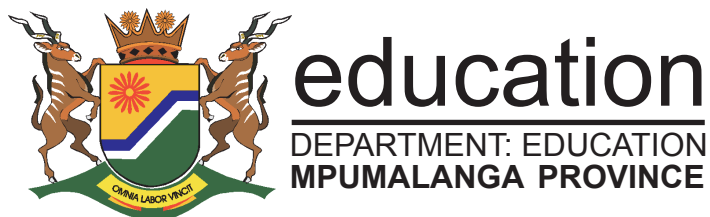


**DEPARTMENT OF EDUCATION
PROVINCE OF MPUMALANGA
VOTE No. 7
ANNUAL REPORT
2012/13**





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PART A

General Information



1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS / ACRONYMS

| | | | |
|---------|--|----------|--|
| ABET: | Adult Basic Education and Training | MRTT: | Mpumalanga Regional Training Trust |
| AET: | Adult Education and Training | MST: | Mathematics, Science and Technology |
| ACE: | Advanced Certificate in Education | MTEF: | Medium-Term Expenditure Framework |
| ANA: | Annual National Assessment | MTSF: | Medium Term Strategic Framework |
| AGSA: | Auditor-General South Africa | NCS: | National Curriculum Statement |
| APP: | Annual Performance Plan | NC (V): | National Curriculum (Vocational) |
| BBBEE: | Broad Based Black Economic Empowerment | NELDS: | National Early Learning Development Standards |
| CAPS: | Curriculum and Assessment Policy Statement | NEPA: | National Education Policy Act |
| CEM: | Council of Education Ministers | NGO: | Non-Governmental Organisation |
| CEMIS: | Central Education Management Information System | NNSSF: | National Norms and Standards for School Funding |
| CFO: | Chief Financial Officer | NPDE : | National Professional Diploma in Education |
| CIs: | Curriculum Implementers | NQF: | National Qualifications Framework |
| CLC: | Community Learning Centre | NSC: | National Senior Certificate |
| CRDP: | Comprehensive Rural Development Programme | NSNP: | National School Nutrition Programme |
| CSIR: | Council for Scientific and Industrial Research | OHSA: | Occupational Health and Safety Act |
| CYCCs: | Child and Youth Care Centres | OSD: | Occupation Specific Dispensation |
| DBE: | Department of Basic Education | PALCs: | Public Adult Learning Centres |
| DEMIS: | District Education Management Information System | PELRC: | Provincial Educators Labour Relations Council |
| DHET: | Department of Higher Education and Training | PGDS : | Provincial Growth and Development Strategy |
| DOCS: | Department of Community Safety | PFMA: | Public Finance Management Act |
| DOH: | Department of Health | PILIR: | Policy on Incapacity Leave and Ill-Health Retirement |
| DORA: | Division of Revenue Act | PMC: | Provincial Management Committee |
| DPSA: | Department of Public Service and Administration | PMDS: | Performance Management and Development System |
| DPWRT: | Department of Public Works Roads and Transport | PMU: | Programme Management Unit |
| DSD: | Department of Social Development | PPI: | Programme Performance Indicator |
| ECD: | Early Childhood Development | PPP: | Public-Private Partnership |
| ECM: | Enterprise Content Management | PPM: | Programme Performance Measure |
| EE: | Employment Equity | PSCBC: | Public Service Coordinating Bargaining Council |
| EFA : | Education for All | QIDS-UP: | Quality Improvement, Development, Support and Upliftment Programme |
| EIG: | Education Infrastructure Grant | RCL: | Representative Council of Learners |
| EMIS: | Education Management Information System | SACE: | South African Council for Educators |
| EPP: | Education Provisioning Plan | SADTU: | South African Democratic Teachers Union |
| EPWP: | Expanded Public Works Programme | SAQA: | South African Qualifications Authority |
| EWP: | Employee Wellness Programme | SASA: | South African Schools' Act |
| GET: | General Education and Training | SBA: | School Based Assessment |
| HEI: | Higher Education Institution | SCM: | Supply Chain Management |
| HOD: | Head of Department | SDIP: | Service Delivery Improvement Plan |
| HRD: | Human Resource Development | SETA: | Sector Education and Training Authority |
| ICT: | Information and Communication Technology | SGB: | School Governing Body |
| IMG: | Institutional Management and Governance | SIAS: | Strategy for Identification, Assessment, and Support |
| IPMP: | Infrastructure Programme Management Plan | SITA: | State Information Technology Agency |
| I-SAMS: | Integrated School Administration and Management System | SMT: | School Management Team |
| IQMS: | Integrated Quality Management System | SMME: | Small Medium and Micro Enterprises |
| KM: | Knowledge Management | SPMDS: | Staff Performance Management and Development System |
| LSEN: | Learners with Special Education Needs | TR: | Treasury Regulations |
| LTSM: | Learning and Teaching Support Materials | UNESCO: | United Nations Educational, Scientific and Cultural Organisation |
| MDE: | Mpumalanga Department of Education | WSE: | Whole-School Evaluation |
| MDGs: | Millennium Development Goals | WSP: | Workplace Skills Plan |
| MEC: | Member of Executive Council | | |

3. STRATEGIC OVERVIEW

3.1. Vision

Accelerating Excellence in Education Delivery.

3.2. Mission

The Mpumalanga Department of Education (MDE) is committed in providing excellence and quality education to the community through:

- Working together with stakeholders
- Effective teaching and learning
- Responsive curriculum
- Pro active communication
- Good governance and effective management
- Bridging the digital divide
- Transformation
- Human resource development

We will be at the cutting edge of curriculum delivery and provide access to quality lifelong learning opportunities.

3.3. Values

Key corporate values that the MDE intends to uphold in the next 5 year period include:

- Mutual trust and respect
- Integrity
- Accountability
- Transparency
- Innovation
- Consultation
- Honesty
- Excellence
- Equity and Redress
- Dignity
- Accessibility

3.4. Strategic outcome orientated goals

Access to quality education is a basic human right, entrenched not only in our Constitution, but also in provincially-adopted agendas, such as the Millennium Development Goals (MDGs), Education for All (EFA) goals, PGDS, etc. The MDG commits Government to halving poverty and reducing unemployment through strategies that upscale the commitment to education.

| | |
|-------------------------|--|
| Strategic Goal 1 | Expand Access to Quality Education |
| Goal Statement | Expand access to quality education that is responsive to the social and economic needs of the province. |
| Justification | The Mpumalanga Province is predominantly rural, with high levels of unemployment and poverty; this results in many of our learners not gaining equal access to the education institutions. |
| Links | Attainment of set targets in most priority areas of service delivery is linked to provincially-adopted agendas of EFA, MDGs, MTSF 2009 – 2014, the Social Cluster Programme of Action, and the Constitution. |

| | |
|-------------------------|---|
| Strategic Goal 2 | Improved Learner Performance |
| Goal Statement | Improve learner performance through quality teaching and learning. |
| Justification | This goal will ensure the improvement of learner performance, as the 2008 National Assessment for NCS indicated a low performance rate in Mathematics and Literacy. |
| Links | Constitution, provincially-adopted agendas like UNESCO's EFA and MDGs, MTSF 2009 - 2014) and the Social Cluster Programme of Action. |

| | |
|-------------------------|---|
| Strategic Goal 3 | Develop Competency Levels of the Workforce and Enhanced Skills Development |
| Goal Statement | Provide relevant Human Resource Development Programmes to enhance the workforce. |
| Justification | This goal will ensure the provision of relevant training to all staff, including 13 732 under-qualified educators. |
| Links | Attainment of set targets in most priority areas of service delivery is linked to Provincially adopted agendas of EFA and MDGs, MTSF 2009 – 2014), Social Cluster Programme of Action-, and the Constitution. |

| | |
|-------------------------|--|
| Strategic Goal 4 | Enhance Service Delivery Systems |
| Goal Statement | Streamline and strengthen systems for efficient, effective and economical service delivery. |
| Justification | To enhance correct financial management of the voted funds, giving details of each transaction and assist in the monitoring and control functions with detailed reports. |
| Links | Constitution, province-adopted agendas (like UNESCO's EFA and MDGs, MTSF 2009 – 2014) and Social Cluster Programme of Action. |

| | |
|-------------------------|--|
| Strategic Goal 5 | Accelerate Infrastructure Provisioning |
| Goal Statement | Accelerate infrastructure provisioning conducive for delivery of quality education. |
| Justification | This goal will ensure the acceleration of infrastructure provisioning that will enhance the delivery of quality education. |
| Links | Attainment of set targets in most priority areas of service delivery is linked to provincially-adopted agendas of EFA, MDGs, MTSF 2009 – 2014, Social Cluster Programme of Action, and the Constitution. |

4. LEGISLATIVE AND OTHER MANDATES

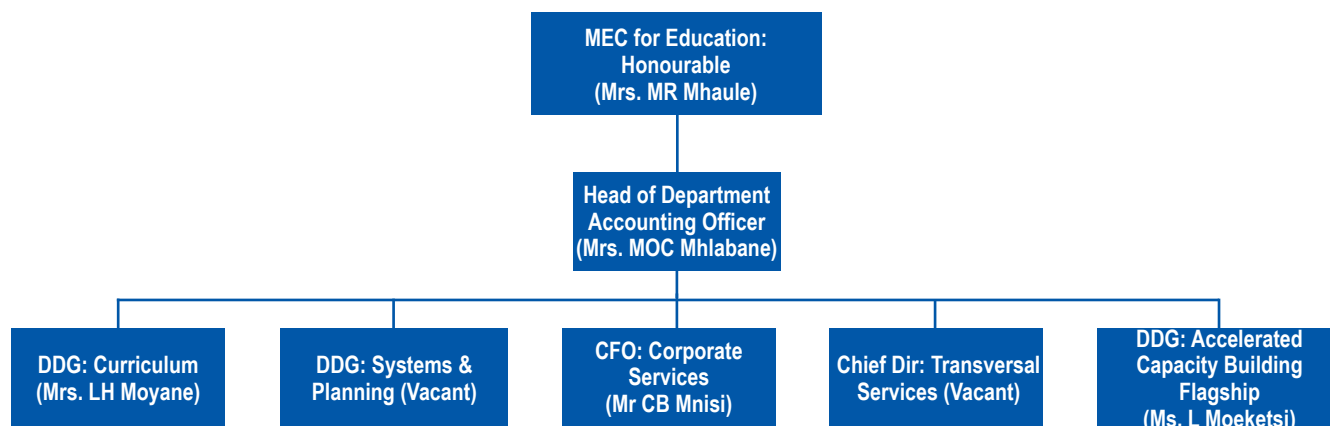
The following are the key legislative and other mandates that govern the establishment and operations of the Mpumalanga Department of Education:

| Mandates | Brief Description |
|---|--|
| Constitution of the Republic of South Africa (Act No. 108 of 1996) | This legislation requires education to be transformed and democratised in accordance with the values of human dignity, equality, human rights and freedom, non-racism and non-sexism. It guarantees basic education for all, with the provision that everyone has the right to basic education, including adult basic education and the provision of further education and training (FET). |
| Skills Development Act (No. 97 of 1998) | Increasing the skills levels of human resources in the workplace and supporting career pathing. |
| Adult Basic Education Act (No. 52 of 2000) | To regulate adult education and training; to provide for the establishment, governance and funding of public adult learning centres; to provide for the registration of private adult learning centres; and to provide for quality assurance and quality promotion in adult education and training. |
| FET Colleges Act (No. 16 of 2006) | To regulate Further Education and Training (FET). |
| National Education Policy Act (No. 27 of 1996) | To provide for the determination of a National Policy for Education: determines policy on salaries and principles that govern education. |
| South African Schools Act (No. 84 of 1996) | To provide for a uniform system, for the organisation, governance and funding of schools, in order to amend and repeal certain laws regarding schools and to provide for matters connected therewith. It ensures that learners have the right of access to quality education without discrimination. |
| Mpumalanga School Education Act (No. 8 of 1995), as amended by Act No. 7 of 1998 | To provide for the development of regulations and policies within the province; it is in line with the South African Schools Act No. 84. of 1996. |
| South African Qualifications Authority Act (No 58 of 1995) | To provide for the development and implementation of a national qualifications framework; and for this purpose, to establish the South African Qualifications Authority and to provide for matters connected therewith. |
| Employment of Educators Act (No. 76 of 1998) | To provide for the employment of educators by the State and for the regulation of the conditions of service, discipline, retirement and discharge of educators and for matters connected therewith. |
| Public Service Act, 1994 | To provide for: the organisation and administration of the public service of the Republic; the regulation of the conditions of employment; terms of office; discipline; retirement and discharge of members of the public service; and matters connected therewith. |
| General and Further Education and Training Quality Assurance Act (No. 58 of 2001) | To provide for the establishment, composition and functioning of the General and Further Education and Training Quality Assurance Council; to provide for quality assurance in general and further education and training; To provide for control over norms and standards of curriculum and assessment; to provide for the issue of certificates at exit points; to provide for the conduct of assessment; to repeal the South African Certification Council Act, 1986; and to provide for matters connected therewith. |
| Public Finance Management Act of 1999 | To regulate financial management in the National and Provincial spheres of government; and to ensure that all revenue, expenditure, assets of government are managed effectively and efficiently. |

5. ORGANISATIONAL STRUCTURE

Management structure

Members of the top management structure of the Department are as follows:



6. ENTITIES REPORTING TO THE MEC

The following entity reports to the Member of the Executive Council of the Mpumalanga Department of Education:

| Name of Entity | Legislative Mandate | Financial Relationship | Nature of Operations |
|------------------------------------|------------------------------------|------------------------|--|
| Mpumalanga Regional Training Trust | - Skills Development Act - PFMA | Transfer Payments | MRTT is mandated to develop the human resource base of the Mpumalanga Province through the provision of experiential, practical, technical, hospitality, tourism, entrepreneurship and life skills training. |

7. FOREWORD BY THE MEC



HON. MRS. MR MHAULE (MPL)
MEC FOR EDUCATION

The year 2012 was a memorable landmark for all the people of South Africa, irrespective of their race, creed, gender or societal status. A shining beacon in our history was of course the centenary of the ruling party. It gives me great pleasure to present to the people of Mpumalanga, in particular, and the people of South Africa, in general, the 2012/13 Annual report on the Mpumalanga Department of Education.

