605	3,195

26.2 Analysis of awaiting resolution per economic classification

	2015/16 R'000	2014/15 R'000
Current	1,605	3,195
Total	1,605	3,195

26.3 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2015/16 R'000
Interest on water & electricity	Under investigation	25
Interest on Telkom account	No person can be held accountable	92
Interest on Auditor-General account	No person can be held accountable	81
Interest/penalties SARS	No person can be held accountable	626
Interest on pension	Under investigation	1,213
Catering	Under investigation	15
Accommodation	Under investigation	1
Events management transversal contract:		
Management fees not in contract		131
VAT overcharged		62
Total		2,246



An amount of R1,011 million Included in the amount for current year's fruitless & wasteful expenditure has already been resolved. The amount of R13 thousand transferred to receivables for recovery during the prior period was taken on as debt and is therefore included in note 15.4 and not in note 15.6 as indicated above.

Fruitless and wasteful expenditure in respect of the Events management transversal contract could not yet be quantified as the full population, including the prior financial year, will be investigated by the Department of the Premier during the next financial year.

27. Key management personnel

	No. of Individuals	2015/16 R'000	2014/15 R'000
Political office bearers (provide detail below)	1	1,902	1,822
Officials:			
Level 15 to 16	5	7,477	6,455
Level 14 (incl. CFO if at a lower level)	9	8,456	8,557
Family members of key management personnel	12	4,623	3,860
Total		22,458	20,694

28. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	45,352	-	3,328	(2,197)	46,483
Computer equipment	27,391	-	3,202	(1,504)	29,089
Furniture and office equipment	13,560	-	89	(561)	13,088
Other machinery and equipment	4,401	-	37	(132)	4,306
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	45,352	-	3,328	(2,197)	46,483



28.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	5,438	380	(2,248)	(242)	3,328
Computer equipment	3,122	345		(265)	3,202
Furniture and office equipment	2,287	22	(2,248)	28	89
Other machinery and equipment	29	13		(5)	37
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	5,438	380	(2,248)	(242)	3,328

28.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	341	1,856	2,197	-
Computer equipment	331	1,173	1,504	-
Furniture and office equipment	-	561	561	-
Other machinery and equipment	10	122	132	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	341	1,856	2,197	

The proceeds from movable tangible capital assets sold for cash during 2015/16 amounted to R232.97



28.3 Movement for 2014/15

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	43,367	3,009	1,905	(2,929)	45,352
Computer equipment	26,432	1,617	1,844	(2,502)	27,391
Furniture and office equipment	12,368	1,404	-	(212)	13,560
Other machinery and equipment	4,567	(12)	61	(215)	4,401
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	43,367	3,009	1,905	(2,929)	45,352

28.3.1 Prior period error

	Note	2014/15 R'000
Nature of prior period error		
Relating to 2013/14 <i>[affecting the opening balance]</i>		3,009
Adjustments, Subsidiary issues & internal transfers		3,009
Relating to 2014/15		
Reclassification of mobile classrooms to Buildings & other fixed structures		(5,915)
Total prior period errors		(2,906)



28.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Machinery and equipment	Total
	R'000	R'000
Opening balance	30,428	30,428
Value adjustments	-	-
Additions	24,499	24,499
Disposals	(2,038)	(2,038)
TOTAL MINOR ASSETS	52,889	52,889
Number of R1 minor assets	4,907	4,907
Number of minor assets at cost	56,022	56,022
TOTAL NUMBER OF MINOR ASSETS	60,929	60,929

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2015

	Machinery and equipment	Total
	R'000	R'000
Opening balance	40,335	40,335
Prior period error	(8,439)	(8,439)
Additions	1,052	1,052
Disposals	(2,520)	(2,520)
TOTAL MINOR ASSETS	30,428	30,428
Number of R1 minor assets	5,100	5,100
Number of minor assets at cost	47,232	47,232
TOTAL NUMBER OF MINOR ASSETS	52,332	52,332



28.4.1 Prior period error

	Note	2014/15 R'000
Nature of prior period error		
Relating to 2013/14 <i>[affecting the opening balance]</i>		(8,439)
Adjustments, subsidiary issues and internal transfers		(8,439)
Total prior period errors		(8,439)

