

Vote 5

Education

R thousand	2020/21			
	Special adjustments appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	57 727 450	56 176 460	(1 550 990)	
MEC remuneration ¹	1 978	1 978		
Total amount to be appropriated	57 729 428	56 178 438	(1 550 990)	
<i>of which:</i>				
Current payments	54 256 054	51 533 480	(2 722 574)	
Transfers and subsidies	2 075 534	3 305 913		1 230 379
Payments for capital assets	1 397 840	1 338 851	(58 989)	
Payments for financial assets	-	194		194
Responsible MEC	MEC for Education			
Administering department	Education			
Accounting Officer	Head: Education			

1. Vision and mission

Vision

The vision of the Department of Education (DOE) is: *An innovative hub for quality teaching and learning that produces learners developed to exploit opportunities for lifelong success.*

Mission

The department's mission is: *To facilitate quality teaching and learning in a conducive classroom environment every day.*

2. Strategic outcomes

Strategic policy directions: The outcomes of the department are as follows:

- Youth better prepared for further learning and world of work.
- A competent cohort of educators with the requisite skills for curriculum delivery and assessment in a changing world.
- Improved reading for meaning, numeracy and digital skills.
- A safe, secure school environment for teaching and learning.
- Decolonised curriculum in language and history studies.
- Collaborative and responsive infrastructure planning and implementation.

3. Summary of the second adjustments estimate for 2020/21

The main appropriation of the Department of Education was R57.247 billion in 2020/21. During the year, the Covid-19 pandemic resulted in the department having to reprioritise its budget internally in response to the pandemic, the department received additional equitable share funding of R1 billion to address pressures arising from the pandemic, and a reduction was made in the department's conditional

¹ At the time of going to print, the proclamation determining the 2020 salary adjustment relating to public office bearers had not been signed, hence this amount remains unchanged from the 2020/21 EPRE

grant budget of R517.375 million. This resulted in the department's budget increasing by a net amount of R482.625 million and this was formalised with the tabling of the Special Adjustments Estimate in July. Following the Special Adjustments Estimate, the department received a roll-over of conditional grant funding and an additional allocation toward its equitable share, while budget cuts were effected in terms of the annual cost-of-living provision. These amendments resulted in a net reduction in the department's budget of R1.551 billion.

The main reasons for this net decrease, as well as other adjustments, are summarised below, and are explained in detail in Section 4.

- *Roll-overs:* An amount of R9.734 million from 2019/20 was approved by National Treasury, as a roll-over in respect of the National School Nutrition Programme (NSNP) grant and this was allocated to Programme 2: Public Ordinary School Education against *Goods and services*. This relates to committed funds for payment of feeding that was undertaken in March, as invoices are only paid in the following month once services have been rendered. Also, some invoices could not be submitted on time for processing by year-end due to the national lockdown in late March as a result of the Covid-19 pandemic.
- *Virement between programmes:* The department undertook various virements across programmes. This also affected various economic classifications and sub-programmes, as detailed in Section 4:
 - Programme 1: Administration shows a net decrease of R11.680 million as a result of virements from and to other programmes as follows:
 - R12.720 million was moved from Programme 2 against *Goods and services*. This amount relates to specifically and exclusively appropriated funds and were allocated for the response to Covid-19 in respect of water provision in schools. These costs were lower than anticipated as the rate at which the water provision was charged by the municipalities was lower than expected. The department indicated that boreholes were provided in uMkhanyakude, iLembe and uMzinyathi districts. This is an ongoing project that is implemented in phases. An amount of R12 million of these savings was moved to Programme 1 to offset pressures in respect of the delivery costs of PPE to district and circuit offices. The balance of R720 000 was moved from consumable supplies ascribed to lower than anticipated costs for the purchase of PPE such as masks, gloves and visors. This was utilised to provide for costs related to independent assessments that were done where educators applied for concessions as a result of comorbidities.
 - A further R50 million was moved from Programme 2 against *Goods and services*. These funds were reprioritised during the Special Adjustments Estimate from within the Vote and relate to equitable share funding. The reprioritisation was done at the time to provide for the purchase of consumable supplies such as, washing detergents and cleaning materials but the actual costs of these were lower than anticipated. These funds were thus moved back to Programme 1 where they had originally been reprioritised from to offset pressures in respect of under-budgeted operating leases for office buildings (R30 million) in various districts and head office, as well as under-budgeted fleet services (R20 million) for maintenance and repairs of vehicles.
 - R3 million was moved from Programme 3: Independent School Subsidies against *Transfers and subsidies to: Non-profit institutions*. The department indicated that seven schools were not compliant with the required governance and financial requirements to qualify for the transfers and therefore did not receive funding from the department for the first and second tranche transfers. This was utilised to offset pressures against *Transfers and subsidies to: Provinces and municipalities* for motor vehicle licence renewals which were under-budgeted for.
 - R2.600 million was moved from Programme 4: Public Special School Education against *Transfers and subsidies to: Non-profit institutions*. The department makes provision annually for any increase in enrolment numbers in special schools that may occur in-year, but this amount was not required. It should be noted that this reduction did not affect the

gazetted transfers to schools. These savings were utilised to offset pressures against *Machinery and equipment* for the payment of 32 vehicles purchased in the previous year but delivered in 2020/21.

- Offsetting the increase to the programme were savings of R80 million realised from *Compensation of employees* related to slow progress in filling 234 advertised office-based posts. The delays resulted from the national lockdown whereby recruitment processes could initially not be undertaken and, as a result, only 33 posts were filled by mid-year. The savings were moved to Programme 2 to offset projected pressures for the appointment of 183 educators which was not budgeted for.
- o Programme 2: Public Ordinary School Education shows a net decrease of R32.720 million as follows:
 - R62.720 million was moved from *Goods and services* as the costs of consumable supplies were lower than anticipated and this related to the purchase of PPE such as masks, gloves and visors. Property payments were also lower than anticipated as the rate at which the water provision was charged by the municipalities was lower than expected. There was also lower demand for these services as some schools did not extend the contracts for water provision beyond the initial period of three months while it was anticipated that water provision for all schools was going to be extended to six months. This was utilised to offset pressures in Programme 1 against the same economic category for costs related to the delivery of PPE (R12 million) to district and circuit offices, as well as the appointment of independent consultants (R720 000) to assess applications for concession for officials with comorbidities. The balance of R50 million was moved to Programme 1 to offset pressures against leases for office buildings in various districts and head office, as well as fleet services for vehicle maintenance and repair costs, as previously discussed.
 - R50 million was moved from *Goods and services* in respect of funds that were specifically and exclusively appropriated to assist the department to respond to Covid-19. These were savings realised against consumables and supplies for the purchase of PPE. This was due to adequate stock levels for purchased PPE for the current year including top-up purchases that was undertaken when most schools were opened in September. The savings were utilised to offset pressures against Programme 6: Infrastructure Development. This relates to the desludging programme to ensure that proper hygiene and sanitation requirements are maintained in schools, including the provision of chemical toilets and maintenance costs related to vandalised schools. The department indicated that this is part of the turnaround strategy to reduce pressures from the cut against the Education Infrastructure grant (EIG).
 - Offsetting these decreases in Programme 2 were savings of R80 million realised in Programme 1 against *Compensation of employees*. These funds were allocated to this programme to provide for pressures in filling educator posts which were under-budgeted for.
- o Programme 3: Independent School Subsidies was decreased by R3 million against *Transfers and subsidies to: Non-profit institutions*. As mentioned, the department indicated that seven schools were not compliant with the transfer requirements to qualify for the transfers and therefore did not receive funding from the department for the first and second tranche transfers. This was utilised to offset pressures in Programme 1 against *Transfers and subsidies to: Provinces and municipalities* for motor vehicle licence renewals which were under-budgeted for.
- o Programme 4: Public Special School Education was decreased by an amount of R2.600 million against *Transfers and subsidies to: Non-profit institutions*. As mentioned, the savings were realised from the lower than budgeted number of learners in special schools. This was utilised to offset pressures in Programme 1 under *Machinery and equipment* for 32 vehicles purchased in the previous year but delivered in 2020/21.
- o Programme 6: Infrastructure Development was increased by an amount of R50 million from Programme 2. As mentioned, these were savings realised against consumables and supplies relating to funds that were specifically and exclusively appropriated in response to Covid-19 and

these funds were initially allocated for the purchase of PPE. These funds were no longer needed for that purpose and were thus utilised to offset pressures in respect of the desludging programme to ensure proper hygiene and sanitation requirements are maintained in schools, etc.

These virements are permissible in terms of the PFMA and Treasury Regulations. In addition to the above virements, the department undertook virements across sub-programmes and economic categories within programmes and these are discussed in more detail in Section 4. Some of the virements undertaken at programme level require Legislature approval, and this is highlighted in grey shading under the relevant programmes.

Legislature approval is required for the reduction in *Transfers and subsidies to: Non-profit institutions* relating to transfers to schools (that were not gazetted to any particular school, though) and for changes to the specifically and exclusively appropriated Covid-19 response funds. Also, the reduction in *Payments for capital assets* in respect of *Buildings and other fixed structures* requires Legislature approval in terms of Section 43(4)(c) of the PFMA, as *Payments for capital assets* for the Vote as a whole has decreased. This is further detailed in Section 4.