It is important that I affirm and confirm that, as a province, we remain committed to the noble ideals of the Freedom Charter, particularly when it says *'The Doors of learning and culture shall be opened'*, and further that *'The aim of education shall be to teach the youth to love their people and their culture, to honour human brotherhood, liberty and peace'*.

We have made inroads as a Department into the aspect of poverty that constitutes a major barrier to learning. The following are worth noting:

- The increase in the number of learners benefitting from the No-fee School Programme.
- The increase in the number of learners benefitting from the National School Nutrition Programme (NSNP), including Grade R learners and learners in public special schools.
- Prompt provisioning for the new comprehensive schools in terms of facilities, resources and educators.
- Twenty-eight schools in the seven CRDP municipalities were evaluated through the Whole School Evaluation framework.

I must hasten to say that the system is not without challenges, particularly in the areas of **efficiency** and **quality**, both in the classroom and in terms of (i.t.o.) administration. It is for this reason that we have developed improvement plans for both the GET and FET phases, which we will implement during the 2013 academic year. We believe these will bear the necessary fruit, i.e. the quality of the passes of our learners will improve from the foundation phase right to the FET phase -, and this is our medium to long term goal.

In our quest to make education the jewel of society, we convened 12 stakeholder consultative meetings, which focused on restoring the Culture of learning and Teaching, Launching of Quality Learning and Teaching Campaign in all levels, meeting with bursary holders throughout the province giving them feedback of the Grade 12 performance. We further engaged with teacher unions on the state of education in the province and together we discussed ways of improving quality education delivery overall.

During the year under review, the education sector dealt with the following policy imperatives:

- Regulations pertaining to NCS
- Amendments to School Funding Norms
- Extension of SC exam concession until May/June 2014 for adult learners who are 21 years and older
- Provincial Regulations for Independent Schools
- Regulations on CAPS
- Guideline/framework on organisation, roles and responsibilities of education districts

I am truly humbled by the commitment, zeal and passion displayed by the many officials of the Department of Education, the educators, school principals and school management teams in executing their daily duties. My gratitude also goes to the parents, parent formations, SGBs, business community and stakeholders in general, for not being bystanders, but for joining hands with the Department as together we seek to make education the jewel of society.

MRS. MR MHAULE (MPL)
MEC FOR EDUCATION

8. OVERVIEW OF THE ACCOUNTING OFFICER



MRS. MOC MHLABANE
HEAD OF DEPARTMENT

It is with great pleasure that I present the 2012/13 Annual Report of the Mpumalanga Department of Education.

The Executive Management of the Department firmly believes that much work has been achieved over the past four financial years of the current administration in delivering quality basic education and skills development in the province. This is evidenced by the steady increase in Grade 12 performance over the past three years and the fact that the system as a whole is stabilising as per the audit outcomes received in the past two consecutive years.

However, having said that, there are still a number of challenges that were not resolved during the period that requires more work and strategies need to be implemented effectively so as to resolve these systemic challenges that affect the performance of the province. This annual report presents in detail our achievements and challenges during the year under review. I must mention that of particular concern to the Department is the performance of our learners in the lower grades and how this impacts on their overall performance in the long term, even post the basic education phase.

Our successes in implementing plans can be summarised as follows:

- **Reviewed the Integrated Provincial ECD Strategy with all partners**
- **Development and approval of the School Safety Strategy**
- **Performance of the 2012 Grade 12 class at 70%, reaching the target initially planned for 2015**
- **Increase in the number of learners who are competent in Literacy in the foundation phase**
- **Centralisation of the Provincial Skills Development Programme**

Challenges remain in the following areas:

- **Quality infrastructure delivery**
- **Low performance in Numeracy, Mathematics and Physical Science**
- **Strengthening overall learner performance in the classroom so as to produce quality outcomes**
- **Integrating our programmes both at planning and implementing levels across the Department**

In dealing with the challenges indicated in the annual report, the Department will implement the recommendations of the WSE to improve on systemic challenges. In the 2013/14 financial year, the province will develop and implement norms and standards for basic school functionality and support all our schools to enable them to function on their own with minimum external support.

The province will establish a Mathematics, Science and Technology Academy that will link 100 schools to improve on the enrolment and quality of passes in Mathematics and Science subjects.

It is the belief of the Management of the Department that we live in times of great change, but we also live in a time of great hope. Here we have the possibility to make that hope a reality through the delivery of quality basic education and the chance to produce young people who are well educated. As the Chinese proverb says, ***'Learning can never be taken away from us'***.

I wish to express sincere gratitude to: the teachers who lead with commitment and passion for the subjects they teach; the officials who have truly adhered to the 'Batho Pele' principles; the parents who realised that the primary responsibility for raising good citizens who are ready to go out into the world and shine lies in their involvement and commitment to the process.

A handwritten signature in black ink, appearing to read 'M. Mhlabane', written over a light blue wavy line.

MRS. MOC MHLABANE
HEAD OF DEPARTMENT



PART B

Performance Information



1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

The Accounting Officer is responsible for the preparation of the Department's performance information and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information of the Department for the financial year ended 31 March 2013.

A handwritten signature in black ink, appearing to read 'M. Mhlabane', with a large, stylized initial 'M'.

MRS. MOC MHLABANE
HEAD OF DEPARTMENT
DATE: 31 MAY 2013

2. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with no material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 176 of the Report of the Auditor-General, published as Part E: Financial Information.

3. OVERVIEW OF DEPARTMENTAL PERFORMANCE

3.1. Service Delivery Environment

Overview of the service delivery environment for 2012/13

The Department entered the 2012/13 financial year with improved financial and performance management systems, after having obtained an unqualified audit opinion in 2011/12. Furthermore, it entered this year with improved National Senior Certificate results, with Mpumalanga registering the highest improvement level in the country.

In the 2012/13 financial year, the Department operated under a more favourable environment compared to the preceding three years. The moratorium on filling vacant posts was lifted and the Department was able to fill crucial posts for both curriculum and support services at the provincial head office and in the districts, especially in Bohtabela district, where the shortage was acute. The system for the provision of learning and teaching support materials (LTSM) was efficient and all learners were supplied with stationery and textbooks before the beginning of the 2013 academic year. The teaching and learning environment was stable throughout the year with few disruptions. The Department was able to deliver on its programmes with a considerable degree of success amid financial constraints, as it had to service accruals amounting to R350.811million from the 2011/12 financial year.

The province started the 2012 academic year with a Grade 12 pass rate of 64,8% and 31 schools performing below 30%. A support programme was developed and implemented. This saw: 18 schools performing at 100%; schools performing at 60% and above increasing from 314 to 359; and schools that were performing below 30% decreasing from 31 to 9, with only 2 being repeat under-performers. The Grade 12 class achieved a total pass rate of 70% at the end of the 2012 school year.

The 2012/13 year saw a number of improvements in the delivery of quality education in the province. The Department was able to deliver education to a total of 975 878 learners in 1 836 public schools; 1 363 of these schools sat for the Annual National Assessments in Grades 1-6 and 9 and registered improvement in Mathematics and language performance, with the exception of Grade 6 Mathematics.

A total of 845 815 learners (representing 85% of all learners) received a hot meal daily over 196 days through the National School Nutrition Programme. Through the programme, jobs were created that benefitted 4 591 food handlers and 250 gardeners. Furthermore, 834 803 learners were able to access education without a financial burden being placed on their parents. This accounts for 85% of the learners who benefit from the No-Fee Schools programme. Two new boarding schools, Shongwe and Ezakheni, were constructed to accommodate and provide education at state cost to the poorest learners from farms and small schools, and are fully operational.

Teaching and learning resources for schools were also provided. These included the provision of a full complement of textbooks per learner per subject for all learners implementing the Curriculum and Assessment Policy Statement (CAPS) in Grades 4, 5, 6 and 11. These were provided in time before the re-opening of schools. Top-up textbooks were also provided for the Grade 12 class and the Foundation Phase through additional funding appropriated during the budget adjustment process. No Top-ups were provided to the Senior Phase, as these grades will implement the CAPS in 2014. All learners in all ordinary and special schools were provided with stationery. The 18 special schools were also provided with various assistive devices, in line with the different needs of the learners. The Dinaledi Schools and Technical Schools also received equipment and various resources to advance the teaching of Mathematics, Science and Technology. There is still a concern, though, as not all schools submitted their LTSM requisitions on time. The Department had to place supplementary orders to ensure that no learner was disadvantaged by this action.

The Department continued with the implementation of its teacher development programmes. Teachers were registered for various qualification-bearing courses to improve their pedagogic competence. Of these, 260 teachers were enrolled for programmes in Mathematics and Science teaching. 12 615 Grade 4, 5, 6, and 6 107 Grade 11 teachers were trained on the implementation of the CAPS in the 2013 school year. Furthermore, teachers were trained on various inclusive strategies to facilitate access to the curriculum by all learners. Teachers were trained on Sign Language and Deaf Culture, Alternative and Augmentative means of Communication, Curriculum Adaptation and the Strategy for Identification, Assessment, and Support (SIAS).

In an attempt to implement the Provincial Human Resource Development Strategy, the Department received funding for bursaries for the academic year 2012. However, the funding received could not support all students who qualified and needed bursaries. To deal with this matter, the Department invited the private sector and other relevant individuals to provide the best performing students with bursaries and, as a result, Eskom offered 116 bursaries to students pursuing engineering and accounting studies at all the universities in the country and also offered a number of bursaries to FET students in the province. A total of 359 bursaries were thus offered for the 2012 academic year.

The infrastructure delivery programme started slowly, but gained momentum towards the end of the financial year. The Department managed to spend 92% of its budget towards this programme. The programme received a boost with the recruitment of specialist technical staff through Division of Revenue Act (DORA) funding, as well as the appointment of the programme management unit (PMU). It is believed that with the new staff on board, the capacity of the Department i.t.o. infrastructure delivery will improve in the coming years i.t.o. planning, scope definition, costing, budgeting and monitoring of infrastructure projects.

The provision of school furniture was a challenge in the year due to inadequate budgets and a lack of contracted service providers. The Department was able to appoint new service providers and allocated additional funding during the budget adjustment process to address pressing challenges in selected schools. A substantive amount was made available in the 2013/14 financial year to address the shortage of school furniture.

Support to schools remains a key aspect in the delivery of quality education. The Department increased its capacity to support schools through the filling of vacant circuit managers' posts and appointing curriculum support staff and curriculum implementers in identified critical areas such as mathematics, science and languages. Due to its cross border location, the province experienced rapid growth of independent schools. To ensure that there is quality delivery of education in these schools, the Department developed and gazetted the Provincial Regulations pertaining to independent schools. These regulations will provide clarity to all concerned on the expectations and standards to be maintained by all independent schools.

The absence of the National Conditions of Service for educators in the Adult Education and Training (AET) sector continues to render the sector unstable. The province experienced discontent amongst AET educators in the form of marches, which threatened the delivery AET programmes. This situation was exacerbated by the migration of at least twenty centre managers in Nkangala District to other sectors.

A retention strategy was developed to curb the loss of expertise and exodus of educators from the sector. The strategy included moving educators who are only working in Public Adult Learning Centres (PALCs) to a pro-rata mode of payment. The claiming system had to be limited to double parkers who teach Mathematics, Natural Sciences and Information and Communication Technology. Key to the strategy was the introduction of a three- year contract, with a portion of benefits for educators being provided on a pro-rata payment system. At the same time, the contract facilitated payment to educators on time. Profound progress has been registered in this regard, substantiated by educators being paid timeously on 31 January 2013.

Registration in Public Adult Learning centres has become part of the mainstream schools early registration campaign, to ensure that learners are recruited prior to the completion and renewal of contracts between employees and employers. Controlling measures have been set to ensure that no over-supply or under-supply of educators occurs and these are being monitored by the Department.

The Department started phasing in NQF Level 4 programmes in one full-time centre from January 2013. This practice will be extended to other centres in due course based on the available budget in order to meet the emerging needs of adults and the out of school youth of the Mpumalanga Province. This step will by implication improve learner enrolment in PALCs.

The Department plays a lead role in coordinating implementation of the Integrated ECD Strategy. A multi-stakeholder summit on ECD was held to review the 2008 ECD Strategy and ensure that it is aligned to the Children's Act and other directives regarding the need to focus on the first 1000 days of a child. The ECD integrated programme, which includes the Department of Education and Department of Social Development and Health, was developed and its implementation is continuously monitored by the Provincial Executive Council. Strengthening of the collaboration between public and private providers remains a challenge. This needs to be improved on to enable the province to account for access to ECD services for all children in the province. 814 of the 1 020 schools offering Grade R received LTSMs and a total of 212 and 465 ECD practitioners were enrolled for an ECD qualification (at levels 4 and 5 respectively).

The Department will place a draft collective agreement in the Provincial Educators Labour Relations Council (PELRC) to re-train/re-skill excess primary schools educators on ECD and place them in Grade R classes, once a collective agreement is reached and signed with organised labour.

The Department managed to deliver credible and incident free public examinations. This includes administration of the Senior Certificate during April/ May, the June AET Examinations, the Annual National Assessments for Grade 3, 6 and 9, the end of year AET exams, and the end of year NSC and its related supplementary examinations. Security systems and structures relating to question paper management through the value chain have been strengthened and the province was commended by Umalusi for its performance in this area.