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	717	-	-	-	717
TOTAL INTANGIBLE CAPITAL ASSETS	717	-	-	-	717

29.1 Movement for 2014/15

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	717	-	-	-	717
TOTAL INTANGIBLE CAPITAL ASSETS	717	-	-	-	717



30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Bal- ance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	690,914	(3,218)	399,772	(88,516)	998,952
Non-residential buildings	690,914	(3,218)	399,772	(88,516)	998,952
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	690,914	(3,218)	399,772	(88,516)	998,952

30.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	669,156	387,712	(657,096)	-	399,772
Non-residential buildings	669,156	387,712	(657,096)	-	399,772
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	669,156	387,712	(657,096)	-	399,772



30.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	88,516	88,516	-
Non-residential buildings	-	88,516	88,516	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	88,516	88,516	-

30.3 Movement for 2014/15

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	550,155	170,571	(29,812)	690,914
Non-residential buildings	-	550,155	170,571	(29,812)	690,914
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	550,155	170,571	(29,812)	690,914



30.3.1 Prior period error

	Note	2014/15 R'000
Nature of prior period error		
Relating to 2013/14 <i>[affecting the opening balance]</i>		550,155
Completed assets not yet ready for transfer to DPW		433,744
Reclassification of mobile classrooms from machinery & equipment		116,411
Relating to 2014/15		140,759
Reclassification of mobile classrooms from machinery & equipment		25,683
Completed assets not yet ready for transfer to DPW		115,076
Total prior period errors		690,914

The comparative figures were restated due to the reclassification of mobile classrooms as well as projects that are completed but not yet ready to be transferred to DPW.

30.4S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA – 2015/16

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	238	844,798
Non-residential buildings	238	844,798
TOTAL	238	844,798

Assets subjected to transfer in terms of S42 of the PFMA – 2014/15

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES	102	548,820
Non-residential buildings	102	548,820
TOTAL	102	548,820



The prior year figure was restated due to renovations projects previously included in the amount.

30.5 Immovable assets additional information

		Note	2015/16	2014/15
a) Facilities on right to use land	Duration of use	Annexure 8	Number	Number
Schools	Open ended		330	404

31. Prior period errors

31.1 Correction of prior period errors

	Note	2014/15
		R'000
Expenditure:		
Compensation of employees	4	674
Transfer and subsidies	8	(674)
Tangible assets – Buildings & other fixed structure	9	5,915
Tangible assets – Machinery & equipment	9	(5,915)
Net effect		-

The prior period errors are due to the misclassification of expenditure that had to be corrected.

	Note	2014/15
		R'000
Assets:		
Movable tangible capital assets		(2,906)
Minor assets		(8,439)
Immovable tangible capital assets		690,914
Net effect		679,569

The prior period errors are due to Adjustments, Subsidiary issues & Internal transfers as well as the reclassification of mobile classrooms and completed assets not yet ready for transfer to DPW.

	Note	2014/15
		R'000
Liabilities:		
Accrued expenditure – Goods & services		(551)
Accrued expenditure - Capital assets		551
Net effect		-

The prior period error is due to the misclassification of accrued expenditure that had to be corrected.



	Note	2014/15 R'000
Disclosure notes:		
Irregular expenditure		235,535
Net effect		235,535

The prior period errors are due to expenditure incurred in 2014/15 financial year and only confirmed as irregular expenditure in the current 2015/16 financial year as well as investigations not done within 90 days.

32. Transfer of functions

On 1 April 2015 the Further Education and Training (Programme 5) as well as the Adult Basic Education and Training (Programme 6) functions were transferred to the Department of Higher Education. The Learner Transport function was also transferred to the Free State Department of Police, Roads and Transport with effect from 1 April 2015. The annual financial statements were not restated. The following reflects the impact the transfer of the functions would have had on the statement of financial position and the disclosure notes of the previous financial year.