- *Shifts*: The department undertook no shifting of funds across programmes, however, funds were shifted across economic categories and sub-programmes within Programmes 1, 2, 5 and 6 as detailed in Section 4.
- *Other adjustments*: The department's budget allocation was decreased by a net amount of R1.561 billion, as explained below:
 - R3.085 billion was reduced from the baseline of the department as a result of steps implemented by National Treasury to reduce the wage bill in the public sector. This cut is implemented in respect of the provision made for the 2020 cost-of-living adjustment as this matter is currently in court and is unlikely to be resolved before the end of the financial year. This was reduced against *Compensation of employees* in Programmes 1 and 2. The department indicated that there is limited scope for reprioritisation in any other programmes to effect this cut.
 - Additional funding of R1.424 billion was allocated to the department from the Presidential Employment Initiative Fund. This funding is allocated to respond to the increase in unemployment as a result of the Covid-19 pandemic. The Department of Basic Education (DBE) made an application for funding for the purpose of employing education assistants at schools and to save school governing body (SGB) posts at fee paying schools and government-subsidised independent schools where employees have been furloughed or had salaries reduced due to reduced income from school fees and fund raising initiatives as a result of Covid-19. Through this allocation, SGBs can appoint education assistants and decide on the specific duties of these assistants (e.g. reading assistants, classroom assistants, after school assistants, cleaners, screeners, etc.) depending on the need of the schools. This amount is, therefore, specifically and exclusively appropriated to the department and the department allocated the funds against Programmes 2, 3 and 4 for the appointment of 45 838 educator assistants, 27 817 cleaners and screeners, with this allocation informed by the need of the schools. The department allocated an amount of R14 million from the additional funding toward training the appointees on skills such as resilience and maturity, computer and IT skills, financial skills where educator assistants will undertake functions of balancing books for the school, etc. It should be noted these are estimated figures which were provided by DBE. However, the department is the process of collecting data from various schools and districts and the estimates might thus change.
 - Additional funding of R100 million was allocated to the department from the provincial fiscus to offset infrastructure pressures as a result of the budget cut of R497.218 million against the EIG. These funds are specifically and exclusively allocated for the purpose of completing 544 sanitation projects currently at construction stage. These include water and sanitation projects which are a priority and include eradicating pit-latrines. These projects have a short-term duration ranging between four to six months and hence the full amount will be spent by year-end. These funds were allocated to Programme 6 and *Buildings and other fixed structures*.

Tables 5.1 and 5.2 reflect a summary of the 2020/21 adjusted appropriation of the department, summarised according to programme and economic classification. Note that further details of adjustments at economic classification level are provided in *Annexure – Vote 5: Education*.

Table 5.1 : Summary by programmes

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	1 971 813	-	-	(11 680)	-	(10 000)	(21 680)	1 950 133
2. Public Ordinary School Education	49 283 889	9 734	-	(32 720)	-	(1 774 447)	(1 797 433)	47 486 456
3. Independent School Subsidies	91 411	-	-	(3 000)	-	113 713	110 713	202 124
4. Public Special School Education	1 387 387	-	-	(2 600)	-	10 010	7 410	1 394 797
5. Early Childhood Development	1 441 966	-	-	-	-	-	-	1 441 966
6. Infrastructure Development	1 880 461	-	-	50 000	-	100 000	150 000	2 030 461
7. Examination and Education Related Services	1 672 501	-	-	-	-	-	-	1 672 501
Total	57 729 428	9 734	-	-	-	(1 560 724)	(1 550 990)	56 178 438
Amount to be voted								(1 550 990)

Table 5.2 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	54 256 054	9 734	-	96 819	130 121	(2 959 248)	(2 722 574)	51 533 480
Compensation of employees	48 356 421	-	-	19 945	-	(2 974 690)	(2 954 745)	45 401 676
Goods and services	5 899 633	9 734	-	76 874	130 121	15 442	232 171	6 131 804
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 075 534	-	-	(11 100)	(57 045)	1 298 524	1 230 379	3 305 913
Provinces and municipalities	2 350	-	-	3 000	-	-	3 000	5 350
Departmental agencies and accounts	38 623	-	-	-	-	-	-	38 623
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	1 908 226	-	-	(5 600)	(57 045)	1 298 524	1 235 879	3 144 105
Households	126 335	-	-	(8 500)	-	-	(8 500)	117 835
Payments for capital assets	1 397 840	-	-	(85 913)	(73 076)	100 000	(58 989)	1 338 851
Buildings and other fixed structures	1 335 411	-	-	(99 750)	(59 236)	100 000	(58 986)	1 276 425
Machinery and equipment	44 329	-	-	13 837	-	-	13 837	58 166
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	18 100	-	-	-	(13 840)	-	(13 840)	4 260
Payments for financial assets	-	-	-	194	-	-	194	194
Total	57 729 428	9 734	-	-	-	(1 560 724)	(1 550 990)	56 178 438
Amount to be voted								(1 550 990)

4. Changes to programme purposes and service delivery measures

The department has not changed the purpose of its programmes, which conform to the sector specific programme and budget structure for the Education sector for 2020/21. The department tabled a revised 2020/21 APP, to take into account changes resulting from the Covid-19 pandemic. As such, the non financial data differs from the tabled *EPRE* in many instances, and these are reflected in the “Revised target” column in the non financial tables. The department is now aligning the non financial information in the 2020/21 *EPRE* to the information in the revised APP.

4.1 Programme 1: Administration

The main objective of Programme 1 is to provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act, and other policies.

Tables 5.3 and 5.4 reflect a summary of the 2020/21 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall decrease of R21.680 million, are provided in the paragraphs following the tables.

Table 5.3 : Programme 1: Administration

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the MEC	19 815						-	19 815
2. Corporate Services	1 108 571			(13 624)			(13 624)	1 094 947
3. Education Management	796 223			13 444		(10 000)	3 444	799 667
4. Human Resource Development	1 471						-	1 471
5. Education Management Information System (EMIS)	45 733			(11 500)			(11 500)	34 233
Total	1 971 813	-	-	(11 680)	-	(10 000)	(21 680)	1 950 133
Amount to be voted								(21 680)

Table 5.4 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	1 906 673	-	-	(12 255)	1 240	(10 000)	(21 015)	1 885 658
Compensation of employees	1 373 798			(80 000)		(10 000)	(90 000)	1 283 798
Goods and services	532 875			67 745	1 240		68 985	601 860
Interest and rent on land							-	-
Transfers and subsidies to:	35 962	-	-	(5 500)	-	-	(5 500)	30 462
Provinces and municipalities	2 350			3 000			3 000	5 350
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	33 612			(8 500)			(8 500)	25 112
Payments for capital assets	29 178	-	-	5 881	(1 240)	-	4 641	33 819
Buildings and other fixed structures				250			250	250
Machinery and equipment	23 678			5 631			5 631	29 309
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets	5 500				(1 240)		(1 240)	4 260
Payments for financial assets				194			194	194
Total	1 971 813	-	-	(11 680)	-	(10 000)	(21 680)	1 950 133
Amount to be voted								(21 680)

Virement – Programme 1: Administration: (R11.680 million)

The special adjustments appropriation of Programme 1 was decreased by a net amount of R11.680 million as a result of virements from other programmes, to other programmes between economic categories and across the sub-programmes, as explained below:

- R62.720 million was moved from Programme 2 against *Goods and services* as follows:
 - Savings of R12.720 million were moved from Programme 2 against *Goods and services* to this programme also in *Goods and services*. Of this amount, R12 million was specifically and exclusively allocated for the department's Covid-19 response and was allocated in respect of water provision in schools. These costs were lower than estimated, hence the funds were moved to Programme 1 to offset pressures in respect of operating payments relating to the delivery costs of PPE to district and circuit offices under the sub-programme: Education Management. The balance of R720 000 was moved to the sub-programme: Corporate Services to offset pressures in respect of the appointment of independent consultants to assess applications for concessions for educators with comorbidities.
 - A further R50 million was reprioritised from Programme 2 from within the equitable share funds that were reprioritised during the Special Adjustments Estimate toward anticipated Covid-19 expenses. This was moved within *Goods and services* due to lower than anticipated costs for the purchase of consumable supplies, such as washing detergents and cleaning materials. These funds were moved to provide for pressures in the sub-programme: Corporate Services in respect of under-budgeted operating leases for office buildings in various districts and head office (R30 million), as well as fleet services (R20 million) for maintenance costs.
- Savings of R3 million were realised against *Transfers and subsidies to: Non-profit institutions* in Programme 3, ascribed to non-compliant schools who did not qualify to receive the first and second tranche transfers from the department due to failure to meet governance and financial requirements.

These savings were moved to the sub-programme: Corporate Services to provide for the shortfall against *Transfers and subsidies to: Provinces and municipalities* for the annual renewal of motor vehicle licences which was under-budgeted for.

- An amount of R2.600 million was moved from Programme 4 against *Transfers and subsidies to: Non-profit institutions* to provide for the shortfall in the sub-programme: Corporate Services under *Machinery and equipment* for the payment of 32 vehicles purchased in the previous year but delivered in 2020/21. As mentioned, the department makes provision annually for any increase in enrolment numbers in special schools that may occur in-year, but this amount was not required. This did not affect the gazetted transfers to schools.
- Savings of R80 million were realised against *Compensation of employees* under the sub-programme: Corporate Services due to the slow filling of critical office-based posts with these delays caused by the national lockdown. Out of 234 critical vacant posts which were advertised, only 33 posts were filled by mid-year. These savings were moved to Programme 2 in the same category due to pressures in filled educator posts.
- Savings of R100 000 were moved within the sub-programme: Office of the MEC against *Goods and services*. This was due to reduced costs for venues and facilities attributed to internal cost containment measures implemented to reduce pressures within the Vote and restrictions in respect of social gatherings. The savings were moved to *Machinery and equipment* to provide for the purchase of audio-visual equipment and kitchen appliances for the MEC's office.
- Savings of R8.500 million were moved within the sub-programme: Corporate Services from *Transfers and subsidies to: Households* in respect of lower than anticipated claims against the state to *Goods and services* to provide for pressures in external audit costs due to a longer than anticipated audit period.
- Savings of R10.250 million were moved from the sub-programme: EMIS against *Machinery and equipment* (R3.500 million) due to the non-purchase of tools of trade ascribed to internal cost containment measures. Also, savings were moved from *Goods and services* (R6.750 million) as a result of lower than budgeted SITA costs and travel and subsistence costs due to less travelling ascribed to the national lockdown. This was moved to *Machinery and equipment* (R5.724 million) in the sub-programme: Corporate Services to provide for vehicles which were purchased in 2019/20 but delivered in 2020/21. The balance of the funding was re-directed to *Goods and services* in the sub-programme: Corporate Services (R4.526 million) to offset pressures against communications in respect of higher than budgeted telephone costs and additional costs relating to cellphone claims which added pressure to this item. Also, the payment of telephone costs was inadequately budgeted for when the department finalised the main budget.
- Savings of R1.250 million in the sub-programme: EMIS were moved from *Goods and services* due to lower than budgeted SITA costs and travel and subsistence costs as a result of less travelling ascribed to the national lockdown restrictions. This was redirected to the sub-programme: Education Management against various economic categories, including *Buildings and other fixed structures* (R250 000) to provide for the purchase of storage containers for PPE in district offices and *Machinery and equipment* (R707 000) to provide for office equipment and furniture, such as audio-visual equipment, office furniture, laptops and desktops. The balance of R293 000 was utilised to offset pressures against *Goods and services* relating to communications costs.
- An amount of R194 000 was moved from the sub-programme: Corporate Services against *Goods and services* due to reduced claims for travel and subsistence during the early stages of the lockdown. The savings were utilised to offset pressures in the sub-programme: Education Management against *Payments for financial assets* to provide for written-off staff debts.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Shifts – Programme 1: Administration

An amount of R1.240 million was shifted to *Goods and services* to provide for SITA software licences. This payment of Microsoft licences was inadvertently budgeted for against *Software and other intangible assets*. The shift is therefore undertaken to correctly align the budget within the sub-programme: Corporate Services.