3.2. Service Delivery Improvement Plan

The Department prepared a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services provided and standards

| Main Services | Actual Customers | Potential Customers | Standard of Service | Actual Achievement against Standards |
|-------------------------------------|---|----------------------|--|--|
| Improve early childhood development | Grade R learners Pre-Grade R learners | Teacher unions | Education stimulation, provision of resources and school readiness assessments need to be within the prescripts of CAPS and NELDS. | LTSM provided to 814 schools and 182 Pre-Grade R centres. School readiness assessments on Grade R learners conducted. |
| | Practitioners | Business | Require on-site support and professional development. | 212 Practitioners trained in ECD Level 4 qualification. 465 Practitioners trained in ECD Level 5 qualification. Curriculum implementers provided on-site support to practitioners at schools and community-based centres. |
| | Other implementing Departments: Department of Social Development and Health; Department of Public Works, Roads and Transport | Department of Labour | Implementing the Integrated ECD Programme; creation of work and exit opportunities. | Provincial ECD Summit held. The Provincial ECD Strategy was reviewed with DSD and DOH. |
| Improve matric results | Learners, teachers and parents | Unions | Credible, incident free and quality assured results by Umalusi. | 2012 exam: conducted with credibility and incident free; quality assured by Umalusi and the Provincial results were released in January 2013. Pass percentage improved from 64.8% to 70%. |

Consultation arrangements with customers

| Type of arrangement | Actual Customers | Potential Customers | Actual Achievements |
|---|---|-------------------------------|---|
| Holding discussions; convening meetings and review sessions | ECD officials; Department of National and Provincial Public Works | Independent Development Trust | Held a multi-stakeholder ECD summit to review ECD strategy. Developed the ECD Reviewed Strategy. Held meetings and discussions with the National and Provincial Department of Public Works on Grade R infrastructure and EPWP. |
| Holding discussions and convening meetings | Other ECD implementing Departments | Business | Held regular meetings and discussions with the Department of Social Development, Health and Office of the Rights of the Child. |
| Holding discussions and convening meetings | National and Provincial Public Works Department | Department of Labour | Discussed the 2012/13 incentive grant allocations, provided progress reports and attended national and provincial meetings. |
| Workshops and meetings | Teachers and learners | Parents | Conducted 290 intervention workshops. Held 224 cluster meetings. |

Service delivery access strategy

| Access Strategy | Actual Achievements |
|--|---|
| Improve access to Grade R | Enrolled 81 820 learners in ECD centres. |
| Improve access to Pre-Grade R | Worked in partnership with the Department of Social Development to register 79 275 learners in ECD centres. |
| Intervention guides; exam guidelines; content guidelines for extra classes | Intervention guides and content guidelines distributed to all teachers in the 528 public schools and 107 independent schools. |

Service information tool

| Types of Information Tool | Actual Achievements |
|---|--|
| Attendance registers and monitoring tools: Training of ECD practitioners, child-minders and cooks | Trained: 465 Grade R practitioners in ECD level 5; 212 Pre-Grade R practitioners in ECD Level 4; 266 child-minders in ECD Level 4; 67 cooks and 57 gardeners in their respective role functions. |
| Intervention guides, exam guidelines, content guidelines for extra classes | Intervention guides and content guidelines distributed to all teachers at all public schools and independent schools offering Grade 12. |

Complaints mechanism

| Complaints Mechanism | Actual Achievements |
|-------------------------------|--|
| Departmental toll free number | No complaints received. |
| Presidential hotline | Three complaints from ECD practitioners who received the stipend very late through the BAS system. The matter was resolved and the following improvements were made: <ul style="list-style-type: none"> ECD practitioners received their stipend through the Persal System. The stipend was increased from R2500 to R5000. Five complaints on Grade 12 Results / Certificates: The Department and Umalusi resolved the enquiries raised. |

3.3. Organisational environment

The Department entered the 2012/13 year with accruals amounting to R350 811million. This necessitated that the Department implement austerity measures to ensure the accruals were serviced, but also that the Department could still deliver on its planned outputs.

The moratorium on filling vacant posts was lifted and the Department was able to fill crucial posts for both curriculum and support services at the provincial head office and in the districts- and, especially in Bohlabela District, where the shortage was acute.

The Department had capacity challenges within its infrastructure programme. The Department of Basic Education has made funding available through the DORA for the province to be able to recruit expertise in the built environment. This has boosted the capacity of the Department to deliver on infrastructure projects.

The establishment of the Transversal HRD (Human Resource Development) unit took longer than anticipated and this had an impact on implementation of the EXCO decision to centralise skills development activities within the Department of Education. The unit had to operate on skeletal staff for a period of time. The model and structure for the Transversal HRD was subsequently developed and presented to various structures. The PMC approved and directed that some of the posts be filled through the transfer of personnel dealing with bursaries and HRD from the various Departments to the Department of Education. The majority of the Departments have complied and this enabled the DOE to forward the structure to the DPSA for final approval. Critical senior posts will be funded and advertised in the new financial year.

The Department of Education implemented a staff rotation directive from the Provincial Treasury in the previous financial year. This programme met resistance from some staff members and the matter ended up in the Labour Court. The process of finalising this matter took time and thus impacted on capacity within the Department. The Department, however, delegated other officials to work in the affected areas and this has assisted in the delivery of Departmental services.

3.4. Key policy developments and legislative changes

The following policies were reviewed and approved during the year under review:

1. Sexual Harassment Policy

The aim of the policy is to minimize and eliminate sexual harassment tendencies and behavior in the work place, as well as to create and promote a working environment in which employees respect the privacy, dignity and rights of others. The policy further provides measures for the prevention and management of sexual harassment in the Department. The policy applies to all employees of the Department of Education who are employed in terms of the Employment of Educator Act No. 76 of 1998 as Amended and the Public Service Act, No. 103 of 1994 as Amended.

2. Procurement Policy

The policy sets out ethical and sound procurement practices to be followed by all employees involved in procuring goods and services, to ensure value for money outcomes for the Department of Education within the following five pre-determined procurement guidelines/pillars:

- Value for money
- Open and effective competition
- Ethics and accountability
- Accountability and reporting
- Equity and transparency

The information in the policy takes account of the role of Supply Chain Management, which was established to provide a center of procurement excellence, and to streamline procurement at all levels within the Department. The policy represents the minimum standards that the officials are expected to achieve in their procurement activities.

3. Petty Cash Policy

The petty cash policy seeks to regulate the use of petty cash for the procurement of goods and services costing no more than two thousand Rand (R2000). The objective of the policy is to ensure that the petty cash fund of the Department is managed and controlled efficiently, effectively, economically and transparently in accordance with the procurement policies and procedures of the Department. The policy applies to all officials of the Department who make use of petty cash to procure goods and services.

4. Security policy

The security policy of the Department of Education prescribes the application of security measures to reduce the risk of harm that can be caused to the institution. It is designed to protect employees, preserve the confidentiality, integrity, availability and value for information and assets, and ensure continuous delivery of services. The objective of the policy is to support the Department in ensuring a conducive working environment for officials as well as safety of the Department's assets and information. The policy is used with other policies like Records Management, Asset Management, Information Communication Technology, Fraud Prevention and Examination Security.

5. Asset Management

The policy sets out the procedures that employees must follow in utilizing, administering and managing Departmental assets. The objectives of the policy are:

- To emphasize accountability of employees for the Department's resources.
- To ensure that employees have a clear and comprehensive understanding of the procedures they must follow.,
- To ensure that resources made available to employees are utilized effectively, efficiently, economically and for authorized official purposes.
- Ensure that assets of the Department are managed in compliance with PFMA, Treasury Regulations and other relevant legislation.

6. Loss and Disposal Policy

The purpose of the policy is to set out the procedures that employees must follow in managing losses and disposals. The policy is applicable to all employees of the Department. The objectives of the policy are:

- To ensure that losses are limited to an absolute minimum and controlled.,
- To emphasize accountability of employees for the Department's resources.
- To ensure that employees have a clear and comprehensive understanding of the procedures they must follow.,
- To ensure that resources made available to employees are utilized effectively, efficiently, economically and for authorized official purposes.
- Ensure that assets of the Department are managed in compliance with PFMA, Treasury Regulations and other relevant legislation.

7. Sports Policy

The policy aims to provide operational guidelines to participants and employees on all matters relating to sporting activities in the Department. The objectives of the policy are:

- Promote sport development amongst employees.
- Promote health and wellness of employees.
- Improve communication and team building amongst employees.
- Create advocacy and interest amongst employees to participate in sport for a healthy life-style.

4. STRATEGIC OUTCOME ORIENTED GOALS

The Department has made progress in the attainment of the 5 strategic goals that were set for the current administration.

4.1. Expand Access to Quality Education

In dealing with some of the issues that impede learners from accessing quality education: the number of learners that are benefitting from the National School Nutrition Programme has been increased from 833 227 learners in 2011/12 to 845 815 learners in 2012/13 financial year; while the number of learners benefitting from the No-fee School Programme has been increased from 805 167 to 834 803. The Department has already achieved the targets set in the strategic plan in terms of providing the above mentioned programmes. The Early Childhood Development sector has also seen a huge increase in enrolment of the 0 to 6 age cohort, with an increase to 161 095 in 2012/13 (from 125 726 in 2011/12), which is more than the set 5 year target of 136 000 by 2015.

4.2. Improve Learner Performance

The Department has set a 5 year target to improve the performance of learners in Grade 12 from 47.9% in 2009 to 70% by 2015. The Grade 12 pass rate has since improved over the years to 70% in 2012, which is slightly below the revised set target of 74.8%. It should be noted that the Department has already achieved the 5 year target of 70% for matric improvement, as set out in the strategic plan.

Although the set target in the APP has not been met in terms of the number of learners achieving the minimum performance level, it is evident that there was vast improvement.

Grade 6 Mathematics as well as Language is still a concern and from the quantitative data it seems that the interventions planned in this phase should be intensified, implemented and monitored regularly.

Grade 9 should serve as a baseline for all future ANA's, as it was the first round of ANA in this grade. However, the Mathematics results are a major concern and the MST directorate should be encouraged to devote the maximum possible resources to this subject – including development and capacitation of human capital (teachers) teaching in this grade. Collaboration between Teacher Development and Skills Development will be improved upon going forward.

4.3. Develop Competency Levels of the Workforce and Enhanced Skills Development

CAPS training for educators in Grades 4 – 6 and 11 will be conducted in preparation for implementation by these Grades in the 2013 academic year. Twelve thousand six hundred and fifteen (12 615) intermediate phase teachers were trained on CAPS. Some educators teach more than one subject as a result they would attend more than one subject workshop and therefore needed to be counted as such and 6107 educators trained for Grade 11. Management teams from 800 schools were trained and supported in a cluster and 64 school teams, which missed the cluster training, were supported through outreach and site-based programmes on curriculum management (CAPS).

The province has undertaken to facilitate the recruitment of critical and scarce skills through bursaries; learnerships and internships, 359 bursaries were awarded in critical and scarce skills for all Departments in the province. A total of 238 interns and learnerships were registered in different fields across all Departments in the province, which will run for a period of twelve months.

4.4. Enhance Service Delivery Systems

In order to enhance service delivery systems, the Department committed to improving financial management skills through training 844 managers across the system. To date, the Department has managed to train 544 managers on financial management programmes. This training is bearing fruit, because the management of finances in the Department has since improved; as evidenced in the Department obtaining an unqualified audit opinion from the Auditor-General in the 2010/11 and 2011/12 financial years. We will continue with the capacity building programmes.

In terms of management and leadership of institutions, the Department is committed to enhancing and improving the management of schools. This has been done through mentoring and training school managers in management skills, with a target of 1700 managers to be trained over a period of five years. To date, the Department has managed to train 1439 school managers in leadership and management of schools.

4.5. Accelerate Infrastructure Provisioning

The Department has undertaken to intensify the creation of a conducive and safe environment for teaching and learning through the eradication of mud and unsafe structures (schools) and replacing them with proper brick-and-mortar structures. There were a total of 253 mud and unsafe structures in 2009/10 financial year and all of these were targeted for demolishing and accordingly replaced by the current administration.

As a way of improving access to quality education, the Department resolved to deal with small and unviable rural and farm schools by closing and merging these schools. The Department has targeted to build 4 comprehensive schools (boarding schools) to accommodate the learners from these schools. These boarding schools will be fully funded by the Department and will be classified as No-Fee schools. To date the Department has constructed phase 1 of 2 boarding schools (Ezakhani and Shongwe boarding schools) and they are currently occupied and functional.

Phase 1 of the Amsterdam and Emakhazeni Boarding Schools Project has already commenced, with progress beyond 50% for Amsterdam Boarding School and the expected occupation and operationalisation being January 2014. Phase 2 of the Ezakhani and Shongwe Boarding schools are in the planning and design stage.

5. PERFORMANCE INFORMATION BY PROGRAMME

5.1. Programme 1: Administration

Purpose: To provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act (PFMA) and other relevant policies.

Programme 1 has the following sub-programmes:

Sub-programme 1.1: Office of the MEC

Sub-programme 1.2: Corporate Services

Sub-programme 1.3: Education Management

Sub-programme 1.4: Human Resource Development

Sub-programme 1.5: Education Management Information System (EMIS)

Strategic objectives

| Programme Name: Programme 1: Administration | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| To strengthen financial management and governance through capacity building of 844 managers across all levels of the system by 2015. | 544 | 644 | 665 | (21) | Based on the audit conducted, there was a need to train school administrators on financial management. |
| To ensure that data collected from 1 656 public ordinary schools is reliable, relevant and accurate by 2015. | 1 336 | 1 656 | *1 701 | (45) | The collection of data was extended to more schools. |
| *1 701 SA-SAMS Datasets were received from schools but 157 were rejected by the LURITS upload system due to incomplete learner ID numbers. | | | | | |