32.1 Statement of Financial Position

	Note	Bal per dept 2014/15 AFS before trans- fer	FET function transferred to Higher Education	ABET function transferred to Higher Education	Function transferred to Police, Roads & Transport	2014/15 Bal after transfer
		2014/15	2014/15	2014/15	2014/15	2014/15
		R'000	R'000	R'000	R'000	R'000
ASSETS						
Current Assets		998,344	(303)	(447)	(35,855)	961,739
Unauthorised expenditure		887,429	-	-	(35,854)	851,575
Prepayments and advances		31,920	-	-	-	31,920
Receivables		78,995	(303)	(447)	(1)	78,244
Non-Current Assets		1,573	(7)	(13)	-	1,553
Receivables		1,573	(7)	(13)	-	1,553
TOTAL ASSETS		999,917	(310)	(460)	(35,855)	963,292



	Note	Bal per dept 2014/15 AFS before transfer	FET function transferred to Higher Education	ABET function transferred to Higher Education	Function transferred to Police, Roads & Transport	2014/15 Bal after transfer
		2014/15	2014/15	2014/15	2014/15	2014/15
		R'000	R'000	R'000	R'000	R'000
LIABILITIES						
Current Liabilities		966,772	(9,286)	(36)	(11,329)	946,121
Voted funds to be surrendered to the Revenue Fund		135,843	(3,665)	(4)	-	132,174
Departmental revenue to be surrendered to the Revenue Fund		2,511	-	-	-	2,511
Bank Overdraft		825,992	(5,621)	(32)	(11,329)	809,010
Payables		2,087	-	-	-	2,087
Aid assistance repayable		339	-	-	-	339
TOTAL LIABILITIES		966,772	(9,286)	(36)	(11,329)	946,121
NET ASSETS		33,145	8,976	(424)	(24,526)	17,171



32.2 Disclosure Notes

	Note	Bal per dept 2014/15 AFS before transfer	FET function transferred to Higher Education	ABET function transferred to Higher Educa- tion	Function transferred to Police, Roads & Transport	2014/15 Balance after transfer
		2014/15	2014/15	2014/15	2014/15	2014/15
		R'000	R'000	R'000	R'000	R'000
Contingent liabilities		5,683	-	-	-	5,683
Commitments		2,474,195	(26)	(250)	-	2,473,919
Accruals		269,956	(4,290)	(1,142)	(5,564)	258,960
Employee benefits		1,248,910	(5,598)	(1,783)	(57)	1,241,472
Lease commitments – Operating lease		29,589				29,589
Lease commitments – Finance lease		7,980				7,980
Accrued departmental revenue		169				169
Irregular expenditure		987,877				987,877
Fruitless and wasteful expenditure		3,195	(13)			3,182
Movable tangible capital assets		48,258				48,258
Intangible capital assets		717				717

Further Education & Training Act, 2006 (Act no. 16 of 2006); EXCO Resolution, 17 November 2014

5 Protocol agreements have been entered into:

- 1. Between the Minister of Higher Education and the MEC Education in November 2012 for FET*
- 2. Between the DG: Higher Education and the HOD: Free State Education in November 2012 for FET*
- 3. An Addendum to the agreement between the DG: Higher Education and the HOD: Free State Education in August 2014 for FET*
- 4. Between the DG: Higher Education and the HOD: Free State Education in January 2015 for ABET Implementation protocol between HOD: Free State Education and HOD: Police, Roads & Transport in November 2015.*



33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION						SPENT			2014/15	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Ad-just-ments	Other Ad-just-ments	Total Available	Amount received by de-partment	Amount spent by de-partment	Under / (Over-spend-ing)	% of available funds spent by de-partment	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
Education Infrastructure Grant	762,553	119,015			881,568	881,568	755,177	126,391	86%	607,581	488,566
Dinaledi Schools Grant					-	-	-	-	-	8,503	8,047
HIV/AIDS (Life Skills Education) Grant	10,462	1,237			11,699	11,699	11,457	242	98%	12,686	10,931
National School Nutrition Programme	317,157	3,712			320,869	320,869	318,670	2,199	99%	299,417	292,948
Technical Secondary Schools Recapitalisation Grant	-	-			-	-	-	-	-	22,219	22,219
EPWP Integrated Grant for Provinces	2,523	585			3,108	3,108	3,108	-	100%	3,540	2,629
Social Sector EPWP Incentive Grant	1,000				1,000	1,000	981	19	98%	2,846	2,240
Further Education and Training College Grant	-	-			-	-	-	-	-	185,111	181,446
OSD for therapists Grant	5,775				5,775	5,775	5,775	-	100%	18,358	18,358
Maths, Science & Technology Grant	32,145				32,145	32,145	21,525	10,620	67%		
	1,131,615	124,549	-	-	1,256,164	1,256,164	1,116,693	139,471		1,160,261	1,027,384