Other adjustments – Programme 1: Administration: (R10 million)

The special adjustments appropriation of Programme 1 was cut by R10 million against *Compensation of employees*, with the reduction being effected under the sub-programme: Education Management. This relates to the provision made for the 2020 cost-of-living adjustment as this matter is currently in court and is unlikely to be resolved before the end of the financial year and National Treasury therefore cut this amount from provinces.

Service delivery measures – Programme 1: Administration

Table 5.5 shows the service delivery information for Programme 1 as per the revised APP of Education, as well as the actual achievement for the first six months of the year.

A few new outputs were added to the department's revised APP, which were not included in the 2020/21 EPRE. The outputs are shown as "New" in the 2020/21 Original target column. Note that some measures in this programme are annual in nature and are only reported on after the closure of the financial year. The department has removed one indicator, and this is indicated by a strike-out.

Also, the department revised the wording for one performance indicator to align with the published revised 2020/21 APP, and this is indicated by bold italics.

Table 5.5 : Service delivery measures – Programme 1: Administration

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To bring effective management to all levels of the system	• No. of public schools that use the School Administration and Management Systems (SA-SAMs) to electronically provide data	5 957	-	
	• No. of public schools that can be contacted electronically (e-mail)	5 340	5 340	
	• % of education expenditure going towards non-personnel items	8.54%	Annual	
	• % of schools visited at least twice a year by district officials for monitoring and support purposes	95%	Annual	
	• % of schools having access to information through connectivity other than broadband	60%	-	
	• % of schools connected through different options working with the Department of Postal Telecommunications Services	80%		
	• % of women in Senior Management Service	New	Annual	
	• % of women principals	New	Annual	
	• No. of qualified Grade R-12 teachers aged 30 and below entering the public service as teachers for the first time during the financial year	300		

4.2 Programme 2: Public Ordinary School Education

This programme houses the core functions of the department, and its aim is the provision of public ordinary schools from Grades 1 to 12, in accordance with the South African Schools Act and White Paper 6 on Inclusive Education, including e-learning

Tables 5.6 and 5.7 reflect a summary of the 2020/21 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R1.797 billion, are provided in the paragraphs after the tables.

Table 5.6 : Programme 2: Public Ordinary School Education

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Public Primary Level	27 505 243			(38 280)	105 819	(1 079 213)	(1 011 674)	26 493 569
2. Public Secondary Level	19 841 923			5 560	(105 819)	(709 476)	(809 735)	19 032 188
3. Human Resource Development	108 442					14 242	14 242	122 684
4. School Sport, Culture and Media Services	25 115						-	25 115
5. Conditional grants	1 803 166	9 734	-	-	-	-	9 734	1 812 900
National School Nutrition Programme (NSNP) grant	1 717 512	9 734					9 734	1 727 246
EPWP Integrated Grant for Provinces	2 180						-	2 180
Social Sector EPWP Incentive Grant for Provinces	22 842						-	22 842
Maths, Science and Technology (MST) grant	60 632						-	60 632
Total	49 283 889	9 734	-	(32 720)	-	(1 774 447)	(1 797 433)	47 486 456
Amount to be voted								(1 797 433)

Table 5.7 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	47 539 413	9 734	-	(33 942)	69 645	(2 950 274)	(2 904 837)	44 634 576
Compensation of employees	43 307 555			103 806		(2 965 716)	(2 861 910)	40 445 645
Goods and services	4 231 858	9 734		(137 748)	69 645	15 442	(42 927)	4 188 931
Interest and rent on land							-	-
Transfers and subsidies to:	1 727 060	-	-	-	(57 045)	1 175 827	1 118 782	2 845 842
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	1 644 837				(57 045)	1 175 827	1 118 782	2 763 619
Households	82 223						-	82 223
Payments for capital assets	17 416	-	-	1 222	(12 600)	-	(11 378)	6 038
Buildings and other fixed structures							-	-
Machinery and equipment	4 816			1 222			1 222	6 038
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets	12 600				(12 600)		(12 600)	-
Payments for financial assets							-	-
Total	49 283 889	9 734	-	(32 720)	-	(1 774 447)	(1 797 433)	47 486 456
Amount to be voted								(1 797 433)

Roll-overs – Programme 2: Public Ordinary School Education: R9.734 million

A roll-over of R9.734 million was allocated to the sub-programme: NSNP grant against *Goods and services*, and this relates to committed funds for the payment of feeding that was undertaken in March, as invoices are only paid in the following month once services have been rendered. Some invoices could not be submitted on time for processing by year-end due to the national lockdown in late March as a result of the Covid-19 pandemic, as explained.

Virement – Programme 2: Public Ordinary School Education: (R32.720 million)

The special adjustments appropriation of Programme 2 was decreased by a net amount of R32.720 million as a result of the following virements:

- Savings of R62.720 million were realised against *Goods and services* in the sub-programme: Public Primary Level in respect of funds that were specifically and exclusively appropriated for the Covid-19 response. The savings relate to consumable supplies which were lower than anticipated in terms of the purchase of PPE, as well as lower property payments ascribed to low costs for water provision in schools. This was utilised to offset pressures in Programme 1 against the same economic category for costs related to the delivery of PPE (R12 million) to district and circuit offices, as well as the appointment of independent consultants (R720 000) to assess applications for concessions for officials with comorbidities. The balance of R50 million related to funds which were reprioritised within the equitable share during the Special Adjustments Estimate toward procuring consumable supplies. These funds were moved Programme 1 to provide for pressures in respect of operating leases for office buildings in various districts and head office, as well as fleet services for maintenance and repair costs, as discussed.

- A further savings of R50 million was realised against *Goods and services* from funds that were specifically and exclusively appropriated in response to Covid-19 under the sub-programme: Public Secondary Level. These savings were reprioritised from consumable supplies relating to the purchase of PPE. The department indicated that these costs were lower than estimated and the savings were moved to Programme 6. This relates to pressures in respect of the desludging programme to ensure proper hygiene and sanitation requirements are maintained in schools, including the provision of chemical toilets. The department indicated that 388 schools could not be afforded due to the budget cut against the EIG and this reprioritisation assists in this regard.
- Offsetting the decrease to the programme was an increase of R80 million against *Compensation of employees* under the sub-programme: Public Secondary Level from savings realised under Programme 1 in the same category due to unfilled posts. The savings were utilised to offset pressures for the appointment of 183 educators for which insufficient budget had been provided.

In addition to the above virements, the following virements were undertaken within sub-programmes and between economic categories:

- Savings of R23.806 million were realised within the sub-sub-programme: NSNP grant from *Goods and services* ascribed to low expenditure in respect of the school feeding caused by the nationwide lockdown and closure of schools. Also, feeding days were reduced from 196 to 175. These savings were moved to *Compensation of employees* to comply with the conditional grant framework by increasing the stipend rate for Food Handlers from R1 360 to R1 450, including UIF from R27.76 to R29. Furthermore, an amount of R1.222 million was redirected from *Goods and services* to *Machinery and equipment* to align with revised business plan activities for the planned purchases of tools of trade, such as computer laptops and office furniture for head office and district officials. This was supported by DBE and is in line with the revised conditional grant framework.
- Savings of R24.440 million were realised within *Goods and services* in the sub-programme: Public Secondary Level. This relates to inventory: other supplies budgeted for items that are purchased on behalf of both S20 and S21 schools for various projects such as the introduction of new curriculum in schools. This was moved to the sub-programme: Public Primary Level in the same category for the payment of domestic accounts on behalf of the schools. The department indicated that, instead of allocating these funds to schools for payment of domestic accounts, the department will pay the municipalities on their behalf to avoid defaulting schools and to reduce arrears where schools currently owe municipalities.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the movement of R62.720 million of specifically and exclusively appropriated funds in response to Covid-19 to offset Covid-19 related pressures in Programmes 1 and 6.

Shifts – Programme 2: Public Ordinary School Education

The following shifts were undertaken within Programme 2, for which the original purpose of the funds remains unchanged. These shifts were undertaken across sub-programmes and economic categories:

- R57.045 million was shifted from *Transfers and subsidies to: Non-profit institutions* to *Goods and services* within the sub-programme: Public Secondary Level in respect of S21 schools with function (c) who opted to purchase inventory: LTSM through the management agent instead of procuring this on their own, and deductions made against schools that have defaulted on the payment of domestic accounts. It is noted that, in terms of the South African Schools Act, S21 (c), the Head of Department can allocate the function to purchase education material to the SGB and (d) to pay for services to the school. The purpose of the funds remains unchanged and therefore this decrease in a transfer payment does not require Legislature approval.
- R12.600 million was shifted within the sub-programmes: Primary and Secondary Level from *Software and other intangible assets* to *Goods and services* against the item inventory: assets to be

distributed to schools for the payment of Microsoft licences for school-based users, to comply with reporting standards for school assets by excluding them from the departmental asset register.

- o R105.819 million was shifted within *Goods and services* from inventory: other supplies budgeted for items that are purchased on half of both S20 and S21 schools for various projects such as introduction of new curriculum, materials for Maritime schools, Agricultural schools and Technical schools. This was moved from the sub-programme: Public Secondary Level to the sub-programme: Public Primary Level to provide for the purchase of inventory: LTSM library material in respect of the Early Reading Strategy, to the management agent for purchase of inventory: LTSM and consumables and supplies. The purpose of the funds remains unchanged.