Performance indicators

| Programme / Sub-programme: Programme 1: Administration | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|---|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM101: Number of public schools that use SA-SAMS to provide data to the national learner tracking system. | 1 336 | 1 656 | *1 701 | (45) | SA-SAMS was rolled out to 45 more schools than targeted. |
| PPM102: Number of public schools that can be contacted electronically (e-mail). | 616 | 600 | 772 | (172) | More schools appointed service providers than anticipated. |
| PPM103: Percentage of education current expenditure going towards non-personnel items. | 16.72% | 17.22% | 13.02% | 4.2% | The Department is still experiencing challenges in terms of reducing expenditure on compensation of employees, as it has been busy with the process of filling critical vacant funded posts. This has invariably led to an increase in personnel costs. |
| PPI 1.1: Number of office-based officials capacitated on Public Finance Management. | 29 | 45 | 121 | (76) | Based on the Audit conducted by Provincial Treasury, there was a need to prioritise the training of School Administrators on financial management. |
| *1 701 SA-SAMS Datasets were received from schools but 157 were rejected by the LURITS upload system due to incomplete learner ID numbers. | | | | | |

| Priority Plans | Achievements | Challenges | Mitigations |
|--|---|--|--|
| Implement the LTSM delivery model. | All textbooks for the CAPS Grades 4, 5, 6 and 11 were delivered in November 2012, as well as all stationery for Grades R to 12. | Schools do not submit complete requisitions on time. They do not order for all subjects. | All circuit managers and district officials will be trained on the electronic monitoring systems. Principals must be present when requisitions are captured and thereafter circuit managers must sign off. |
| Update the asset register. Establish warehouses in all four districts and at head office. | The asset register for the Department was updated and all assets bar-coded and correctly allocated to the relevant inventory holders. The Department has established warehouses in all four districts and at head office. | None. | None. |
| Ensure that all payments to service providers are made within 30 days. | 84% of payments have been made within 30 days. | The Department had cash flow challenges, as accruals amounting to R350.8 million had to be settled in the year under review. | The Department will continue to implement austerity measures until only accruals that are less than 30 days old are left. |
| Enroll 50 officials in payroll management. | Activity not achieved. | The Department could not train officials on payroll management due to financial constraints. | Training will be prioritised in the new financial year. |
| Enroll 50 officials in project management. | 50 officials enrolled for Project Management with UNISA and completed the programme. | None. | None. |
| Train 45 officials on financial management. | 121 officials trained on financial management (i.e. 20 trained on bid committees, 8 on preparation of annual financial statements and 93 on financial management for school administrators). | None. | None. |
| Capacitate 45 officials on analysis and monitoring and evaluation of outcomes. | Activity not achieved. | The Department could not train officials on monitoring and evaluation due to financial constraints. | Training will be prioritized in the new financial year, as it is still accommodated in the 2013/14 WSP. |

| Priority Plans | Achievements | Challenges | Mitigations |
|--|---|---|---|
| Massified Induction Programme for public service staff from Bohlabela. | Activity not achieved. | There were no new appointees outside of the public service prior to July 2012. Subsequently circular no. HRD 1 of 2012 providing for compulsory induction programme for 24 months was received. | All employees appointed from 1st July 2012, will undergo the Compulsory Induction Program [CIP] for the duration of 24 months as per the directive by the DPSA starting in the 2013/14 financial. |
| Principals' vacancy list issued at least three times per annum. | Principals' vacancy lists were issued twice. The November/ December vacancy list was comprehensive and contained all 99 vacant posts including posts for new schools still to open. | None. | None. |
| The Department will tackle challenges i.t.o. implementation of the PMDS. | Information sharing sessions on PMDS implementation were conducted for employees in all districts and at head office. | None. | None. |
| Intense advocacy programmes targeting all officials i.t.o. the importance of proper leave management. | Various articles were distributed to all employees regarding leave and PILIR. All HR policies were placed on the Intranet and employees had to acknowledge receipt of all policies on the intranet. HR directives were also circulated regarding leave and PILIR. Leave verification forms were distributed to employees. | None. | None. |
| Supervisors trained on how to manage discipline in terms of the Employment of Educators Act of 1998 and Resolution 1 of 2003 of the PSCBC. | 100 supervisors were trained on disciplinary action i.t.o. Employment of Educators Act and Resolution 1 of 2003 of the PSCBC. | None. | None. |

Strategy to overcome areas of under-performance

The Department has identified systemic gaps in the implementation of personal development plans, as indicated in the performance agreements vis-à-vis the HRD Workplace Skills Plan (WSP). The Department has currently adopted an integrated approach in the development of the WSP, which involves Human Resource Management and Human Resource Development as a strategy to deal with this challenge.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, *“To simplify performance tracking, in-year changes to the plan should not be made. Where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”*.

Sub-programme expenditure

| 2012/2013 | | | | 2011/2012 | | |
|--|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| Sub- Programme | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Office of the MEC | 6 714 | 5 871 | 843 | 5 106 | 5 930 | (824) |
| Education Management | 144 577 | 120 941 | 23 636 | 153 359 | 117 685 | 35 674 |
| Corporate Services | 405 943 | 405 655 | 288 | 443 514 | 417 957 | 25 557 |
| Human Resource Development | 3 348 | 3 130 | 218 | 3 348 | 3 242 | 106 |
| Education Management Information Systems | 20 847 | 25 211 | (4 364) | 37 283 | 18 963 | 18 320 |
| Total | 581 429 | 560 808 | 20 621 | 642 610 | 563 777 | 78 833 |

The reason for this programme’s under-spending is that not all funded key vacant posts at Head Office, District and Circuit offices could be filled as at 31 March 2013. The above amounts also include the statutory budget and expenditure of the Member of the Executive Council.

5.2. Programme 2: Public Ordinary Schools

Purpose: To provide ordinary education from Grades 1 to 12 in accordance with the South African Schools Act, 1996

Programme 2 has the following sub-programmes:

Sub-programme 2.1: Public Primary Schools
 Sub-programme 2.2: Public Secondary Schools
 Sub-programme 2.3: Professional Services
 Sub-programme 2.4: Human Resource Development
 Sub-programme 2.5: In-school Sports and Culture
 Sub-programme 2.6: Conditional Grants

Strategic Objectives

| | |
|----------------------------|---|
| Strategic Objective | Learner welfare. |
| Objective Statement | To ensure that most vulnerable and indigent learners access and complete schooling through the provisioning of Nutrition to 782 654 and 511 759 learners benefiting from the No-fee school programme by 2015. |
| Baseline | There are currently 623 313 learners benefiting from NSNP and 479 561 learners benefiting from the No-fee school programme. |

| | |
|----------------------------|---|
| Strategic Objective | Learner performance. |
| Objective Statement | Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. |
| Baseline | The average percentage pass in Grade 12 in 2009 was 47.9%. |

| | |
|----------------------------|---|
| Strategic Objective | Numeracy and Literacy competency levels. |
| Objective Statement | Increase Numeracy and Literacy competency levels in Grades 3, 6 and 9 from 35% to 60% by 2015. |
| Baseline | Systemic evaluation reports indicate that learners from Mpumalanga are performing at 32 – 35%, which is below the National average. |

| | |
|----------------------------|---|
| Strategic Objective | Increase skills base in critical subjects. |
| Objective Statement | Increase performance in Mathematics, Physical Sciences and vocational subjects (engineering, services and art) to rural schools and girl learners to 60% by 2015. |
| Baseline | Learner performance in Mathematics, Sciences and vocational subjects is to be increased from 38% to 60 % by 2015. |

| | |
|----------------------------|--|
| Strategic Objective | Teacher qualifications. |
| Objective Statement | To upgrade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements. |
| Baseline | 12 127 under qualified educators to be trained. |

| | |
|----------------------------|--|
| Strategic Objective | Educator computer literacy. |
| Objective Statement | To ensure that 31 605 school-based educators in public ordinary schools are computer literate by 2015. |
| Baseline | 11 025 educators will be trained. |

| | |
|----------------------------|--|
| Strategic Objective | Maths and Sciences educators. |
| Objective Statement | Progressively increase the number of Maths and Sciences by 1 125 educators (including engineering) in the FET phase by 2015. |
| Baseline | There are currently 2 818 educators offering Maths, Maths Literacy and Physical Sciences. |

| | |
|----------------------------|---|
| Strategic Objective | Indigenous languages. |
| Objective Statement | To enhance and promote the use and development of African languages in learning institutions through capacitating 1 625 educators by 2015 for teaching languages prevalent in the province. |
| Baseline | Currently there are 298 educators trained on the use indigenous languages. |

| | |
|----------------------------|--|
| Strategic Objective | Financial management. |
| Objective Statement | To strengthen financial management and governance through capacity building of 844 managers across all levels of the system by 2015. |
| Baseline | There are 344 managers and officials trained on management of finances and governance. |

| | |
|----------------------------|--|
| Strategic Objective | Management and leadership of institutions. |
| Objective Statement | To capacitate 1 700 managers on leadership and management of institutions by 2015. |
| Baseline | There are currently 150 managers who have a management and leadership qualification. |

| | |
|----------------------------|--|
| Strategic Objective | Rural development. |
| Objective Statement | To merge and close 120 small and non-viable rural schools and building hostels by 2015. |
| Baseline | There are currently 120 identified schools with an enrolment figure of 150 and below that need to be merged or closed. |

| | |
|----------------------------|---|
| Strategic Objective | ICT connectivity. |
| Objective Statement | To roll out VSAT broadband connectivity to 1 131 public ordinary schools by 2015. |
| Baseline | 525 Public secondary schools. |

| | |
|----------------------------|---|
| Strategic Objective | Promotion of safety and security in schools. |
| Objective Statement | Ensure that 368 schools have safety promotion systems in place to enhance security by 2015. |
| Baseline | Currently there is 1 school that has safety promotion systems in place. |

| | |
|----------------------------|---|
| Strategic Objective | Unsafe structures. |
| Objective Statement | Eradicate 253 mud and unsafe structures by 2015 in order to ensure a conducive environment for teaching and learning. |
| Baseline | Currently there are 253 mud and unsafe structures. |

Strategic objectives

| Programme Name: Programme 2: Public Ordinary Schools | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| To ensure that the most vulnerable and indigent learners access and complete schooling through the provision of nutrition to 782 654 learners. | 833 227 | 835 444 | 845 815 | (10 371) | Administration costs were cut in order to accommodate vulnerable learners from re-ranked schools. |
| 511 759 learners benefitting from the No-fee School Programme by 2015. | 805 167 | 834 803 | 834 803 | 0 | None. |
| Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. | 64.8% | 74.8% | 70.0% | 4.8% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below target; continuous systemic intervention and capacity building is taking place. |
| Increase Numeracy and Literacy competency levels in Grades 3, 6 and 9 from 35% to 60% by 2015. | 27% | 49% | *23% | 26% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below target; continuous systemic intervention and capacity building is taking place. |
| Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) of rural schools and girl learners to 60% by 2015. | 46.9% | 51.3% | *61% | (9.7%) | The intervention strategies implemented were effective in improving performance in these subjects. |
| To upgrade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements. | 4 850 | 7 275 | 6 560 | 715 | Available funds could not cover new enrollments and only managed to sustain current students. |

| Programme Name: Programme 2: Public Ordinary Schools | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| To ensure that 31 605 school-based educators in public ordinary schools are computer literate by 2015. | 6 615 | 8 820 | 7 683 | 1 137 | Very few educators take up the Teacher Laptop Initiative. |
| Progressively increase the number of Maths and Science educators by 1 125 (including engineering) in the FET phase by 2015. | 675 | 900 | 2 527 | (1 627) | The number of learners taking the subjects has increased. |
| To enhance and promote the use and development of African languages at learning institutions through capacitating 1 625 educators by 2015 for teaching the languages that are prevalent in the province. | 975 | 1 175 | 1 183 | (8) | Some schools sent more than the expected number of teachers to the workshop. |
| To strengthen financial management and governance through capacity building of 844 managers across all levels of the system by 2015. | 544 | 644 | 665 | (21) | Based on the audit conducted, there was a need to train School Administrators on financial management. |
| To capacitate 1 700 managers on leadership and management of institutions by 2015. | 1 330 | 1 450 | 1 457 | (7) | Training included school and AET Centre managers. |
| To merge and close 120 small and non-viable rural schools and building hostels by 2015. | 110 | 120 | 151 | (31) | Small and non-viable schools closed in order to address the challenge of quality teaching. |
| To roll out VSAT broadband connectivity to 1 131 public ordinary schools by 2015. | 767 | 889 | 767 | 122 | Exploring alternative and cheaper technology in order to cover remaining schools. |

| Programme Name: Programme 2: Public Ordinary Schools | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| Ensure that 368 schools have safety promotion systems in place to enhance security by 2015. | 1 330 | 1 450 | 1 504 | (54) | Stronger collaboration with other Departments. |
| Eradicate 253 mud and unsafe structures by 2015 in order to ensure a conducive environment for teaching and learning. | 133 | 59 | 11 | 48 | Slow procurement processes. Slow process of identifying space frame methodology specialist through CSIR for unconventional method. Termination of contractors due to poor performance. Delay caused by water-logged area during construction foundation phase in some schools. |
| *The figure indicates the aggregated achievement across all the grades and subjects | | | | | |

Performance indicators

| Programme / Sub-programme: Programme 2: Public Ordinary Schools | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM201: Number of learners enrolled in public ordinary schools. | 1 022 033 | 967 548 | 972 144 | (4 596) | The compulsory schooling advocacy programmes are bearing fruit. |
| PPM202: Number of educators employed at public ordinary schools. | 32 054 | 32 490 | 32 195 | 295 | The performance variance of 295 educators (0.91%), as at 31 March 2013, is due to normal ongoing educator turnover and replacement processes. |
| PPM203: Number of non-educator staff employed in public ordinary schools. | 5 474 | 5 624 | 5 317 | 307 | The performance variance of 307 non-educator staff (5.46%) is due to staff who left the system as a result of natural attrition and who were not replaced. |
| PPM204: Number of learners in public ordinary schools benefitting from the No-Fee School policy. | 805 167 | 834 803 | 834 803 | 0 | None. |

| Programme / Sub-programme: Programme 2: Public Ordinary Schools | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|---|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM205: Number of public ordinary schools to be provided with water supply. | 8 | 10 | 5 | 5 | Late payment of suppliers has resulted in termination of contracts with suppliers resulting in slow progress of the project. Other projects were delayed due to the termination of contracts with respective contractors because of poor performance and that has resulted in procurement processes having to be followed again. Projects could not be monitored regularly due to shortage of staff hence reliance was place on DPWR&T, and as a result, information reported by DPWR&T was not always reliable to ensure corrective action. Notwithstanding the above-mentioned reasons, there was one project that was delayed by waterlog due to poor performance of consultants involved in the planning phase of the project. |
| PPM206: Number of public ordinary schools to be provided with electricity. | 9 | 11 | 6 | 5 | |
| PPM207: Number of public ordinary schools to be provided with sanitation facilities. | 27 | 13 | 10 | 3 | |
| PPM208: Number of classrooms to be built at public ordinary schools. | 717 | 588 | 162 | 426 | |
| PPM209: Number of specialist rooms to be built at public ordinary schools (all rooms except classrooms- INCLUDE; laboratories, stock rooms, sick bays, kitchens, etc). | 126 | 74 | 42 | 32 | |
| PPM210: Number of learners with special education needs that are enrolled at public ordinary schools. | 15 417 | 18 123 | 12 738 | 5 385 | Not all learners with Special Education needs in main-stream schools are assessed by relevant specialists due to scarcity of these specialists (e.g. Occupational Therapists). |
| PPM211: Number of full service schools. | 140 | 140 | 140 | 0 | None. |
| PPM212: Number of schools visited at least once a quarter by a circuit manager. | 1 346 | *1 868 | *1 465 | 403 | There were schools that required more than one visit by the circuit managers. |
| PPI2.1: Percentage of Grade 3 learners functioning at the required level in literacy. | N/A | 49% | 48.9% | 0.1% | The poor quality of teaching and internal assessment still prevails, hence improvement was below the target; continuous systemic intervention and capacity building is taking place. |