All transfers in terms of the Division of Revenue Act (DORA) were deposited into the primary bank account of the province.

Due to the implementation of section 22 of the Division of Revenue Act, 2015, Conditional Grant allocations from National Treasury was reduced with R4,663 million and Conditional Grant allocation from the Provincial Revenue Fund was increased with the same amount.

The comparative figures were restated to exclude Provincial Earmarked Funding previously disclosed under this note.

**34. FINANCIAL SUSTAINABILITY**

Management has done an assessment of the Department's ability to continue as a going concern. In doing so the short and medium term economic environment was taken into consideration. The cumulative financial implications of note 20 (commitments), note 21.2 (payables not recognised), note 16 (payables), notes 15 (bank overdraft), note 10 (unauthorised expenditure - over spending of the budget) and note 13 (voted funds to be surrendered to the revenue fund which includes the unspent funds of the conditional grants) will result in a decrease of the current budget (2016/17) available for program expenditure equal to the aggregate amount of these items. A further potential challenge as a result of all the decrease in available budget might include a delay in payment of suppliers and service providers within the normal 30 day time frame. It will also have an impact on achieving performance targets as outlined in the annual performance plan of the 2016/17 year.

Due to issues identified with the current state of the budget as well as other issues identified with financial management the MEC: Finance has appointed, in terms of Section 36 (3) of the PFMA, Act no. 1 of 1999 as amended, an Accounting Officer other than the Head of the Department with effect from 1 April 2015 for the Department of Education.



**ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
SETA	8,636		233	8,869	8,868	100%	-
SABC	22		(10)	12	10	83%	9
TOTAL	8,658		223	8,881	8,878		9

See note 8.



**ANNEXURE 1B
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2014/15 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred	
						%	
NON-PROFIT INSTITUTIONS							
Transfers							
Public Ordinary Schools	903,363		8,230	911,593	793,620	87%	724,322
Public Special Schools	59,907			59,907	44,967	75%	51,571
ECD Sites	8,804			8,804	2,524	29%	6,638
Further Education and Training Colleges	-			-	-	-	3,274
Public Adult Basic Education & Training Centres	-			-	-	-	628
	972,074	-	8,230	980,304	841,111		786,433
Subsidies							
Independent School Subsidies	66,172		(5,000)	61,172	35,113	57%	59,039
	66,172	-	(5,000)	61,172	35,113		59,039
TOTAL	1,038,246	-	3,230	1,041,476	876,224		845,472

Further Education & Training and Adult Basic Education & Training functions moved to Higher Education on 1 April 2015.
Public Ordinary Schools' transfer payments were authorised but not all disbursed – see note 24.
See note 8.

Unaudited supplementary information



**ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION					EXPENDITURE		2014/15 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred	%	
Transfers								
Employee social benefits	20,700			20,700	89,512	432%		47,295
Bursaries	437,900		(13,530)	424,370	179,638	42%		390,001
Claims against the state			43	43	591	1374%		310
Pocket money			13,530	13,530	-	-		-
TOTAL	458,600		43	458,643	269,741			437,606

See note 8.



ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2015/16 R'000	2014/15 R'000
Received in kind			
SASOL	Projector & screen		99
Prof. Rodney Moffett	Library books		5
BBD Combined Intelligence Company	Printing of district, circuit and school dashboard reports		50
MBLS Publishing	Books		9
Kagiso Trust	Photocopiers (2)		106
Sony Limited	Library books	250	
SASOL	Toyota Quantum Panel Van	325	
VVOB	Kiosks for distributing digital content	300	
Vodacom Foundation	ICT equipment	294	
TOTAL		1,169	269



**ANNEXURE 1E
STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING			CLOSING
		BALANCE	REVENUE	EXPENDI-TURE	BALANCE
		R'000	R'000	R'000	R'000
Received in cash					
Flemish Government	Early Childhood Development	339	339	678	-
TOTAL		339	339	678	-

The opening balance of R339 thousand was surrendered to the Provincial Revenue Fund during the first quarter of the 2015/16 financial year. The amount of R339 was received again as revenue during the 3rd quarter of which R339 thousand was spent. See note 3.



**ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2016 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2015	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2016	Guaranteed interest for year ended 31 March 2016	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing									
Hlano Fin Services			21		21		-		
Green Start Home			128		128		-		
FNB (Former Saambou)			68		68		-		
Old Mutual (Fin Ltd)			21		21		-		
Old Mutual (Nedbank)			34		34		-		
	TOTAL		272		272		-		

See note 19.1

Unaudited supplementary information



**ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016**

Nature of Liability	Opening Balance		Liabilities in- curring during the year	Liabilities paid/ cancelled/re- duced during the year	Liabilities recoverable (Provide de- tails hereun- der)	Closing Balance	
	1 April 2015	R'000				R'000	31 March 2016
Claims against the department							
Randum Chemicals – Contractual claims	415		(415)				-
ME Mofokeng – Breach of contract (Learner transport contracts in Xhariep)	517						517
Swinburne Stores CC – Demand in terms of alleged delict	5		(5)				-
Ngcobo MT	28		(28)				-
DJ Mokoena – Re-instatement	1,225						1,225
LL Khaile – Malicious damage to school property	60						60
TJ Moloi – Re-instatement	1,352						1,352
NL Mokoena – Re-instatement	761						761
Danie Terblans – Claim of learner who was injured during a school activity	300		(300)				-
MM Sejake – Injury sustained by learner at school	100						100
MP Khatilake – Alleged breach of employment contract	102						102
TM Kopjane – Alleged breach of employment contract	85						85
BP Gubenyathi – Alleged breach of employment contract	78						78
KF Shano – Alleged breach of employment contract	172						172
RP Basimane – Alleged breach of employment contract	101						101
MA Motshabi – Alleged breach of employment contract	72						72
SE Khitsane – Claim of learner assaulted by teacher		200					200
ME Tumahole – Claim of learner assaulted by teacher		15					15
M Malope – Death of learner		960					960
ASAPI 1109cc – Non payment of final payment certificate		212					212

Unaudited supplementary information



Nature of Liability	Opening Balance 1 April 2015 R'000	Liabilities in- curred during the year R'000	Liabilities paid/ cancelled/re- duced during the year R'000	Liabilities recoverable (Provide hereun- der) R'000	Closing Balance 31 March 2016 R'000
TC Phatsisi – Learner drank paraffin at school function		400			400
TOTAL	5,373	1,787	(748)	-	6,412

See note 19



**ANNEXURE 3
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance out-standing		Unconfirmed balance out-standing		Total		Cash in transit at year end 2015/16	Receipt date up to six (6) working days after year end	Amount R'000
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015			
	R'000	R'000	R'000	R'000	R'000	R'000			
Department									
Gauteng Department of Education	-	-	549	417	549	417			
Eastern Cape Department of Education	-	-	-	22	-	22			
SA Defence Force	-	-	6	6	6	6			
Government Employees Fund	-	-	18	129	18	129			
Free State Department of Premier	-	678	-	-	-	678			
Western Cape Department of Education	-	-	118	45	118	45			
Limpopo Department of Education	-	-	313	661	313	661			
Gauteng Department of Health	-	-	-	18	-	18			
North West Department of Education	-	-	48	48	48	48			
KZN Department of Education	-	-	-	160	-	160			
Department of International Relations & Cooperation	-	-	582	67	582	67			
Department of Basic Education	-	-	862	590	862	590			
Correctional Services	-	-	-	20	-	20			
Northern Cape Department of Education	-	-	99	-	99	-			
Department of Higher Education & Training	15	-	-	-	-	15			
Department of Justice & Constitutional Dev	-	-	49	-	49	-			