Other adjustments – Programme 2: Public Ordinary School Education: (R1.774 billion)

The special adjustments appropriation of Programme 2 was decreased by a net amount of R1.774 billion, as a result of the following adjustments, which affected the sub-programmes: Public Primary Level and Public Secondary Level:

- The special adjustments appropriation of Programme 2 was cut by R3.075 billion against *Compensation of employees*, with the reduction effected against the sub-programmes: Public Primary Level and Public Secondary Level. This relates to the provision made for the 2020 cost-of-living adjustment as this matter is currently in court and is unlikely to be resolved before the end of the financial year and National Treasury therefore cut this amount from provinces.
- Additional funding of R1.301 billion was allocated to Programme 2 against the sub-programmes: Public Primary Level and Public Secondary Level for the Presidential Employment Initiative Fund. This intervention is intended to respond to the increase in unemployment as a result of the Covid-19 pandemic, as explained. This amount is therefore specifically and exclusively allocated for the appointment of educator assistants, caretakers, screeners and cleaners, depending on the need of the school. This was allocated to *Compensation of employees* (R109.419 million) to fund the costs of the screeners who were appointed and previously paid by the Department of Public Works, *Goods and services* (R15.269 million) for training and development on various skills programmes, such as computer IT skills, financial skills, etc. and *Transfers and subsidies to: Non-profit institutions* (R1.176 billion) to be utilised by SGBs to appoint assistants based on their needs. As mentioned, the department is in the process of collecting data from various schools and districts and the figures of requirements per school might change.

Service delivery measures – Programme 2: Public Ordinary School Education

Table 5.8 shows the service delivery information for Programme 2 as per the revised APP of Education, as well as the actual achievement for the first six months of the year. A few new outputs were added to the department's revised APP, which were not included in the 2020/21 *EPRE*. The outputs are shown as "New" in the 2020/21 Original target column. Note that the measures in this programme are annual in nature and are only reported on after the closure of the financial year. The department revised the wording for one performance indicator to align with the published revised 2020/21 APP, and this is indicated by bold italics. Also, a number of outputs were adjusted under the 2020/21 Revised target column to align the targets in the *EPRE* to the department's tabled revised APP.

Table 5.8 : Service delivery measures – Programme 2: Public Ordinary School Education

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To provide access in the public ordinary schooling system in accordance with policy	• No. of educators with specialist training on inclusion	18 000	Annual	1 790
	• % of Funza Lushaka bursary holders placed in schools within six months upon completion of studies or upon confirmation that the bursar has completed studies	50%	Annual	10%
	• % of learners provided with <i>English First Additional Language (EFAL)</i> and Mathematics textbooks in grades 3, 6, 9 and 12	100%	Annual	95%

Table 5.8 : Service delivery measures – Programme 2: Public Ordinary School Education

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
	<ul style="list-style-type: none"> No. of schools provided with multi-media resources % of schools where allocated teaching posts are all filled % of learners in schools that are funded at a minimum level % of learners benefitting from school nutrition programme % of public ordinary schools with all LTSMs and other required materials delivered by day one of the school year as ordered % of learners in public ordinary schools benefitting from the "No Fee Schools" policy No. of educators trained in Literacy/Language content and methodology No. of learners benefitting from learner transport No. of learners accessing career guidance, counselling and support programmes in mainstream schools No. of educators trained in Numeracy/Mathematics content and methodology 	120 100% 100% 89% 5 824 2 025 939 24 701 New New 16 000	Annual Annual Annual Annual Annual Annual Annual Annual Annual Annual	82% 95% 78% 16 500 59 000 80 000 10 000

4.3 Programme 3: Independent School Subsidies

The purpose of this programme is to support independent schools, in accordance with the South African Schools Act as enshrined in the Norms and Standards for School Funding Regulations. One of the main aims of this programme is to ensure timeous and orderly registration of independent schools in terms of the South African Schools Act, as well as other legislative frameworks. These schools are evaluated and monitored by the department, and their capacity is developed to ensure the effective functioning of these schools and their governing bodies. Tables 5.9 and 5.10 reflect the adjusted appropriation summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in a net increase of R110.713 million, are provided in the paragraphs following the tables.

Table 5.9 : Programme 3: Independent School Subsidies

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Primary Level	57 233			381		68 228	68 609	125 842
2. Secondary Level	34 178			(3 381)		45 485	42 104	76 282
Total	91 411	-	-	(3 000)	-	113 713	110 713	202 124
Amount to be voted								110 713

Table 5.10 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
Current payments	-	-	-	-	-	-	-	-
Compensation of employees							-	-
Goods and services							-	-
Interest and rent on land							-	-
Transfers and subsidies to:	91 411	-	-	(3 000)	-	113 713	110 713	202 124
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	91 411			(3 000)		113 713	110 713	202 124
Households						-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures							-	-
Machinery and equipment							-	-
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	91 411	-	-	(3 000)	-	113 713	110 713	202 124
Amount to be voted								110 713

Virement – Programme 3: Independent School Subsidies: (R3 million)

The special adjustments appropriation of Programme 3 was reduced by a net amount of R3 million, as follows:

- R3.381 million was reduced against *Transfers and subsidies to: Non-profit institutions* in the sub-programme: Secondary Level from savings realised due to non-transfer to seven schools that were not compliant with the necessary governance and financial requirements, such as audited financial statements. Therefore, these schools did not qualify to receive funding from the department. These savings were moved as follows:
 - R3 million was moved to Programme 1 to provide for the shortfall against *Transfers and subsidies to: Provinces and municipalities* in respect of motor vehicle licence renewals.
 - The balance of R381 000 was moved within *Transfers and subsidies to: Non-profit institutions* to the sub-programme: Primary Level to provide for higher than budgeted costs because the number of learners was higher than estimated when the main budget was finalised.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the reduction in *Transfers and subsidies to: Non-profit institutions* relating to transfers to schools.

Other adjustments – Programme 3: Independent School Subsidies: R113.713 million

Additional funding of R113.713 million was allocated to this programme against both sub-programmes and against *Transfers and subsidies to: Non-profit institutions* for the implementation of the Presidential Employment Initiative Fund. This intervention is intended to respond to the increase in unemployment as a result of the Covid-19 pandemic, as explained. This amount is therefore specifically and exclusively appropriated for the appointment of educators and assistants paid by SGBs. As mentioned, the department is in the process of collecting data from various schools and districts and the requirements per school will depend on that exercise.

Service delivery measures – Programme 3: Independent School Subsidies

Table 5.11 shows the service delivery information for Programme 3 as per the revised APP of Education, as well as the actual achievement for the first six months of the year. Most targets are not reported on at mid-year, as the department projects to undertake them in the fourth quarter. Also, the department revised the wording for two performance indicators to align with the published revised 2020/21 APP, and this is indicated by bold italics.

Table 5.11 : Service delivery measures – Programme 3: Independent School Subsidies

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To ensure that quality education occurs in independent schools	• % of registered independent schools receiving subsidies	53%	Annual	
	• <i>No. of learners subsidised at registered independent schools</i>	32 100	Annual	
	• No. of funded independent schools visited for monitoring purposes	128	Annual	
	• <i>% of registered independent schools monitored</i>	100%	100%	

4.4 Programme 4: Public Special School Education

The purpose of this programme is to provide compulsory public education in special schools in accordance with the South African Schools Act and White Paper 6 on Inclusive Education.

Tables 5.12 and 5.13 reflect a summary of the 2020/21 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R7.410 million are provided in the paragraphs after the tables.

Table 5.12 : Programme 4: Public Special School Education

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Schools	1 353 853			(2 600)		10 010	7 410	1 361 263
2. Human Resource Development	948						-	948
3. Conditional grant	32 586	-	-	-	-	-	-	32 586
<i>Learners with Profound Intellectual Disabilities grant</i>	32 586						-	32 586
Total	1 387 387	-	-	(2 600)	-	10 010	7 410	1 394 797
Amount to be voted								7 410

Table 5.13 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	1 226 267	-	-	(6 330)	-	1 026	(5 304)	1 220 963
Compensation of employees	1 201 751			(3 451)		1 026	(2 425)	1 199 326
Goods and services	24 516			(2 879)			(2 879)	21 637
Interest and rent on land							-	-
Transfers and subsidies to:	145 520	-	-	(2 600)	-	8 984	6 384	151 904
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	140 520			(2 600)		8 984	6 384	146 904
Households	5 000						-	5 000
Payments for capital assets	15 600	-	-	6 330	-	-	6 330	21 930
Buildings and other fixed structures							-	-
Machinery and equipment	15 600			6 330			6 330	21 930
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	1 387 387	-	-	(2 600)	-	10 010	7 410	1 394 797
Amount to be voted								7 410

Virement – Programme 4: Public Special School Education: (R2.600 million)

The special adjustments appropriation of Programme 4 was decreased by a net amount of R2.600 million as a result of the following virements:

- Savings of R2.600 million were moved from the sub-programme: Schools against *Transfers and subsidies to: Non-profit institutions* due to lower than budgeted learner numbers. As explained, the department makes provision annually for any increase in enrolment numbers in special schools that may occur in-year, but this amount was not required. It should be noted that this did not affect the gazetted transfers to schools, but related to unallocated funds. These savings were moved to Programme 1 to offset pressures against *Machinery and equipment* to provide for vehicles purchased in the previous year but delivered in 2020/21.

In addition to the above virements, the following virements were undertaken within the programme:

- Savings of R6.330 million were realised against *Goods and services* within the sub-programme: Schools from fleet services due to lower vehicle maintenance and repair costs. These were moved to *Machinery and equipment* to provide for the procurement of additional buses for special schools.
- Savings of R3.451 million were realised against *Compensation of employees* within the sub-programme: Learner with Profound Intellectual Disabilities (LPID) grant due to the later than budgeted filling of four Specialist posts. These were approved for filling in July 2020 and recruitment processes are currently in progress. The savings were moved to *Goods and services* to provide for the purchase of PPE to ensure the safety of the transversal specialist team, learners in care centres and caregivers, as well as to provide for ICT and consumables with respect to training on the repackaged

learning programme to support LPID during and after the Covid-19 pandemic. This is in line with the revised conditional grant framework and revised business plan.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the reduction in *Transfers and subsidies to: Non-profit institutions* relating to transfers to schools. These transfers were not gazetted for transfer to any particular school.