| Programme / Sub-programme: Programme 2: Public Ordinary Schools | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPI 2.2: Percentage of Grade 3 learners functioning at the required level in numeracy. | N/A | 49% | 25% | 24% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| PPI2.3: Percentage of Grade 6 learners who by the end of the year have mastered the minimum language competencies. | N/A | 49% | 17.6% | 31.4% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| PPI2.4: Percentage of Grade 6 learners who by the end of the year have mastered the minimum Maths competencies. | N/A | 49% | 5.7% | 43.3% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| PPI2.5: Percentage of Grade 9 learners who by the end of the year have mastered the minimum language competencies. | N/A | 49% | 24.8% | 24.2% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| PPI2.6: Percentage of Grade 9 learners who by the end of the year have mastered the minimum Maths competencies. | N/A | 51% | 1.0% | 50% | The poor quality of teaching and internal assessment still prevails, hence the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| PPI2.7: Number of educators upgrading towards minimum qualification REQV 14 (Foundation Phase, ECD and Senior Phase). | 446 | 656 | 446 | 210 | No new recruits for 2012/13 due to financial constraints as the department started the year with accruals of R350 811million. |
| PPI2.8: Number of educators capacitated on ACE: Maths and Science. | 270 | 180 | 180 | 0 | None. |

| Programme / Sub-programme: Programme 2: Public Ordinary Schools | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPI2.9: Number of educators capacitated on the use of indigenous languages. | 975 | 1 175 | 1 183 | (8) | Some schools sent more than the expected number of teachers to the indigenous languages workshop. |
| PPI2.10: Number of school managers registered for the ACE: School Leadership Programme. | 120 | 300 | 300 | 0 | None. |
| PPI2.11: Number of hostel schools constructed to accommodate learners from non-viable rural schools. | 2 | 2 (phase 1) | 0 | 2 | <p>Amsterdam The process of finalizing the environmental impact assessment was delayed.</p> <p>Emakhazeni The finalization of the site where the school is being built took longer than anticipated. The initial site was 3 km away from Belfast and the municipality provided the site where the school was to be built inside Belfast town. The municipality later changed its decision and offered a site in Machadodorp.</p> |
| PPI2.12: Number of School Safety Committee members capacitated on random search, seizure and drug testing. | 1 161 | 7 340 | 1 504 | 5 836 | Poor planning by the Department for targeting the last quarter of the financial year was affected by poor attendance due to the SADTU “work to rule principle”, where the union invited educators to meetings on the day of the workshops. |
| PPI2.13: Number of mud and unsafe structures reconstructed. | 133 | 59 | 11 | 48 | Slow procurement processes, slow processes of identifying space frame methodology specialist through CSIR for unconventional method, and Termination of contractors due to poor performance. |
| NB: PPI 2.1 – PPI 2.6 Indicators were planned based on the pass rate at 35% but have been reported based on the 50% pass rate due to the fact that the assessment policy providing for acceptable performance levels was amended with the finalisation and the introduction of the CAPS which is being phased in from 2012 school year. This policy provided for Level 2 (partially achieved) as acceptable performance. The CAPS is introduced in Grade R- 3 in 2012 however the CAPS requirements have also been applied for ANA across all Grades including those not affected by the CAPS, viz Grades 4,5,6 & 9 | | | | | |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|--|---|
| Support 21 000 teachers in the areas of need and content gaps identified. | 21 015 Teachers supported on subject specifics which include: assessment, teaching approach, recording and reporting, planning and presentation. | None. | None. |
| 2 726 educators will be trained on various methods of teaching and reading. | 2 733 trained on various methods of reading. | None. | None. |
| 1 363 schools will be assisted to draw up time-tables that are subject component specific and provided with guidelines/item. | 1 363 schools were visited in order to give support i.t.o. drawing time-tables, assessment, lesson planning and presentation. | None. | None. |
| Select 40 schools to be supplied with language software programmes and train 80 teachers on the utilization thereof. | Not achieved. | The Department put a halt to all other LTSM procurement in favour of CAPS LTSM and stationery. | This will be prioritised in the 2014/15 financial year, after implementation of CAPS. |
| 5% of schools will be sampled for moderation in all grades, in order to check the extent of policy implementation. | 6.7% (121) of schools were moderated on a sample basis. | None. | None. |
| Professional development programmes will be offered for 244 curriculum implementers and 14 000 teachers. | 244 curriculum officials and 14 029 teachers were professionally developed on curriculum matters. | None. | None. |
| 2 992 Grade 3 educators will be trained on five content areas in Maths. | 2 992 Grade 3 educators were trained on five content areas in Maths. | None. | None. |
| 1 496 on Breakthrough to English as outlined in the CAPS Document. | 1 529 teachers were trained on Breakthrough to English as outlined in the CAPS Document. | None. | None. |
| In preparation for 2013 CAPS implementation, 7 229 intermediate phase educators (Grades 4 – 6) will be trained. | 12 615 intermediate phase teachers were trained on CAPS. Some educators teach more than one subject as a result they would attend more than one subject workshop and therefore needed to be counted as such. | None. | None. |
| To maximise the effectiveness of workbooks, CIs will conduct quarterly workshops to take educators through the work of the quarter. | 1 483 teachers attended the quarterly content workshops and assisted on the use of workbooks. | None. | None. |
| Monitoring at schools to check whether or not learners are using national-workbooks. | During the school visit programme, curriculum officials checked the extent to which teachers are utilizing workbooks and assisted teachers when clarity and support was needed. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|--|---|
| Schools that performed below provincial average in Mathematics, Physical Science, Economics and Accounting (as reflected in the analysis of the 2011 end of year results) will receive special attention. | Common monthly and quarterly assessments were given to under-performing schools. Quarterly reviews were conducted. Content workshops were held at the beginning of each quarter. Schools were targeted for intense moderation. All SBA tasks were moderated and the writing of quarterly tasks monitored. Content workshops in Economics and Accounting were conducted. | Teachers from poor performing schools performed poorly on the assessment given for Accounting. | Teachers were given extra work and special attention during facilitation to work on challenging sections of the content. |
| Well performing schools, i.e. 80% and above in Grade 12, to maintain the good performance. | Onsite curriculum support and review of learner performance provided once a quarter. Learners subjected to a trial examination. All this culminated 32.3% (171 schools) of the total number of schools that achieved 80% and above in 2012 compared to the 27.2 % (143 schools) that achieved 80% and above in 2011. | None. | None. |
| Schools with mediocre performance, i.e. - between 30% and 60% in Grade 12, - to improve performance. | Onsite curriculum support on content and methodology provided twice a quarter. 2 500 copies of revision exercises for learners were compiled for six subjects, printed and distributed to schools. Common quarterly tests, June Exam and Trial Exam written and marks analysed, schedule compiled and feedback given. | None. | None. |
| Township and rural schools performing below 60% in Grade 12 to improve. | Compared to 2011, the schools that performed below 60% improved tremendously and of the 31 schools that performed below 30% in 2011, only 9 schools were still in this category in 2012. | None. | None. |
| Grade 12 pass rate targeted at 74.8% . | Grade 12 pass rate was 70% at the end of 2012. | Inadequate curriculum coverage; poor internal assessment and moderation practices identified. | 2013 learner improvement plan crafted and implementation in progress. Continuous systemic intervention and capacity building is taking place. |
| Increasing the number of learners who pass Maths from 9 199 to 11 300 . | 9 998 learners passed Maths at Grade 12 level in 2012. | Change in subject by learners (from Maths to Maths literacy) in Grade 12 and limited educator content knowledge. | Monitoring of implementation of intervention strategies will be strengthened. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|--|--|
| Increasing the number of learners who pass Physical Sciences from 8 352 to 11 300 . | 10 426 learners passed Physical Sciences at Grade 12 level in 2012. | The intervention strategies were not implemented as expected in all schools. | Monitoring of implementation of intervention strategies will be strengthened. |
| The target is to have 17 000 learners taking Physical Science in Grade 10. | 28 436 learners took Physical Sciences at Grade 10 level in 2013. | None. | None. |
| The target is to have 30 000 learners taking up Mathematics in Grade 10. | 40 779 learners take Maths at Grade 10 in 2013. | None. | None. |
| The roll-out of the Screening, Identification, Assessment and Support Strategy will take place in all 4 districts, targeting a total of 400 educators including 140 co-ordinators of the ILSTs in Full-Service Schools. | 782 educators (including 140 co-ordinators of the ILST's in Full-Service Schools) trained on Screening, Identification, Assessment and Support Strategy. | None. | None. |
| A total of 300 stakeholders will attend the Environmental Education Conference to share good practices on environmental action. | 182 stakeholders attended the Environmental Education Conference to share good practices on environmental action. | 118 educators could not attend, due to a Mathematics and Science Conference running concurrently. | To improve coordination of activities within the Department. |
| A total of 180 educators are targeted for training on therapeutic interventions to improve psycho-social support in schools. | 180 educators trained on therapeutic interventions to improve psycho-social support in schools. | None. | None. |
| Career exhibitions: 16 000 learners (4 000 per district) are expected to attend exhibitions organized per district for Grades 11 and 12. | 26 231 learners from Grades 11 and 12 attended career exhibitions. | None. | None. |
| As part of upgrading teachers to REQV 14, the Department will support the 106 educators registered at the University of Limpopo for senior phase Maths and Science in January 2012, and the 200 foundation phase teachers at North West University registered in Literacy and Numeracy. | 106 educators registered for Maths and Science at the University of Limpopo and 196 foundation phase educators registered at North West University supported and monitored. | 4 Educators have dropped out of the programme. | Effect the clause on reimbursement of Department bursaries, as per service level agreement contract through legal section. |
| 400 educators will be registered for short courses in areas identified by the curriculum branch. | 433 educators registered for short courses in: Accounting (108), Economics (137), Mathematics (96) and Mathematical Literacy (92). | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|---|--|
| CAPS training for educators in Grades 4 – 6 and 11 will be conducted in preparation for implementation by these Grades in the 2013 academic year. | 12 615 intermediate phase teachers were trained on CAPS. Some educators teach more than one subject as a result they would attend more than one subject workshop and therefore needed to be counted as such and 6107 educators trained for Grade 11. | None. | None. |
| 260 school managers resume with contact sessions for the ACE: School Leadership Programme in April 2012 and are expected to complete the course in March 2014. Continue to support 180 school managers registered in June 2011. | 260 school managers registered and attended contact sessions for the ACE: SL (180 with Wits University and 80 with Pretoria University). | None. | None. |
| Continue to support 180 school managers registered in 2011. | Supported the 180 school managers registered for ACE School Leadership. | None. | None. |
| 400 newly appointed school managers will undergo a two-day induction that caters for generic issues, such as roles and responsibilities. | 423 Newly appointed school managers underwent a two-day induction which catered for generic issues such as their roles and responsibilities. | None. | None. |
| Management teams from 800 schools will also be trained on CAPS in order to support the foundation phase and Grade 10 educators which were trained in the last academic year. | Management teams from 800 schools were trained and supported in a cluster and 64 school teams who missed the cluster trainings were supported through outreach and site-based programmes on curriculum management (CAPS). | None. | None. |
| Intensive training for 7 000 SGB members on roles and responsibilities. | 1 508 School Governors capacitated on SGB roles and responsibilities. | Training was earmarked for the fourth quarter of the financial year. Unfortunately, when training started, attendance by the teacher component was affected by the SADTU “work to rule principle”. | Training will continue in the next financial year. |
| 7 340 School Safety Committee members will be capacitated on random search, seizure and drug testing in 2012/2013. | 1 504 School Safety Committee members capacitated on random search, seizure and drug testing. | Poor planning by the Department for targeting the last quarter of the financial year was affected by poor attendance due to the SADTU “work to rule principle” where the union invited educators to meetings on the day of the workshops. | Training will continue in the next financial year. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|---|--|
| Alarm systems will be installed in 120 schools. | Activity not achieved. | Escalation in pricing affected the project, thus funding was diverted to cover other security projects. | Activity to be undertaken in the next financial year. |
| 700 metal detectors and 700 drug testing devices will be procured for schools. | 300 metal detectors procured and delivered to 300 schools and 150 drug testing devices were delivered to 150 schools. | Escalation in pricing affected the projection. | Activity to be undertaken in the next financial year. |
| 1 600 delegates will attend School Safety Seminars, where strategies to improve safety in our schools will be discussed. | No seminar was conducted. | Re-prioritisation of Departmental plans due to financial constraints. | This activity will be considered in the 2014/2015 APP. |
| 3 000 fire extinguishers will be procured for 1 500 schools; random search and seizure will be conducted in 320 schools. | 500 fire extinguishers procured and delivered to 252 schools. | Escalation in pricing affected the projection. | Activity to be undertaken in the next financial year. |