Unaudited supplementary information



Government Entity	Confirmed balance out-standing		Unconfirmed balance out-standing		Total		Cash in transit at year end 2015/16
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	
	R'000	R'000	R'000	R'000	R'000	R'000	Receipt date up to six (6) working days after year end
Free State Department of Human Settlement	23	-	-	-	23	-	Amount
Mpumalanga Department of Education	-	-	131	-	131	-	
	38	678	2,775	2,183	2,813	2,861	
Other Government Entities							
SARS	-	-	564	591	564	591	
ELRC	-	-	12,301	8,473	12,301	8,473	
	-	-	12,865	9,064	12,865	9,064	
TOTAL	38	678	15,640	11,247	15,678	11,925	

See note 12.1

Unaudited supplementary information



**ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance out-standing		Unconfirmed balance out-standing		TOTAL		Cash in transit at year end 2015/16	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Free State Department of the Premier	170	618			170	618		
Fleet Management	8,241	7,734			8,241	7,734		
Free State Department of Economic Development, Tourism & Environmental Affairs	-	221			-	221		
Department of Justice & Constitutional Dev	722	2,880	4	2	726	2,882		
Mpumalanga Department of Education	-	54			-	54		
KZN Department of Education	-	62			-	62		
Eastern Cape Department of Education	-	265			-	265		
Gauteng Provincial Treasury	49	294			49	294		
North West Department of Education	-	651			-	651		
North West Department of Health	2	-			2	-		
Department of Education & Sports Development	269	-			269	-		
TOTAL	9,453	12,779	4	2	9,457	12,781		

See note 19 and 21

Unaudited supplementary information



ANNEXURE 5
INVENTORIES

Inventory [Per major category]	Note	Quantity	2015/16 R'000	Quantity	2014/15 R'000
Opening balance		20,151	1,453	21,677	1,369
Add/(Less): Adjustments to prior year balance				4	-
Add: Additions/Purchases - Cash		598,086	31,220	194,636	13,908
Add: Additions - Non-cash					
(Less): Disposals		(11)	(1)	(3)	-
(Less): Issues		(598,620)	(30,905)	(196,402)	(14,036)
Add/(Less): Adjustments		(8,094)	(755)	239	212
Closing balance		11,512	1,012	20,151	1,453

Cash additions does not agree with note 5.4 – Inventory due to LTSM and Asset for distribution to schools not included in the inventory system.

Unaudited supplementary information



**ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2016				
	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Non-residential buildings	610,012	657,096	(387,712)	879,396
TOTAL	610,012	657,096	(387,712)	879,396

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2015					
	Opening balance	Prior period error	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Non-residential buildings	756,751	(398,367)	426,328	(174,700)	610,012
TOTAL	756,751	(398,367)	426,328	(174,700)	610,012

The prior period error relates to projects that were completed prior to 1 April 2014.


ANNEXURE 7
INTER-ENTITY ADVANCES PAID (note 11)

ENTITY	Confirmed balance out-standing		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations & Cooperation	27,347	20,852			27,347	20,852
Subtotal	27,347	20,852			27,347	20,852
PUBLIC ENTITIES						
IDT	3,615	10,554			3,615	10,554
Subtotal	3,615	10,554			3,615	10,554
TOTAL	30,962	31,406			30,962	31,406



ANNEXURE 8 IMMOVABLE ASSETS ADDITIONAL DISCLOSURE

The Department of Education have facilities on land where a right to use exist. The Department is in the process of formalizing all these arrangements in terms of Section 14 of the South African Schools Act, Act 84 of 1996, as amended with formal agreements. All these agreements are done on a non rental paying basis and are open ended for as long as the school is in existence. At reporting date the following were in place:

330 Operational public schools on private property ie. Farm schools

249 of these schools already have signed agreements in place

81 do not yet have an agreement in place