Other adjustments – Programme 4: Public Special School Education: R10.010 million

Additional funding of R10.010 million was allocated to this programme against the sub-programme: Schools and against *Compensation of employees* and *Transfer and subsidies to: Non-profit institutions*. These funds are allocated from the Presidential Employment Initiative Fund. This intervention is intended to respond to the increase in unemployment as a result of the Covid-19 pandemic, as explained. This amount is therefore specifically and exclusively allocated for the payment of screeners who were already working and paid for by the DOPW.

Service delivery measures – Programme 4: Public Special School Education

Table 5.14 shows the service delivery information for Programme 4 as per the revised APP of Education, as well as the actual achievement for the first six months of the year.

A few new outputs were added to the department's revised APP, which were not included in the 2020/21 *EPRE*. The outputs are shown as "New" in the 2020/21 Original target column. Note that most measures in this programme are annual in nature and are only reported on after the closure of the financial year. The department has removed one indicator, and this is indicated by a strike-out.

Also, all outputs were adjusted under the 2020/21 Revised target column to align the targets in the *EPRE* to the department's tabled 2020/21 revised APP.

Table 5.14 : Service delivery measures – Programme 4: Public Special School Education

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To provide access to mainstream schools, full service schools and special schools in accordance with policy and the principles of inclusive education	• No. of therapists/specialist staff in public special schools	186	199	192
	• No. of learners in public special schools	21 380	Annual	20 190
	• <i>No. of teachers trained on SIAS Policy</i>	<i>New</i>	<i>Annual</i>	<i>7 000</i>
	• <i>No. of educators employed in public special schools</i>	<i>New</i>	<i>Annual</i>	<i>1 890</i>
	• % of special schools servicing as Resource Centres	40.5%		

4.5 Programme 5: Early Childhood Development

The purpose of this programme is to provide for ECD at the Grade R and Pre-Grade R levels in accordance with White Paper 5 on ECD. The services remain unchanged from the *EPRE*.

Tables 5.15 and 5.16 reflect a summary of the 2020/21 adjusted appropriation of Programme 5, summarised according to sub-programme and economic classification.

There were no changes to the special adjustments appropriation for the programme, but there was a shift undertaken within the programme.

Table 5.15 : Programme 5: Early Childhood Development

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Grade R in Public Schools	1 277 242						-	1 277 242
2. Grade R in Early Childhood Development Centres	94 130				8 000		8 000	102 130
3. Pre-Grade R Training	70 017				(8 000)		(8 000)	62 017
4. Human Resource Development	577						-	577
Total	1 441 966	-	-	-	-	-	-	1 441 966
Amount to be voted								

Table 5.16 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	1 409 208	-	-	-	-	-	-	1 409 208
Compensation of employees	1 270 000						-	1 270 000
Goods and services	139 208						-	139 208
Interest and rent on land							-	-
Transfers and subsidies to:	32 758	-	-	-	-	-	-	32 758
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions	31 458						-	31 458
Households	1 300						-	1 300
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures							-	-
Machinery and equipment							-	-
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	1 441 966	-	-	-	-	-	-	1 441 966
Amount to be voted								

Shifts – Programme 5: Early Childhood Development

An amount of R8 million was shifted from the sub-programme: Pre-Grade R Training to the sub-programme: Grade R in Early Childhood Development Centres within *Goods and services* to correctly align the training and development budget that was inadvertently allocated to the incorrect sub-programme in the main budget.

Service delivery measures – Programme 5: Early Childhood Development

Table 5.17 shows the service delivery information for Programme 5 as per the revised APP of Education, as well as the actual achievement for the first six months of the year.

Note that all measures in this programme are annual in nature and are only reported on after the closure of the financial year. Also, the department revised the wording for one performance indicator to align with the published revised 2020/21 APP, and this is indicated by bold italics.

Table 5.17 : Service delivery measures – Programme 5: Early Childhood Development

Outputs	Performance indicators	Performance targets		
		2020/21	2020/21	2020/21
		Original target	Mid-year actual	Revised target
To provide publicly funded Grade R in accordance with policy	• No. of subsidised community based centres offering Grade R	27	Annual	
	• <i>No. of public schools that offer Grade R</i>	<i>New</i>	<i>Annual</i>	<i>3 892</i>
	• No. of Grade R <i>educators or</i> practitioners with NQF Level 6 and above qualification	2 049	Annual	
	• No. of Grade R practitioners employed in public ordinary schools	5 256	Annual	

4.6 Programme 6: Infrastructure Development

The aim of this programme is to provide and maintain school infrastructure facilities through infrastructure programmes in support of teaching and learning at schools. It thus reflects the implementation of infrastructure across all affected programmes. Tables 5.18 and 5.19 reflect a summary of the 2020/21 adjusted appropriation of Programme 6, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R150 million, are provided in the paragraphs following the tables.

Table 5.18 : Programme 6: Infrastructure Development

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	109 716						-	109 716
2. Public Ordinary Schools	1 536 932			50 000		100 000	150 000	1 686 932
3. Special Schools	207 616						-	207 616
4. Early Childhood Development	26 197						-	26 197
Total	1 880 461	-	-	50 000	-	100 000	150 000	2 030 461
Amount to be voted								150 000

Table 5.19 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	545 050	-	-	150 000	59 236	-	209 236	754 286
Compensation of employees	34 118						-	34 118
Goods and services	510 932			150 000	59 236		209 236	720 168
Interest and rent on land							-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households							-	-
Payments for capital assets	1 335 411	-	-	(100 000)	(59 236)	100 000	(59 236)	1 276 175
Buildings and other fixed structures	1 335 411			(100 000)	(59 236)	100 000	(59 236)	1 276 175
Machinery and equipment							-	-
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	1 880 461	-	-	50 000	-	100 000	150 000	2 030 461
Amount to be voted								150 000

Virement – Programme 6: Infrastructure Development: R50 million

The special adjustments appropriation of Programme 6 was increased by a net amount of R50 million as a result of the following virements:

- Savings of R50 million were realised in Programme 2 against *Goods and services* and these were specifically and exclusively appropriated in response to Covid-19. The savings were in respect of lower than anticipated costs for consumable and supplies for purchase of PPE. This funding was moved to *Goods and services* under the sub-programme: Public Ordinary Schools to offset pressures in respect of the desludging programme to ensure proper hygiene and sanitation requirements are maintained in schools, including the provision of chemical toilets and maintenance related to vandalised schools. Also, this offset pressures related to interventions being implemented in reducing the risk of the spread of the Covid-19 pandemic such as the provision of water tanks, wash hand stations, desludging, and provision of chemical toilets. The department indicated that this is part of the turnaround strategy to reduce pressures from the budget cut against the EIG budget.
- R100 million was reprioritised within the sub-programme: Public Ordinary Schools against *Buildings and other fixed structure* to *Goods and services* to provide for pressures related to the desludging of toilets in 388 schools to ensure hygiene requirements in terms of legislation relating to Covid-19

were met and to ensure safety in schools. This was reprioritised from *Refurbishment and rehabilitation: Capital* in respect of projects that were affected by level 5 of the national lockdown resulting in slow progress on sites when the work commenced from June 2020.

These virements are permissible in terms of the PFMA and Treasury Regulations.

The reduction in *Buildings and other fixed structures* to defray current expenditure requires Legislature approval in terms of Section 43(4)(c) of the PFMA, as *Payments for capital assets* for the Vote as a whole has decreased.

Shifts – Programme 6: Infrastructure Development

An amount of R59.236 million was moved within the sub-programme: Public Ordinary Schools from *Buildings and other fixed structures* to *Goods and services* to provide for management fee costs for implementing agents that were inadvertently incorrectly budgeted for in the main appropriation. The department indicated that management fees for implementing agents are part of the total cost for the capital projects, but should be reported under current payments as they are non-infrastructure related.

Other adjustments – Programme 6: Infrastructure Development: R100 million

Additional funding of R100 million was allocated to this programme in the sub-programme: Public Ordinary Schools and against *Buildings and other fixed structures*. These funds are specifically and exclusively allocated to offset pressures as result of the budget cut of R497.218 million against the EIG. The department indicated that these funds will be utilised to complete 544 sanitation projects currently at construction stage. These are short-duration projects ranging between four to six months and hence the department is confident that the full amount will be spent by year-end.

Service delivery measures – Programme 6: Infrastructure Development

Table 5.20 shows the service delivery information for Programme 6 as per the revised APP of Education, as well as the actual achievement for the first six months of the year. A few new outputs were added to the department's revised APP, which were not included in the 2020/21 *EPRE*. The outputs are shown as "New" in the 2020/21 Original target column and where words were re-worded they are bold in italics. Note that the measures in this programme are annual in nature and are only reported on after the closure of the financial year. The department revised the wording for five performance indicators to align with the revised 2020/21 APP, and this is indicated by bold italics. Also, all performance indicators were adjusted under the 2020/21 Revised target column to align the targets in the *EPRE* to the department's tabled 2020/21 revised APP.

Table 5.20 : Service delivery measures – Programme 6: Infrastructure Development

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To put in place basic infrastructure for schooling in accordance with policy	• No. of public ordinary schools provided with water <i>infrastructure</i>	200	Annual	1 500
	• No. of public ordinary schools provided with electricity <i>infrastructure</i>	20	Annual	30
	• No. of public ordinary schools supplied with sanitation facilities	170	Annual	500
	• No. of additional classrooms built <i>or provided for, existing</i> public ordinary schools (<i>incl. replacement schools</i>)	300	Annual	150
	• No. of additional <i>specialised</i> rooms built in public schools (<i>incl. specialised rooms built in new and replacement schools</i>)	120	Annual	20
	• No. of new schools <i>that have reached completion (incl. replacement schools)</i>	10	Annual	4
	• No. of new schools under construction (incl. replacement schools)	16	Annual	6
	• <i>No. of schools provided with new or additional boarding facilities</i>	<i>New</i>	<i>Annual</i>	<i>1</i>
	• <i>No. of schools where scheduled maintenance projects were completed</i>	<i>New</i>	<i>Annual</i>	<i>150</i>
	• No. of new Grade R classrooms <i>built or provided (incl. those in new, existing, and replacement schools)</i>	50	Annual	20

4.7 Programme 7: Examination and Education Related Services

The purpose of this programme is to provide the education institutions as a whole with examination and education related services.