Conditional Grants

| Priority Plans | Achievement | Challenges | Mitigations |
|--|---|------------|-------------|
| NSNP | | | |
| 835 444 learners in primary and secondary schools in quintiles 1 to 3 provided with meals for 196 days. | 845 815 learners in Q1-3 provided with meals for 196 school days. | None. | None. |
| 1 125 learners in special schools will also benefit from the NSNP. | 1 125 Learners benefitted from the programme. | None. | None. |
| Transfer payment for honoraria for 4 591 food handlers, cooking fuel and procurement of cooking utensils. | All 4 591 food handlers received honoraria. Funds for the procurement of cooking fuel and cooking utensils were transferred to schools. | None. | None. |
| The SGBs will manage administration of the transferred funds as part of the devolution of the management of the National School Nutrition Programme. | Funds for the procurement of cooking and eating utensils, honoraria and fuel were transferred to schools for management by SGBs. Educator component of SGBs have been trained on management of NSNP; and 1 803 educators have been capacitated. | None. | None. |
| 823 new and existing gardens will be established and maintained. | 823 gardens established and maintained. | None. | None. |
| Through the Expanded Public Works Programme Incentive Grant, 250 gardeners will be contracted in CRDP wards. | 250 gardeners were contracted by schools for twelve months to keep the vegetable gardens green. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|---|--|--|
| Technical High Schools | | | |
| Complete renovations at Lekete High School (carried forward from the previous financial year). | Renovations completed at Lekete High School. | None. | None. |
| Commence refurbishment of 3 workshops at Elukhanyisweni High School and construct 1 new workshop. | 3 workshops refurbished at Elukhanyisweni High School; and construction of one workshop is 98% complete. | Slow progress in implementing projects. | Regular engagement to resolve bottlenecks. |
| Supply civil, mechanical, electrical, engineering and graphic design equipment to 10 schools. | Equipment supplied to 10 schools. | None. | None. |
| Dinaledi Schools | | | |
| Training of all Maths, Science and English educators in the 46 Dinaledi schools | 76 Maths, Science and English teachers trained and a new group of 96 registered for 2013. | None. | None. |
| Resourcing schools with Science equipment, ICT resources (television sets, computers, software, calculators). | Resourced 46 Dinaledi schools with Science equipment, ICT resources (computers, software, calculators, interactive boards, document scanners and viewers, data projectors, desktop and laptop computers). | Televisions could not be provided due to unavailability of TV licenses in schools. | Negotiations have been conducted with SABC to facilitate the provision of TV licenses to schools so that TV sets can be provided in the next financial year. |
| 8 schools without laboratories will be supplied with Science kits; planning for the construction of Science labs for these schools will also be undertaken in 2012/13. | Science kits provided to all Dinaledi schools. Planning for the construction of Sciences labs under way. | Slow progress in implementing infrastructure projects. | Regular engagement to resolve bottle-necks. |
| Schools that performed below 60% will receive maximum support and attention to push them over. | 2 368 School visits conducted to provide onsite curriculum support. Radio lessons conducted through the SABC and Ligwalagwala FM and Community Radio Stations. Winter and Spring Classes conducted for the 11 highly enrolled subjects. Previous years' question papers in CDs distributed to all 528 Secondary Schools. Distributed 'Mind the Gap Study Guide' in CDs to all schools below 30%. Conducted the June and Trial Exams to expose learners to quality assessment. In addition to this, the 31 schools that performed below 30% were adopted by officials who supported their school and subject improvement plans. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|---|--|
| Comprehensive Rural Development Programme | | | |
| All learners in the 7 CRDP municipalities will be fed through the NSNP in 188 schools (primary and secondary) for 196 days, benefitting 92 478 learners. | All 522 722 learners (instead of 92 478) were fed for 196 feeding days. The deviation was caused by the addition of municipality (8) and the inclusion of all municipal wards in the CRDP areas. | None. | None. |
| Construction of additional education facilities and renovations at Mzimhlophe, Molapalama, Frank Maginyana, Phaphamani, Dlamadoda, Buhlembundo, Hlalisani, Wolvenkop, Dumphries, Sizenzele and Amsterdam boarding schools will be undertaken. | Projects ongoing in the current financial year, e.g. Mzimhlophe - 31% , Hlalisani - 25% , Frank Maginyane - 10% , Buhlembundo - 40% , Molapalama - 1% and Amsterdam - 55% , Dumphries - 41% . (Dlamadoda, Sizenzele Phaphamani completed). | Challenges vary from project to project. In the main, contractors were appointed late and sites were handed over late. | Contractors were appointed and are currently progressing very well with the projects. |
| The Department will be conducting Whole School Evaluations in at least 1 school per ward in every CRDP Municipality. | 28 schools in 7 CRDP Municipalities were evaluated, disaggregated as follows: 12 in Gert Sibande District; 1 in Ehlanzeni District; 7 in Nkanagala District and 8 in Bojale District. | Due to competing priorities (e.g. evaluation of under-performing secondary schools) and the availability of resources in terms of open weeks for evaluation, personnel and financial resources, one school per ward in the 7 CRDP municipalities could not be achieved. Especially in Ehlanzeni, only 1 CRDP school could be evaluated. | An integrated programme approach has been adopted, to minimise priority programme competition in the 2013/14 financial year. |
| 70 ECD practitioners on NQF level 4 and 5 will be trained by accredited service providers in all 7 CRDP Municipalities. Training of 100 child-minders will also be prioritised. | 70 ECD practitioners on level 4 and 5 were trained in the 7 CRDP sites, while 100 child-minders were also trained. | None. | None. |

Strategy to overcome areas of under-performance

The Department has identified systemic gaps in the implementation of the Teacher Development programmes. However, the Department has established a Senior Management Co-ordination Committee on Teacher Education and Development programmes to address teacher demand and supply in relation to:

- Competencies of teachers already in the system
- Recruitment of new teachers
- In terms of school safety, a partnership with other Departments will be established and strengthened to deliver on projects.

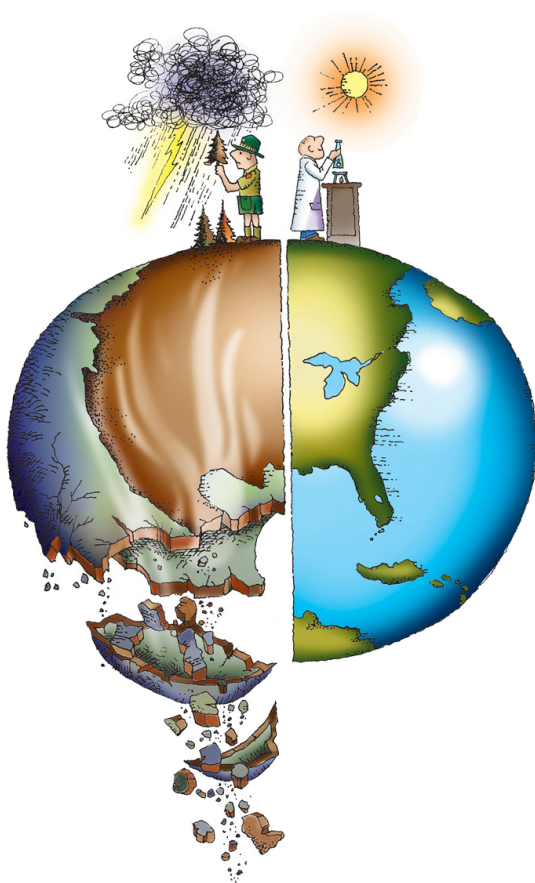
Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, "To simplify performance tracking, in-year changes to the plan should not be made. Where an institution's performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report".

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|---|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Conditional grants and earmarked funds paid | 6 810 537 | 6 884 782 | (74 245) | 6 214 652 | 6 111 556 | 103 096 |
| Public Secondary Schools | 4 073 689 | 4 121 203 | (47 514) | 3 723 793 | 3 788 150 | (64 357) |
| Professional Services - POS | 446 566 | 471 063 | (24 497) | 409 977 | 445 651 | (35 674) |
| Human Resource Development | 41 108 | 39 084 | 2 024 | 43 296 | 41 711 | 1 585 |
| In School Sport and Culture | 16 455 | 15 543 | 912 | 17 113 | 18 313 | (1 200) |
| Conditional Grants | 996 960 | 982 741 | 14 219 | 1 011 420 | 968 925 | 42 495 |
| Total | 12 385 315 | 12 514 416 | (129 101) | 11 420 251 | 11 374 306 | 45 495 |

The Department had over-expenditure of R129.1 million on this programme, due to accruals on LTSM that could not be paid in the previous financial year. The accruals have been a challenge for the Department for the past four financial years as a result of the cash flow challenge that the implementation of OSD has caused.



5.3 Programme 3: Independent Schools Subsidies

Purpose: To support independent schools in accordance with the South African Schools Act, 1996.

Programme 3 has the following sub-programmes:

Sub-programme 3.1: Primary Phase

Sub-programme 3.2: Secondary Phase

Strategic Objectives

| | |
|----------------------------|---|
| Strategic Objective | Learner Performance. |
| Objective Statement | Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. |
| Baseline | The average percentage pass in Grade 12 in 2009 was 47.9%. |

| | |
|----------------------------|--|
| Strategic Objective | Numeracy and Literacy competency levels. |
| Objective Statement | Increase Numeracy and Literacy competency levels in Grades 3, 6 and 9 from 35% to 60% by 2015. |
| Baseline | Systemic evaluation reports indicate that learners from Mpumalanga are performing at 32 - 35% which is below the national average. |

| | |
|----------------------------|---|
| Strategic Objective | Increase skills base in critical subjects. |
| Objective Statement | Increase performance in Mathematics, Physical Sciences and vocational subjects (engineering, services and art) to rural schools and girl learners to 60% by 2015. |
| Baseline | The learner performance in Mathematics, Sciences and vocational subjects is to be increased from 38% to 60 % by 2015. |



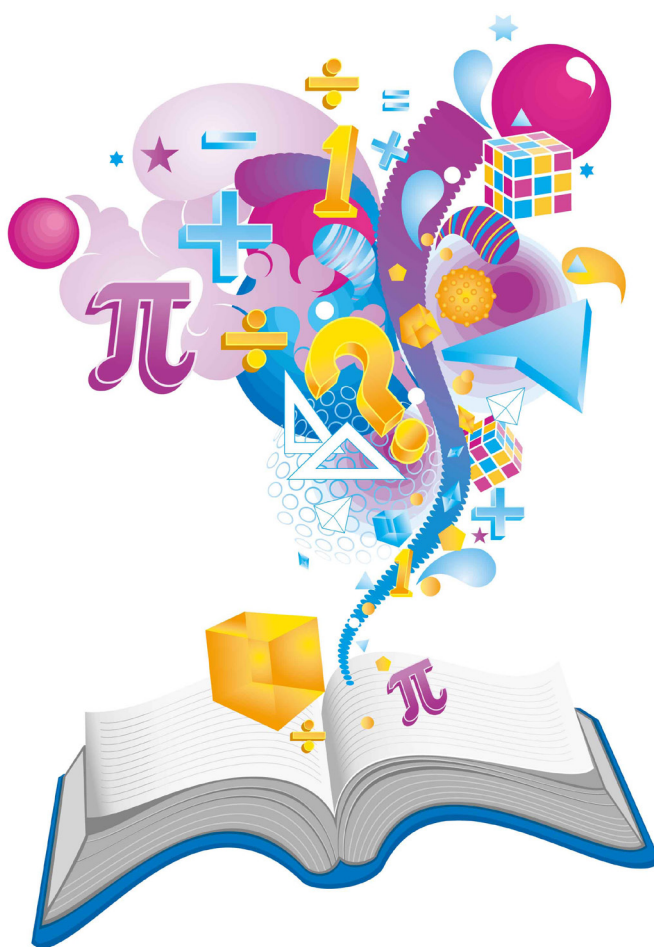
Strategic objectives

| Programme Name: Programme 3: Independent Schools Subsidies | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|---|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. | 64.8% | 74.8% | 70.0% | 4.8% | The poor quality of teaching and internal assessment still prevails and the improvement was below target; continuous systemic intervention and capacity building is taking place. |
| Increase Numeracy and Literacy competency levels in Grades 3, 6 and 9 from 35% to 60% by 2015. | 27% | 49% | 23% | 26% | The poor quality of teaching and internal assessment still prevails and the improvement was below target; continuous systemic intervention and capacity building is taking place. |
| Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) by rural schools and girl learners to 60% by 2015. | 46.9% | 51.3% | 61% | (9.7%) | The intervention strategies implemented were effective in improving performance in these subjects. |

Performance indicators

| Programme / Sub-programme: Programme 3: Independent Schools Subsidies | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|---|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM301: Number of subsidised learners in independent schools. | 5 852 | 6 077 | 6 189 | (112) | Independent schools' marketing campaigns are intense and extensive. |
| PPI3.1: Number of subsidised schools receiving their subsidy on time. | 32 | 32 | 28 | 4 | 3 Schools forfeited their subsidy because of non-compliance with NNSSF. 1 School merged with another independent school. |
| PPI3.2: Number of schools monitored for compliance with National Norms and Standards for School Funding (NNSSF) | 22 | 32 | 28 | 4 | 3 Schools forfeited their subsidy because of non-compliance with NNSSF. 1 School merged with another independent school. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|---|--|---|
| Extend the scope of monitoring independent schools beyond the 32 subsidized schools. | The scope of monitoring was extended to 22 non-subsidized independent schools. | None. | None. |
| Give special focus to Foundation Phase and Grade 10 in order to assess teaching practices applied. | On-site curriculum support conducted for Foundation Phase and Grade 10. | None. | None. |
| Grade 4 to 6 and 11 educators will be trained on CAPS in preparation for implementation in the 2013 academic year. | 12 615 Grade 4 – 6 educators trained in CAPS and 6107 educators trained for Grade 11. | None. | None. |
| All 32 subsidized independent schools will be persuaded to become accredited with Umalusi. | All 28 schools monitored were persuaded to get Umalusi accreditation and 5 of these received provisional accreditation. | Umalusi is currently consulting on their implementation policy for full accreditation. | The PED is working closely with Umalusi on this matter. |
| Monitor the participation of independent schools in ANA and CAPS implementation and other curriculum related programmes. | Monitored all subsidized schools that wrote ANA 2012 and CAPS implementation and other curriculum matters. | None. | None. |