Tables 5.21 and 5.22 reflect a summary of the 2020/21 adjusted appropriation of Programme 7, summarised according to sub-programme and economic classification. There were no changes to the special adjustments appropriation for the programme, but virements undertaken within the programme.

Table 5.21 : Programme 7: Examination and Education Related Services

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Payments to SETA	38 623						-	38 623
2. Professional Services	679 607						-	679 607
3. External Examinations	906 909						-	906 909
4. Conditional grant	47 362						-	47 362
HIV and AIDS (Life-Skills Education) grant	47 362						-	47 362
Total	1 672 501	-	-	-	-	-	-	1 672 501
Amount to be voted								

Table 5.22 : Summary by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	1 629 443	-	-	(654)	-	-	(654)	1 628 789
Compensation of employees	1 169 199			(410)			(410)	1 168 789
Goods and services	460 244			(244)			(244)	460 000
Interest and rent on land							-	-
Transfers and subsidies to:	42 823	-	-	-	-	-	-	42 823
Provinces and municipalities							-	-
Departmental agencies and accounts	38 623						-	38 623
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	4 200						-	4 200
Payments for capital assets	235	-	-	654	-	-	654	889
Buildings and other fixed structures							-	-
Machinery and equipment	235			654			654	889
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	1 672 501	-	-	-	-	-	-	1 672 501
Amount to be voted								

Virement – Programme 7: Examination and Education Related Services

The special adjustments appropriation remains unchanged, but several virements were undertaken within sub-programmes but across economic classification, and are thus evident only in Table 5.22, as follows:

- Savings of R410 000 were realised against *Compensation of employees* within the sub-programme: HIV and AIDS (Life-Skills Education) grant resulting from delays in filling one Assistant Director post. This was moved to *Goods and services* to provide for travel and subsistence costs related to monitoring and support in schools, training of educators in prevention and management of HIV, STI, TB, as well as Covid-19. This was provided for in the revised grant business plan and is in line with the amended conditional grant framework.
- R194 000 was reduced against *Goods and services* within the sub-programme: Professional Services to provide for the procurement of tools of trade, such as office furniture and equipment against *Machinery and equipment*. This was not adequately budgeted for in the finalisation of the main appropriation and this is now corrected.

- R460 000 was reduced against *Goods and services* from lower costs in respect of travel and subsistence within the sub-programme: External Exams to provide for the purchase of office furniture and equipment against *Machinery and equipment*.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Service delivery measures – Programme 7: Examination and Education Related Services

Table 5.23 shows the service delivery information for Programme 7 as per the revised APP of Education, as well as the actual achievement for the first six months of the year.

Note that all measures in this programme are annual in nature and are only reported on after the closure of the financial year.

The department revised the wording for few performance indicators to align with the published revised 2020/21 APP, and this is indicated by bold italics. Also, all performance indicators were adjusted under the 2020/21 Revised target column to align the targets in the *EPRE* to the department's tabled 2020/21 revised APP.

Table 5.23 : Service delivery measures – Programme 7: Examination and Education Related Services

Outputs	Performance indicators	Performance targets		
		2020/21 Original target	2020/21 Mid-year actual	2020/21 Revised target
To attain the highest possible educational outcomes among learners in public ordinary schools	• % of learners who passed NSC <i>examination</i>	85%	Annual	86%
	• % of Grade 12 learners passing at bachelor level	32%	Annual	40%
	• % of Grade 12 learners achieving <i>60% and above</i> in Mathematics	24%	Annual	17%
	• % of Grade 12 learners achieving <i>60%</i> or more in Physical Science	26%	Annual	34%
	• No. of schools with NSC pass rate of <i>60% and above</i>	516	Annual	1 550
	• No. of secondary schools with NSC pass rate of 60% and above	1 675	Annual	200

5. Specifically and exclusively appropriated allocations

Table 5.24 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act. Note that conditional grants, as well as transfers to public entities and local government (which are also specifically and exclusively appropriated funds) are not included here, as they are discussed in Sections 8, 9 and 10 below.

Details of the special adjustments appropriation, which resulted in an overall increase of R1.524 billion in respect of the department's specifically and exclusively appropriated funding, are provided in the paragraphs following the table.

Table 5.24 : Summary of specifically and exclusively appropriated funding

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Prog 1: Improving Infrastructure support	13 298						-	13 298
Prog 1: Additional funds for Covid-19 response	15 000			12 720			12 720	27 720
Prog 2: Sanitary Dignitary Project	48 912						-	48 912
Prog 2: Additional funds for Covid-19 response	943 000			(62 720)			(62 720)	880 280
Prog 2: Presidential Employment Initiative Fund						1 300 515	1 300 515	1 300 515
Prog 3: Presidential Employment Initiative Fund						113 713	113 713	113 713
Prog 4: Presidential Employment Initiative Fund						10 010	10 010	10 010
Prog 6: Additional funds for Covid-19 response				50 000			50 000	50 000
Prog 6: Spending pressures: Infrastructure						100 000	100 000	100 000
Prog 7: Additional funds for Covid-19 response	42 000						-	42 000
Total	1 062 210	-	-	-	-	1 524 238	1 524 238	2 586 448
Amount to be voted								1 524 238

- *Virements:* The department undertook the following virements affecting the specifically and exclusively appropriated allocation:
 - R62.720 million was reprioritised from Programme 2 as a result of lower than anticipated costs for the provision of water to schools. This was due to low actual costs in respect of rates charged by municipalities, lower demand than was expected as some schools did not extend the contracts for water provision from three months which was anticipated to be extended to six months. As mentioned, boreholes were installed in some schools in uMkhanyakude, iLembe and uMzinyathi districts and this is an ongoing project. These savings were reprioritised as follows:
 - R12 million was reprioritised to Programme 1 to assist with pressures against operating payments, for costs relating to the delivery of PPE to district and circuit offices. A further R720 000 was moved to contractors: medical services for costs relating to the independent assessments of applications for concessions for educators with comorbidities. It should be noted that these cost are redirected to activities in response to Covid-19.
 - R50 million was reprioritised to Programme 6 to assist with pressures related to interventions, such as desludging of toilets targeting 388 schools, being implemented to reduce the risk of the spread of the Covid-19 pandemic. It should be noted that this reprioritisation was undertaken to respond to the budget cut that was implemented against the EIG which affected the department's response to additional infrastructure requirements in schools.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the reduction and changes to the specifically and exclusively appropriated funds in terms of the response to Covid-19. It should be noted that the total allocation does not change, as the department is merely moving funds among categories but still toward Covid-19 related costs.

- *Other adjustments:* The department was allocated additional funding of R1.524 billion as follows:
 - Additional funding of R1.424 billion was allocated from the Presidential Employment Initiative Fund. Through this allocation, SGBs will appoint education assistants and decide on the specific duties of these assistants (e.g. reading assistants, classroom assistants, after school assistants, cleaners, screeners, etc.) depending on the need of the schools. This amount was therefore specifically and exclusively allocated to the department against Programmes 2, 3 and 4 for the appointment of 45 838 educator assistants, 27 817 cleaners and screeners, depending on the need of the schools. The department also provided for training and development costs for the appointees. This includes skills courses on resilience and maturity, computer and IT skills, financial skills where educator assistants will balance books for the school, etc.
 - Additional funding of R100 million was specifically and exclusively allocated against *Upgrades and additions: Capital* to offset pressures as result of the budget cut against the EIG. As mentioned, these funds will be utilised to complete 544 sanitation projects currently at construction stage. These are short-duration projects ranging between four to six months and hence the department is confident that the full amount will be spent by year-end.

6. Gifts, donations and sponsorships

The department is not envisaging any gifts, donation and sponsorships in excess of R100 000 during the current financial year.

7. Infrastructure

Table 5.25 shows the summary of infrastructure payments per main category. Details of the main adjustments, which resulted in an overall increase of R180.250 million, are provided in the paragraphs following the tables.

Table 5.25 : Summary of infrastructure payments by category

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	1 588 684	-	-	146 618	(59 236)	100 000	187 382	1 776 066
Maintenance and repair: Current	467 459			150 000			150 000	617 459
Upgrades and additions: Capital	684 652			126 000		100 000	226 000	910 652
Refurbishment and rehabilitation: Capital	436 573			(129 382)	(59 236)		(188 618)	247 955
New infrastructure assets: Capital	214 186			(96 368)			(96 368)	117 818
Infrastructure transfers	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital							-	-
Infrastructure transfers: Current							-	-
Infrastructure: Payments for financial assets	-						-	-
Infrastructure: Leases	69 757			30 000			30 000	99 757
Non infrastructure	77 591				59 236		59 236	136 827
Capital infrastructure	1 335 411	-	-	(99 750)	(59 236)	100 000	(58 986)	1 276 425
Current infrastructure	537 216	-	-	180 000	-	-	180 000	717 216
Total	1 950 218	-	-	80 250	-	100 000	180 250	2 130 468
Amount to be voted								180 250

- **Virements:** The following virements were undertaken in respect of the infrastructure budget:
 - R150 million was reprioritised from *Goods and services* (R50 million) in respect of lower than projected costs for provision of water in schools due to low rates charged by municipalities and less demand for services by some schools. Also, funds were reprioritised from *Refurbishment and rehabilitation: Capital* (R100 million) due to the postponement of infrastructure projects at pre-construction stage. These funds were utilised to offset pressures against *Maintenance and repair: Current* in respect of interventions, such as desludging and the provision of chemical toilets aimed at reducing the risk of the spread of the Covid-19 pandemic, as well as provision of functional ablution facilities to schools. The department plans to continue with desludging the remaining 388 schools that were outstanding.
 - *Upgrades and additions: Capital* was increased by R126 million from funds reprioritised against *Refurbishment and rehabilitation: Capital* (R29.382 million) and *New infrastructure assets: Capital* (R96.618 million). This was utilised to provide for the eradication of pit-latrines in 1 377 schools, the eradication of asbestos in 908 schools, the upgrade and rehabilitation of 1 026 storm damaged schools, provision of mobile classrooms required to address social distancing and over-crowding in schools, repairs to 467 vandalised schools, unplanned provision of water tanks in schools (Covid-19 projects) and the provision of ECD centres. Most of the projects are already in progress from 2019/20, the funds were committed and tenders were awarded to implementing agents before the national lockdown. It should be noted that the commitments in respect of projects in the construction stage are difficult to cancel, suspend or delay as this will attract penalties. The pressures in this category include the ongoing construction of the Mgai primary school in Ugu district, YWCA Special school in Amajuba district, Dingukwazi secondary school in Zululand district, Tinley Manor primary school in iLembe district, among others. The department indicated that the reduction of R497.218 million in respect of the EIG severely affected the affordability of these projects and additional costs in response to Covid-19.
 - *Refurbishment and rehabilitation: Capital* was decreased by R129.382 million due to the effects of the lockdown, given that the construction sector was not operational in April and May and was only opened in June. This affected 417 projects on site, and all projects in the pre-construction stage had to be cancelled or postponed. This was moved to offset pressures in *Maintenance and repair: Current* (R100 million) and *Upgrades and additions: Capital* (R29.382 million).
 - *New infrastructure assets: Capital* was decreased by R96.368 million due to the effects of the national lockdown, given that the construction sector was not operational in April and May and was only opened again in June. This affected 20 projects on site which progressed slowly and these funds were redirected to absorb pressures against *Upgrades and additions: Capital*.
 - *Infrastructure: Leases* was increased by savings of R30 million realised on consumable supplies due to lower than anticipated costs for PPE. This was utilised to provide for higher than budgeted costs for operating leases in respect of office buildings. The department could not fully budget for the leases in the main appropriation due to limited scope for reprioritisation.

These virements are permissible in terms of the PFMA and Treasury Regulations.

The reduction in *Capital infrastructure* to defray current expenditure requires Legislature approval in terms of the PFMA, as *Capital infrastructure* for the Vote as a whole decreased.

- *Shifts*: An amount of R59.236 million was shifted from *Refurbishment and rehabilitation: Capital to Non infrastructure* to provide for management fees for implementing agents that were inadvertently incorrectly budgeted in the main appropriation. As mentioned, the department indicated that management fees for implementing agents are part of the total cost for the capital projects, but should be reported under current payments as they are non-infrastructure related.
- *Other adjustments*: Additional funding of R100 million was specifically and exclusively allocated against *Upgrades and additions: Capital* to offset pressures as a result of the budget cut of R497.218 million against the EIG. As mentioned, these funds will be utilised to complete 544 sanitation projects currently at construction stage. These are short-duration projects ranging between four to six months, hence the department is confident that the full amount will be spent by year-end.

8. Conditional grants

Tables 5.26 and 5.27 provide a summary of changes to conditional grants. Details of the main adjustments, which resulted in an overall increase of R9.734 million in the conditional grant allocation, are given in the paragraphs following the tables.

Table 5.26 : Summary of changes to conditional grants

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
2. Public Ordinary School Education	1 803 166	9 734	-	-	-	-	9 734	1 812 900
National School Nutrition Programme (NSNP) grant	1 717 512	9 734					9 734	1 727 246
EPWP Integrated Grant for Provinces	2 180						-	2 180
Social Sector EPWP Incentive Grant for Provinces	22 842						-	22 842
Maths, Science and Technology (MST) grant	60 632						-	60 632
4. Public Special School Education	32 586	-	-	-	-	-	-	32 586
Learners with Profound Intellectual Disabilities grant	32 586						-	32 586
6. Infrastructure Development	1 498 964	-	-	-	-	-	-	1 498 964
Education Infrastructure grant	1 498 964						-	1 498 964
7. Examination and Education Related Services	47 362	-	-	-	-	-	-	47 362
HIV and AIDS (Life-Skills Education) grant	47 362						-	47 362
Total	3 382 078	9 734	-	-	-	-	9 734	3 391 812
Amount to be voted								9 734

Table 5.27 : Summary of conditional grants by economic classification

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	2 153 084	9 734	-	98 778	59 236	-	167 748	2 320 832
Compensation of employees	368 391			19 945			19 945	388 336
Goods and services	1 784 693	9 734		78 833	59 236		147 803	1 932 496
Interest and rent on land							-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households							-	-
Payments for capital assets	1 228 994	-	-	(98 778)	(59 236)	-	(158 014)	1 070 980
Buildings and other fixed structures	1 223 528			(100 000)	(59 236)		(159 236)	1 064 292
Machinery and equipment	5 466			1 222			1 222	6 688
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	3 382 078	9 734	-	-	-	-	9 734	3 391 812
Amount to be voted								9 734

- *Roll-overs*: An amount of R9.734 million was approved as a roll-over by National Treasury for the NSNP grant based on the audited under-spending against this grant. This was allocated against *Goods and services* and relates to committed funds for the payment of feeding in March, as invoices are only paid in the following month once services have been rendered. Some invoices could not be submitted on time for processing by year-end due to the national lockdown in late March as a result of the Covid-19 pandemic, as explained.
- *Virement*: The department undertook the following virements:
 - There was a net increase of R19.945 million against *Compensation of employees*. This relates to an increase of R23.806 million within the NSNP grant to provide for the increase in the stipend rates for Food Handlers to align to the conditional grant framework. The increase was offset by a reduction of R3.861 million in respect of the unfilled post of Assistant Director under the HIV and AIDS (Life-Skills Education) grant and four Specialist posts under the LPID grant.
 - There was a net increase of R78.833 million against *Goods and services*. These funds were moved from *Compensation of employees* (R3.861 million) and were provided for activities such as travel and subsistence costs related to monitoring and support in schools, training of educators in prevention and management of HIV, STI, TB, as well as Covid-19. The funds were also to provide for the purchase of PPE to ensure the safety of the transversal specialist team and learners in care centres and caregivers, etc. In addition, R100 million was reprioritised from *Buildings and other fixed structures* under the EIG towards pressures related to desludging and ablution interventions aimed at reducing the risk of the spread of the Covid-19 pandemic. This increase was offset by a reduction of R23.806 million in respect of low expenditure for school feeding caused by the nationwide lockdown and closure of schools and reduced feeding days from 196 to 175, as explained. These savings were moved to *Compensation of employees* to comply with the conditional grant framework to increase the stipend for Food Handlers.

These virements are permissible in terms of the PFMA and Treasury Regulations.

The reduction in *Buildings and other fixed structures* to defray current expenditure requires Legislature approval in terms of Section 43(4)(c) of the PFMA, as *Payments for capital assets* for the Vote as a whole has decreased.

- *Shifts*: R59.236 million was shifted from *Buildings and other fixed structures* to *Goods and services* to provide for management fees for implementing agents that were inadvertently incorrectly budgeted in the main appropriation. As mentioned, the department indicated that management fees for implementing agents are part of the total cost for the capital projects, but should be reported under current payments as they are non-infrastructure related.

9. Transfers and subsidies

Table 5.28 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall increase of R1.230 billion in the transfers and subsidies allocation, are provided above and below the table.

- *Virements*: The department undertook the following virements affecting *Transfers and subsidies*:
 - R3 million was moved from Programme 3 against *Non-profit institutions* to Programme 1 to offset pressures against *Provinces and municipalities* for motor vehicle licence renewals which were under-budgeted for, due to the purchase of additional vehicles late in March 2020.
 - R8.500 million was moved within Programme 1 against *Households* due to lower than anticipated costs for claims against the state. This was moved to *Goods and services* to provide for external audit costs which were under-budgeted for.
 - R2.600 million was moved from Programme 4 against *Non-profit institutions* to offset pressures in Programme 1 against *Machinery and equipment* for vehicles purchased in 2019/20 but delivered in 2020/21.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the reduction in *Transfers and subsidies to: Non-profit institutions*. As mentioned, the amounts in Programme 4 were not gazetted to be transferred to any school, as highlighted in the table.

Table 5.28 : Summary of transfers and subsidies by programme and main category

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	35 962	-	-	(5 500)	-	-	(5 500)	30 462
Provinces and municipalities	2 350	-	-	3 000	-	-	3 000	5 350
Motor vehicle licences	2 350			3 000			3 000	5 350
Households	33 612	-	-	(8 500)	-	-	(8 500)	25 112
Staff exit costs	21 112						-	21 112
External bursaries and claims	12 500			(8 500)			(8 500)	4 000
2. Public Ordinary School Education	1 727 060	-	-	-	(57 045)	1 175 827	1 118 782	2 845 842
Non-profit institutions	1 644 837	-	-	-	(57 045)	1 175 827	1 118 782	2 763 619
Section 21 schools	1 636 921				(57 045)	1 175 827	1 118 782	2 755 703
Section 20 schools	7 916						-	7 916
Households	82 223	-	-	-	-	-	-	82 223
Staff exit costs	82 223						-	82 223
3. Independent School Subsidies	91 411	-	-	(3 000)	-	113 713	110 713	202 124
Non-profit institutions	91 411	-	-	(3 000)	-	113 713	110 713	202 124
Independent schools	91 411			(3 000)		113 713	110 713	202 124
4. Public Special School Education	145 520	-	-	(2 600)	-	8 984	6 384	151 904
Non-profit institutions	140 520	-	-	(2 600)	-	8 984	6 384	146 904
Schools	140 520			(2 600)		8 984	6 384	146 904
Households	5 000	-	-	-	-	-	-	5 000
Staff exit costs	5 000						-	5 000
5. Early Childhood Development	32 758	-	-	-	-	-	-	32 758
Non-profit institutions	31 458	-	-	-	-	-	-	31 458
ECD centres	31 458						-	31 458
Households	1 300	-	-	-	-	-	-	1 300
Staff exit costs	1 300						-	1 300
6. Infrastructure Development	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Staff exit costs	-						-	-
7. Examination and Education Related Services	42 823	-	-	-	-	-	-	42 823
Departmental agencies and accounts	38 623	-	-	-	-	-	-	38 623
ETDP SETA	38 623						-	38 623
Households	4 200	-	-	-	-	-	-	4 200
Staff exit costs	4 200						-	4 200
Total	2 075 534	-	-	(11 100)	(57 045)	1 298 524	1 230 379	3 305 913
Amount to be voted								1 230 379

- **Shifts:** The department undertook the following shifts affecting *Transfers and subsidies*:
 - R57.045 million was shifted from *Non-profit institutions* to *Goods and services* within Programme 2 in respect of S21 schools with function (c) who opted to purchase inventory: LTSM through the management agent instead of procuring this on their own, and deductions made against schools that have defaulted on the payment of domestic accounts, as mentioned. The purpose of the funds remains unchanged and therefore this decrease in a transfer payment does not require Legislature approval.
- **Other adjustments:** Additional funding was allocated against *Transfers and subsidies*:
 - Additional funding of R1.176 billion was allocated to *Non-profit institutions* under Programme 2 under S21 schools with these funds allocated from the Presidential Employment Initiative Fund. As previously explained, this amount was specifically and exclusively allocated for the appointment of educator assistants, caretakers, screeners and cleaners depending on the need of the school. This was allocated to *Non-profit institutions* to be utilised by SGBs to appoint assistants based on their needs.
 - R113.713 million was additional funding allocated from the Presidential Employment Initiative Fund. This intervention is intended to respond to the increase in unemployment as a result of the Covid-19 pandemic, as explained. This amount was therefore specifically and exclusively allocated for the appointment of educators paid by SGBs and was allocated to Programme 3 under *Non-profit institutions*.