| Mpumalanga Independent Schools Results 2012 | | | | | | | | | | | |
|---|---------------|----------------------------------|---------------|-------------|--------------------|-------------------------|------------------------|-----------------------|--------------------|----------------|--------------|
| No | District Name | Centre Name | Total Entered | Total Wrote | Total Not Achieved | Total Achieved Bachelor | Total Achieved Diploma | Total Achieved H-Cert | Total Achieved NSC | Total Achieved | Pass % |
| 1 | Ehlanzeni | Mathews Phosa College | 54 | 54 | 0 | 40 | 14 | 0 | 0 | 54 | 100.0 |
| 2 | Nkangala | Middelburg Muslim | 14 | 14 | 0 | 12 | 2 | 0 | 0 | 14 | 100.0 |
| 3 | Gert Sibande | George Hofmeyer High | 7 | 7 | 0 | 3 | 4 | 0 | 0 | 7 | 100.0 |
| 4 | Ehlanzeni | Beacon College | 20 | 20 | 1 | 10 | 8 | 1 | 0 | 19 | 95.0 |
| 5 | Gert Sibande | Vaalrivier and Youth Care Centre | 11 | 10 | 1 | 0 | 9 | 0 | 0 | 9 | 90.0 |
| 6 | Ehlanzeni | Nelspruit Private College | 67 | 65 | 8 | 20 | 22 | 15 | 0 | 57 | 87.7 |
| 7 | Ehlanzeni | Cefups Academy | 304 | 300 | 35 | 157 | 80 | 25 | 1 | 263 | 87.7 |
| 8 | Nkangala | Ed-U-College Combined | 69 | 67 | 10 | 17 | 31 | 9 | 0 | 57 | 85.1 |
| 9 | Ehlanzeni | Metropolitan College | 400 | 390 | 63 | 133 | 156 | 34 | 2 | 325 | 83.3 |
| 10 | Ehlanzeni | Noah`s Ark Private College | 33 | 29 | 6 | 6 | 12 | 5 | 0 | 23 | 79.3 |
| 11 | Ehlanzeni | Acek Academy | 221 | 215 | 48 | 46 | 78 | 40 | 0 | 164 | 76.3 |
| 12 | Bohlabela | Hoedspruit Independent College | 69 | 66 | 16 | 9 | 32 | 9 | 0 | 50 | 75.8 |
| 13 | Ehlanzeni | Shammah College | 337 | 274 | 74 | 22 | 95 | 82 | 0 | 199 | 72.6 |
| 14 | Bohlabela | Monaredira Private College | 99 | 94 | 29 | 4 | 24 | 37 | 0 | 65 | 69.1 |
| 15 | Ehlanzeni | Royal High | 89 | 76 | 24 | 13 | 24 | 14 | 0 | 51 | 67.1 |
| 16 | Bohlabela | Acornhoek Academy | 140 | 132 | 46 | 8 | 31 | 46 | 1 | 86 | 65.2 |
| 17 | Bohlabela | Wem - Accornhoek | 17 | 17 | 6 | 1 | 8 | 2 | 0 | 11 | 64.7 |
| 18 | Bohlabela | Wem Bushbuckridge | 29 | 29 | 11 | 6 | 10 | 2 | 0 | 18 | 62.1 |
| 19 | Bohlabela | Jubilee English Medium | 10 | 10 | 4 | 0 | 2 | 4 | 0 | 6 | 60.0 |
| 20 | Bohlabela | Khayimani Independent College | 50 | 48 | 20 | 2 | 11 | 14 | 1 | 28 | 58.3 |
| 21 | Ehlanzeni | Angels Park Academy | 47 | 45 | 20 | 8 | 10 | 7 | 0 | 25 | 55.6 |
| 22 | Ehlanzeni | Elephant Private | 71 | 63 | 29 | 7 | 14 | 13 | 0 | 34 | 54.0 |
| 23 | Ehlanzeni | Easthigh College Of Excellence | 58 | 39 | 18 | 7 | 6 | 8 | 0 | 21 | 53.8 |
| 24 | Ehlanzeni | Wem Kabokweni | 239 | 221 | 103 | 23 | 48 | 45 | 0 | 116 | 52.5 |
| 25 | Bohlabela | Wem Mkhuhlu | 70 | 69 | 33 | 7 | 18 | 11 | 0 | 36 | 52.2 |
| 26 | Ehlanzeni | Edgeview Academy | 60 | 54 | 28 | 5 | 12 | 9 | 0 | 26 | 48.1 |
| 27 | Ehlanzeni | Twin College | 143 | 138 | 74 | 5 | 39 | 20 | 0 | 64 | 46.4 |
| 28 | Ehlanzeni | Hazyview Private College | 103 | 96 | 51 | 7 | 21 | 14 | 0 | 42 | 43.8 |
| 29 | Nkangala | Grace Christian Private | 28 | 28 | 16 | 4 | 4 | 4 | 0 | 12 | 42.9 |
| 30 | Bohlabela | Mkhuhlu Comprehensive | 44 | 38 | 25 | 0 | 4 | 9 | 0 | 13 | 34.2 |
| Total | | | 2903 | 2708 | 799 | 582 | 829 | 479 | 5 | 1895 | 69.98 |

Strategy to overcome areas of under- performance

The regulations for independent schools have been gazetted and schools will be supported to comply with these.

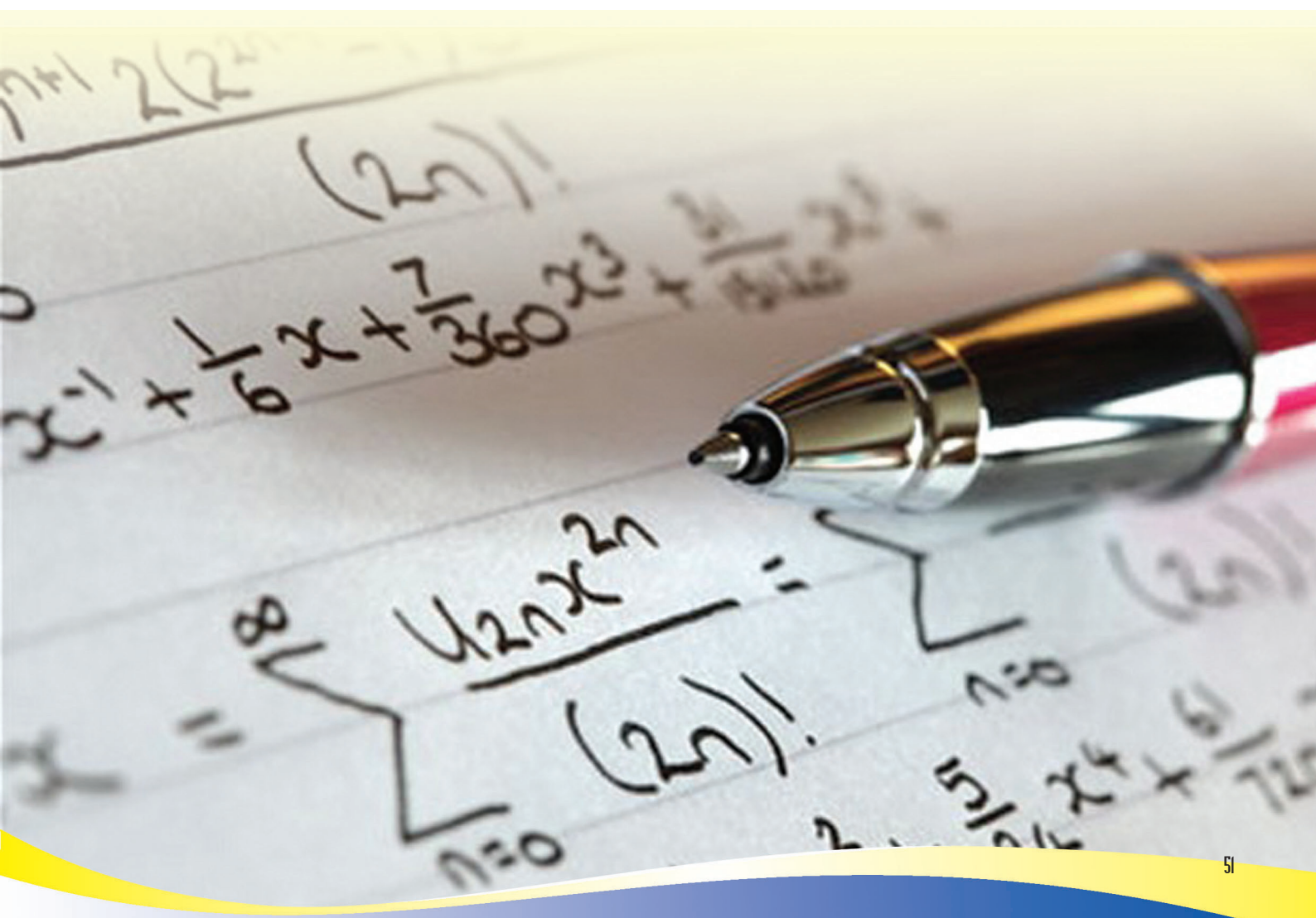
Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, “To simplify performance tracking, in-year changes to the plan should not be made. Where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”.

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|-----------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Primary Phase | 8 873 | 8 873 | 0 | 9 987 | 9 976 | 11 |
| Secondary Phase | 3 594 | 3 508 | 86 | 1 900 | 1 498 | 402 |
| Total | 12 467 | 12 381 | 86 | 11 887 | 11 474 | 413 |

Two independent schools submitted their financial statements and claims late and therefore could not be paid before 31 March 2013, which resulted in under-expenditure on this programme. The R86 thousand will be paid to them after submission of their financial statements.



5.4 Programme 4: Public Special Schools

Purpose: To provide compulsory public education in special schools in accordance with the South African Schools Act, 1996 and White Paper 6 on inclusive education, Child Justice Bill, etc.

Programme 4 has the following sub-programmes:

Sub-programme 4.1: Schools

Sub-programme 4.2: Professional Services

Sub-programme 4.3: Human Resource Development

Sub-programme 4.4: Conditional Grants

| | |
|----------------------------|---|
| Strategic Objective | Learner Performance. |
| Objective Statement | Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. |
| Baseline | The average percentage pass in Grade 12 in 2009 was 47.9%. |

| | |
|----------------------------|--|
| Strategic Objective | Reach out-of-school youth. |
| Objective Statement | To ensure that 8 000 out of school youth and vulnerable children attend schools by 2015. |
| Baseline | Number of out-of-school youth and vulnerable children: 12 135. |

Strategic objectives

| Programme Name: Programme 4: Public Special Schools | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| Improve the quality of overall learner performance in Grade 12 to achieve a pass rate of 70% by 2015. | 64.8% | 74.8% | 70.0% | 4.8% | The poor quality of internal assessment still prevails and the improvement was below the target; continuous systemic intervention and capacity building is taking place. |
| To ensure that 8000 out-of-school youth and vulnerable children attend school by 2015. | 4 000 | 6 000 | 5 266 | 734 | Due to the diverse circumstances of vulnerable children and youth out-of-school (i.e. lack of documentation, children heading homes or looking after sick family members and dysfunctional families), the targeted numbers could not be reached. In addition, due to the CYCCs, other provinces did not refer children to Mpumalanga schools. |

Performance Indicators

| Programme / Sub-programme: Programme 4: Public Special Schools | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|---|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM401: Number of learners enrolled in public special schools. | 3 507 | 3 679 | 3 734 | (55) | Due to upgrading of schools, spaces expanded. |
| PPM402: Number of educators employed in public special schools. | 340 | 357 | 357 | 0 | None. |
| PPM403: Number of Professional non-educator staff employed in public special schools. | 18 | 16 | 16 | 0 | None. |
| PPI4.1: Number of special schools receiving subsidies on time. | 18 | 18 | 18 | 0 | None. |
| PPI4.2: Number of special schools monitored for curriculum delivery. | 18 | 18 | 18 | 0 | None. |



| Priority Plans | Achievement | Challenges | Mitigations |
|--|---|---|-------------|
| Train 60 educators on matters of curriculum adaptation and differentiation regarding methodology, content and assessment strategies. | 99 educators trained on curriculum adaptation and differentiation. | None. | None. |
| All Special Schools' educators to be trained on CAPS in order to ensure that teaching and learning is in line with curriculum innovations. | 56 educators were capacitated on CAPS in order to ensure that teaching and learning is in line with curriculum innovations. | None. | None. |
| In addition, 50 staff will be trained on First Aid Level 1, 30 educators will be trained on management of sexual behaviours, 100 educators of Child and Youth Care Centres will be trained on stress management and 80 Child and Youth Care Workers will be trained on residential programs and minimum standards. | 50 staff members were trained on First Aid Level 1; 30 educators were trained on management of sexual behaviour; 100 educators of Child and Youth Care Centres were trained on stress management; 80 Child and Youth Care Workers were trained on residential programs and minimum standards. | None. | None. |
| The Screening, Identification and Support Strategy is important in this regard. Learners' needs will be identified and supported with relevant assistive devices, including: communication devices, Braille, large print, adapted computers and voice synthesizers - this will be provided to 18 special schools. | 18 Special Schools received LTSM (stationery, textbooks and specialized materials, as per individual requisitions). | None. | None. |
| Train 70 educators on the South African sign language and deaf culture so as to communicate well with learners with hearing impairments and also Alternative Augmentative Communication for learners with severe cognitive challenges. | 86 educators trained on SASL and deaf culture so as to communicate well with learners with hearing impairments and also Alternative Augmentative Communication for learners with severe cognitive challenges. | None. | None. |
| Upgrading of 5 special schools. | Planning and design of 3 Projects was completed and construction commenced in February 2013 (Wolvenkop 15% , Tsakane 5% and Thanduxolo 27%). | The other 2 projects are still in the planning and design stage; these are multi-year projects. | None. |

Special Schools' contribution to Grade 12

The Department has 2 Special Schools with learners who enrolled for the Grade 12 examination. In 2012/13, 18 learners wrote, i.e.: 7 from George Hofmeyr; 11 from Vaalrivier. One learner from Vaalrivier Special School failed one subject and has enrolled to write this subject again in the 2013 supplementary examinations. This learner is being provided with an individual support programme to obtain Grade 12.

Strategy to overcome areas of under- performance

The directorate has strengthened internal and external collaboration with other sub-directorates (namely Life Skills , HIV and Aids, Department of Social Development and Municipalities) to ensure that out-of-school youth of school going age attend school by 2015.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, *"To simplify performance tracking, in-year changes to the plan should not be made. Where an institution's performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report"*.

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|----------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Schools | 204 997 | 197 641 | 7 356 | 198 319 | 190 266 | 8 053 |
| Professional Services | 11 085 | 8 110 | 2 975 | 11 072 | 7 515 | 3 557 |
| Human Resource Development | 389 | 389 | 0 | 727 | 826 | (99) |
| Conditional Grants | 50 384 | 49 742 | 642 | 45 353 | 45 321 | 32 |
| Total | 266 855 | 255 882 | 10 973 | 255 471 | 243 928 | 11 543 |

Poor planning and late submission of infrastructure plans to the Department of Public Works, Roads and Transport (DPWRT) had an effect on spending on infrastructure projects at public special schools, which resulted in under-expenditure on this programme.