- o R8.984 million was additional funding allocated to *Non-profit institutions* under Programme 4 under sub-programme: Schools with these funds allocated from the Presidential Employment Initiative Fund. As previously explained, this amount is specifically and exclusively allocated for the appointment of educator assistants, caretakers, screeners and cleaners depending on the need of the school. This was allocated to *Non-profit institutions* to be utilised by SGBs to appoint assistants based on their needs.

10. Transfers to local government

The amounts against *Provinces and municipalities* in Table 5.28 above cater for motor vehicle licences. These funds will not be transferred to any municipality, and therefore the table for transfers to local government has not been included.

11. Actual payments and revised spending projections for the rest of 2020/21

Tables 5.29 and 5.30 reflect actual payments as at the end of September 2020, projected payments for the rest of the financial year and the total revised spending in Rand value and as a percentage of the Adjusted Appropriation per programme and economic classification. The tables also show the 2019/20 Audited outcome.

Table 5.29 : Actual payments and revised spending projections by programme

	2019/20 Audited outcome	Adjusted appropriation	Actual payments April 2020 - September 2020		Projected payments October 2020 - March 2021		Projected actual
R thousand			% of budget		% of budget		
1. Administration	1 968 924	1 950 133	869 718	44.6	1 080 415	55.4	1 950 133
2. Public Ordinary School Education	45 377 936	47 486 456	22 685 181	47.8	24 801 275	52.2	47 486 456
3. Independent School Subsidies	85 274	202 124	41 689	20.6	160 435	79.4	202 124
4. Public Special School Education	1 322 258	1 394 797	717 124	51.4	677 673	48.6	1 394 797
5. Early Childhood Development	1 335 678	1 441 966	592 383	41.1	849 583	58.9	1 441 966
6. Infrastructure Development	2 759 026	2 030 461	858 931	42.3	1 171 530	57.7	2 030 461
7. Examination and Education Related Services	1 564 400	1 672 501	426 456	25.5	1 246 045	74.5	1 672 501
Total	54 413 496	56 178 438	26 191 482	46.6	29 986 956	53.4	56 178 438

Table 5.30 : Actual payments and revised spending projections by economic classification

	2019/20 Audited outcome	Adjusted appropriation	Actual payments April 2020 - September 2020		Projected payments October 2020 - March 2021		Projected actual
R thousand			% of budget		% of budget		
Current payments	50 391 679	51 533 480	24 273 175	47.1	27 260 305	52.9	51 533 480
Compensation of employees	45 415 591	45 401 676	22 561 041	49.7	22 840 635	50.3	45 401 676
Goods and services	4 969 343	6 131 804	1 712 115	27.9	4 419 689	72.1	6 131 804
Interest and rent on land	6 745	-	19	-	(19)	-	-
Transfers and subsidies to:	1 890 555	3 305 913	1 175 390	35.6	2 130 523	64.4	3 305 913
Provinces and municipalities	1 820	5 350	4 164	77.8	1 186	22.2	5 350
Departmental agencies and accounts	17 085	38 623	17 085	44.2	21 538	55.8	38 623
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	1 608 026	3 144 105	1 082 056	34.4	2 062 049	65.6	3 144 105
Households	263 624	117 835	72 085	61.2	45 750	38.8	117 835
Payments for capital assets	2 131 262	1 338 851	742 723	55.5	596 128	44.5	1 338 851
Buildings and other fixed structures	2 082 389	1 276 425	721 776	56.5	554 649	43.5	1 276 425
Machinery and equipment	30 849	58 166	16 687	28.7	41 479	71.3	58 166
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	18 024	4 260	4 260	100.0	-	-	4 260
Payments for financial assets		194	194	100.0			194
Total	54 413 496	56 178 438	26 191 482	46.6	29 986 956	53.4	56 178 438

The department spent 46.6 per cent of the adjusted appropriation in the first half of the year and projects to spend 53.4 per cent in the remaining six months. The fairly high projections in the second half of the year are mainly due to additional funds allocated in the Adjustments Estimate. The department is projecting a balanced budget after all these adjustments have been made.

Table 5.A : Summary by economic classification : Education

R thousand	Special adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	54 256 054	9 734	-	96 819	130 121	(2 959 248)	(2 722 574)	51 533 480
Compensation of employees	48 356 421	-	-	19 945	-	(2 974 690)	(2 954 745)	45 401 676
Salaries and wages	41 529 192	-	-	19 345	-	(3 003 174)	(2 983 829)	38 545 363
Social contributions	6 827 229	-	-	600	-	28 484	29 084	6 856 313
Goods and services	5 899 633	9 734	-	76 874	130 121	15 442	232 171	6 131 804
Administrative fees	5 858	-	-	(559)	-	-	(559)	5 299
Advertising	14 640	-	-	3 805	-	-	3 805	18 445
Minor assets	19 916	-	-	(16 639)	-	-	(16 639)	3 277
Audit cost: External	10 666	-	-	-	-	-	-	10 666
Bursaries: Employees	18 000	-	-	-	-	-	-	18 000
Catering: Departmental activities	83 283	-	-	808	-	-	808	84 091
Communication (G&S)	25 120	-	-	3 553	-	-	3 553	28 673
Computer services	75 723	-	-	(4 000)	2 440	-	(1 560)	74 163
Cons. & prof serv: Business and advisory services	163 627	-	-	(18 575)	82 501	1 200	65 126	228 753
Infrastructure and planning	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	11 500	-	-	427	-	-	427	11 927
Contractors	21 107	-	-	435	-	-	435	21 542
Agency and support / outsourced services	1 227 504	9 734	-	63 520	-	-	73 254	1 300 758
Entertainment	29	-	-	(5)	-	-	(5)	24
Fleet services (incl govt motor transport)	43 877	-	-	23 483	-	-	23 483	67 360
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 377	-	-	905	-	-	905	2 282
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	194	-	-	-	-	-	-	194
Inventory: Fuel, oil and gas	56 490	-	-	2 504	-	-	2 504	58 994
Inventory: Learner and teacher support material	569 260	-	-	(37 668)	120 518	-	82 850	652 110
Inventory: Materials and supplies	10 000	-	-	25	-	-	25	10 025
Inventory: Medical supplies	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	756 349	-	-	281 615	(75 798)	-	205 817	962 166
Consumable supplies	882 462	-	-	(141 208)	220	-	(140 988)	741 474
Consumable: Stationery, printing and office supplies	34 371	-	-	3 009	240	-	3 249	37 620
Operating leases	188 380	-	-	29 545	-	-	29 545	217 925
Property payments	967 061	-	-	(4 458)	-	-	(4 458)	962 603
Transport provided: Departmental activity	12 501	-	-	(510)	-	-	(510)	11 991
Travel and subsistence	259 111	-	-	(14 081)	-	-	(14 081)	245 030
Training and development	75 318	-	-	(23 301)	-	14 242	(9 059)	66 259
Operating payments	344 731	-	-	(74 428)	-	-	(74 428)	270 303
Venues and facilities	20 278	-	-	(1 300)	-	-	(1 300)	18 978
Rental and hiring	900	-	-	(28)	-	-	(28)	872
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to	2 075 534	-	-	(11 100)	(57 045)	1 298 524	1 230 379	3 305 913
Provinces and municipalities	2 350	-	-	3 000	-	-	3 000	5 350
Provinces	2 350	-	-	3 000	-	-	3 000	5 350
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 350	-	-	3 000	-	-	3 000	5 350
Municipalities	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	38 623	-	-	-	-	-	-	38 623
Social security funds	-	-	-	-	-	-	-	-
Entitles receiving funds	38 623	-	-	-	-	-	-	38 623
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Non-profit institutions	1 908 226	-	-	(5 600)	(57 045)	1 298 524	1 235 879	3 144 105
Households	126 335	-	-	(8 500)	-	-	(8 500)	117 835
Social benefits	113 835	-	-	-	-	-	-	113 835
Other transfers to households	12 500	-	-	(8 500)	-	-	(8 500)	4 000
Payments for capital assets	1 397 840	-	-	(85 913)	(73 076)	100 000	(58 989)	1 338 851
Buildings and other fixed structures	1 335 411	-	-	(99 750)	(59 236)	100 000	(58 986)	1 276 425
Buildings	1 335 411	-	-	(99 750)	(59 236)	100 000	(58 986)	1 276 425
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	44 329	-	-	13 837	-	-	13 837	58 166
Transport equipment	29 506	-	-	15 212	-	-	15 212	44 718
Other machinery and equipment	14 823	-	-	(1 375)	-	-	(1 375)	13 448
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	18 100	-	-	-	(13 840)	-	(13 840)	4 260
Payments for financial assets	-	-	-	194	-	-	194	194
Total	57 729 428	9 734	-	-	-	(1 560 724)	(1 550 990)	56 178 438
Amount to be voted								(1 550 990)