5.5 Programme 5: Further Education and Training

Purpose: To provide Further Education and Training (FET) at public FET colleges in accordance with the Further Education and Training Colleges Act (Act 16/2006), inclusive of provisions of the FETC Amendment Act, 2010.

Programme 5 has the following sub-programmes

Sub-programme 5.1: Public Institutions

Sub-programme 5.2: Youth Colleges

Sub-programme 5.3: Professional Services

Sub-programme 5.4: Human Resource Development

Sub-programme 5.5: Conditional Grant

| | |
|----------------------------|---|
| Strategic Objective | Increase skills base in critical subjects. |
| Objective Statement | Increase performance in Mathematics, Physical Sciences and vocational subjects (engineering, services and art) at rural schools and amongst girl learners to 60% by 2015. |
| Baseline | Learner performance in Mathematics, Sciences and vocational subjects is to be increased from 38% to 60% by 2015. |

Strategic objectives

| Programme Name: Programme 5: Further Education and Training | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| Increase performance in Mathematics, Physical Science and vocational subjects (engineering, services and art) by rural schools and girl learners to 60% by 2015. | 46.9% | 51.3% | 61% | (9.7%) | Intervention strategies implemented were effective in improving performance in these subjects. |

Performance Indicators

| Programme / Sub-programme: Programme 5: Further Education and Training | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM501: Number of students enrolled in NC(V) courses in FET Colleges. | 8 182 | 11 338 | 8 697 | 2 641 | No allocation for infrastructure development and this limited space for student intake. |
| PPM502: Number of FET College NC(V) students who completed full courses successfully. | 3 094 | 5 102 | 4 174 | 928 | Student unrest at Mapulaneng Campus affected the overall performance of Ehlanzeni FET College, which impacted on the provincial NC(V) results. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|--|--|--|
| Colleges in Mpumalanga have set a certification rate target of 60% for the 2012/13 financial year. | 54% of NC (V) students passed all seven subjects. | The protracted disturbances at one campus destabilised the sector. | More student support to be given to all students at all colleges and campuses. |
| Retention rate target of 90% . | 69% | As a result of student unrest, a number of students could not complete all prescribed tasks. | More student support to be given to all students at all colleges and campuses. |
| Placement rate target of 43% . | 22.1% | Placement takes longer than expected. Companies are not cooperative. | The Minister of Higher Education has tasked SETAs to facilitate placements. |
| Colleges in Mpumalanga consequently need to enrol 11 338 NCV students in 2012/13. | 8 697 learners enrolled | No allocation for infrastructure development and this limited space for student intake. | Colleges have embarked on a building programme to expand infrastructure, using their reserves, as the subsidy no longer includes the capital expenditure budget. Money has also been accessed from the National Skills Fund. |
| Skills and learnerships will be increased to cater for 6 000 students. | 10 468 students catered for in the skills and learnership programmes. | None. | None. |
| At least 100 students will be enrolled to participate in artisan development. | 316 students enrolled for artisan development programmes. | None. | None. |
| Increase capacity of FET Colleges so that they'll be able to enrol more learners; this is, however, dependent on funding from the Department of Higher Education and Training. | Activity not achieved. | No infrastructure budget allocated. | NSF allocated to colleges for expansion. |
| Through participation in the provincial SETA forum, FET Colleges will advocate for the development and accreditation of colleges as trade test centres. | Each college has identified a trade to be offered. | The National Artisan Development Body is still to accredit colleges. | Applications are receiving attention by the assuring body. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|--|---|---|
| The Department will facilitate and lead implementation of the Human Resource Development Strategy (HRDS) in collaboration with all relevant stakeholders. | <p>The Department facilitated the implementation of the HRDS through collaboration with other stakeholders by:</p> <ul style="list-style-type: none"> - Ensuring that meetings of the Steering Committee (comprising multiple stakeholders) are held and that stakeholders assist in implementing objectives 1-5 of the strategy; - Ensuring that all Departments are made aware of their areas of responsibility and assist in implementing objectives 1-5 of the HRDS; - Delivering presentations at the MerSETA AGM and the Skills Development Forum for municipalities to popularize the provincial HRDS. | None. | None. |
| Monitor and support students issued with bursaries in order to ensure maximum achievement and for them to be placed in the province post-qualification. | <p>The bursary beneficiaries were monitored and supported by:</p> <ul style="list-style-type: none"> - The establishment of 5 provincial bursary monitoring teams consisting of practitioners from all the Departments who visited bursary beneficiaries at 26 universities in the country; - Establishment of 5 teams of senior managers who monitored the process by visiting 16 universities to support the beneficiaries and also to form relationships with university administration teams; - Calling all beneficiaries to a meeting with the MEC responsible for education to ensure communication and support for beneficiaries. - Verification visits for new bursary beneficiaries were conducted by each Department and the ACBfp team verified the work of Departments by sampling a few bursars; - The Bursary Liaison unit was established to assist in monitoring and ensuring clear communication and support of the beneficiaries. | None. | None. |
| Ensure approval of the Provincial Staff Retention Strategy by the Executive Council. | The draft Retention Strategy was presented to the Provincial Management Committee and inputs were provided for revising the document. | None. | None. |
| Develop a model for centralised skills development for approval and implementation. | The model was presented to the Social Cluster and it is en route to EXCO for approval. The two task teams that deal with HR and Finance/ Assets have been set up to ensure smooth transfer of personnel from other Departments to the DOE. | The model had to be subjected to work study processes and approval by EXCO was delayed, as it was not anticipated that the process would prolong. | The model will be submitted to EXCO in the first quarter of the new financial year. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|--|------------|-------------|
| Facilitate the recruitment of critical and scarce skills through bursaries, learnerships and internships. | <p>359 bursaries were awarded in critical and scarce skills areas for all Departments in the province.</p> <p>238 Interns and learnerships were registered in different fields across all Departments in the province, to run for a period of twelve months.</p> | None. | None. |



MPUMALANGA REGIONAL TRAINING TRUST (MRTT)

| Priority Plans | Achievement | Challenges | Mitigation |
|--|--|--|--|
| Increase intake of Out-of-School Youth into skills programmes, particularly in the Hospitality and Tourism, Technical and Entrepreneurial fields. | Hospitality and Tourism 39 learners trained on Professional Cookery. 56 learners received training on the Chef Skills Programme. 14 learners received training in Accommodation in Services. 16 learners received training on Food and Beverage Services. | The variance in learner numbers is due to learners absconding from the programme. | Learner counselling services are required to support learners to ensure they complete their training. |
| | Technical and Entrepreneurial fields. 1 080 Learners, of the total of 1 100 , received accredited institutional training in construction, manufacturing and engineering skills. | 20 learners absconded from the programme due to personal reasons. | Aggressive learner counselling services are required to support learners to ensure they complete their training. |
| The MRTT will also play a pivotal role in delivering skills programmes to 630 learners targeted for accredited construction skills training through CRDP. | 618 Learners were registered and trained on construction related programmes. | 9 dropped out due to various reasons. | None. |
| 460 learners targeted for customized and accredited construction, manufacturing and engineering. | 377 learners were trained on customized and accredited skills. | Secured projects not enough to meet the set target of 460 . | Increase the number of learners trained on customized and accredited programmes to meet the five year target. |
| 355 Learners on the Community House Building NQF Level 2 Learnership. | Completed off-job training of 274 learners on Building and Civil Construction in the three regions, as follows: 90 – Nkangala 94 – Gert Sibande 90 – Ehlanzeni | 26 Learners absconded from the training during the year under review. | The division will exceed the set target by 10% during registration, in order to make provision for drop-outs. |
| 100 Learners on the Air Conditioning and Refrigeration NQF Level 2 Learnership. | Completed off-job training of 57 Learners as follows: • 22 - Nkangala • 20 - Gert Sibande • 15 – Ehlanzeni Commenced with off-job training of 43 Learners. | Training of additional 43 Learners only commenced during the 3rd term. It will run into the new financial year. | Carry over some funds into the new financial year. |

| Priority Plans | Achievement | Challenges | Mitigation |
|--|--|--|--|
| 249 Learners on the Community Development Practitioner Assistant Project. | Completed off-job training of 218 learners on Community Development Practice, as follows: 42 - Gert Sibande 69 - Nkangala 107 - Ehlanzeni | 20 targeted learners did not report for registration and 11 learners dropped out of the programme during the year. | None. |
| 630 learners targeted for accredited construction for skills training through CRDP. | 618 Learners were registered and trained in construction related programmes. | 6 Learners passed away, 1 became insane, whilst 2 are in prison. | No mitigation, as the target was achieved. |

Strategy to overcome areas of under-performance

Pass rates and certification:

- Introduce an early alert system for identifying students who require academic support and keep a database of referrals.
- Enhance subject content delivery through continuous staff development and training.

Expanded access:

- In order to increase enrolment, career exhibitions will be held; promotional school visits engaged on; Open days for companies and students organised and strengthen the use of print and media.

Placement:

- Appoint placement officers where they don't exist and develop a standardised process for monitoring and tracking NCV and Report 191 students for work.
- Provide safety training to level 4 students and Report 191 exit level students.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, "To simplify performance tracking, in-year changes to the plan should not be made. Where an institution's performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report".

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|----------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Public Institutions | 10 886 | 9 724 | 1 162 | 14 607 | 15 322 | (715) |
| Youth Colleges | 100 741 | 105 915 | (5 174) | 61 370 | 56 084 | 5 286 |
| Human Resource Development | 56 969 | 58 920 | (1 951) | 306 | 0 | 306 |
| Conditional Grant | 345 285 | 345 285 | 0 | 321 840 | 321 840 | 0 |
| Total | 513 881 | 519 844 | (5 963) | 398 123 | 393 246 | 4 877 |

Challenges with regard to the payment of bursaries, where insufficient budget allocations were received during Adjustment Appropriation, as well as accruals that emanated from the previous financial year, resulted in over-expenditure on this programme.

5.6 Programme 6: Adult Education and Training

Purpose: To provide adult basic education and training (ABET) in accordance with the Adult Basic Education and Training Act, 52 of 2000, inclusive of provisions of the AET Amendment Act, 2010.

Programme 6 has the following sub-programmes:

Sub-programme 6.1: Subsidies to Public Adult Learning Centres

Sub-programme 6.2: Professional Services

Sub-programme 6.3: Human Resource Development

| | |
|----------------------------|---|
| Strategic Objective | Eradication of illiteracy. |
| Objective Statement | To recruit and enrol 221 090 adult learners into public adult learning centres and Kha-Ri-Gude sites. |
| Baseline | There are currently 82 000 learners in ABET programmes in the Province. |

| | |
|----------------------------|---|
| Strategic Objective | Teacher qualifications. |
| Objective Statement | To up-grade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements. |
| Baseline | 12 127 under qualified educators to be trained. |

Strategic objectives

| Programme Name: Programme 6: Adult Education and Training | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| To recruit and enrol 221 090 adult learners into PALCs and Kha-Ri-Gude sites by 2015. | 138 212 | 138 212 | 223 741 | (85 529) | Advocacy programmes yielding positive results. |
| To upgrade educators (12 127 educators, 500 ABET educators) in order to meet REQV 14 requirements by 2015. | 196 | 250 | 207 | 43 | The planned target of educators could not be trained due to accruals on goods and services amounting to R3 757 353.87. |

Performance indicators

| Programme / Sub-programme: Programme 6: Adult Education and Training | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM601: Number of learners enrolled at public ABET Centres. | 26 347 | 27 788 | 26 990 | 798 | The province has not established new centres due to financial constraints. |
| PPM602: Number of educators employed in public ABET Centres. | 1 678 | 1 800 | 1 851 | (51) | Additional levels and new subjects were introduced in some of the centres. |
| PPi6.1: Increase number of ABET level 4 entrants. | 12 540 | 13 167 | 13 085 | 82 | The needs of the learners have changed drastically, requiring programmes beyond NQF Level 1. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|--|------------|-------------|
| The Department will provide guidance to learners in PALCs and create curriculum packages that will lay a solid base for FET programmes in the province, as agreed with FET Colleges. | Curriculum packages or streams were extended from three streams to six streams to include new learning areas, i.e. Early Childhood Development (ECD) and Wholesale and Retail (W&R). The streams are intended to provide a career path and lay a solid foundation for FET programmes. Centres were consulted on their preferred choice of streams. | None. | None. |
| Educators will be trained and supported to deal with curriculum requirements and dynamics. | A curriculum core team of 15 Curriculum Implementers was established to develop training manuals in the new learning areas, i.e. ECD and W&R. 94 Educators were trained on ECD & W&R. 199 educators were trained on the Mathematical Literacy content. This undertaking has improved performance in ABET Level 4 in Mathematical Literacy by 8, 73%. 16 Educators were trained and appointed as assessors and moderators of indigenous languages. This was followed by the development of common Site Based Assessment tasks for ABET Levels 1-3 in 13 learning areas. This undertaking has enabled the province to articulate the requirements as set out in the Gazetted Regulations for AET Curriculum. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|---|---|---|
| Provisioning of LTSM will be prioritised in all levels for 267 AET centres. | 258 individual functional PALCs received LTSM, learner and educator stationery packs. | 9 centres were suspended and merged due to low enrolment. | PALCs have been guided to prioritise compulsory learning areas and encourage learners to share available resources. |
| 2 additional full-time centres would present a transformed image of adult education and usher in a programme mix thus broadening the scope of offerings to go beyond NQF Level 1 and include skills and NQF Level 2 programmes. | Activity not achieved. | The Department could not establish two additional full-time centres due to financial constraints. | In view of limited resources, the Department opted to strengthen the existing Kwaguqa full-time centre by increasing offerings to include NQF Level 4 programmes (Grade 12). |
| Adults, as second chance learners, will participate in skills programmes that will provide job opportunities. In partnership with the Department of Economic Development, Environment and Tourism, learners will be empowered to venture into the mainstream economy by gaining skills on the formation of cooperatives. | Activity not achieved. | Learners could not participate in skills training due to financial constraints. | The Education Department has been receiving technical support from the Department of Economic Development, Environment and Tourism over the years. However, the financial constraints became an inhibiting factor in executing the planned training. The Department will solicit assistance by submitting funding proposals to various SETAs. |
| The Department in its endeavour to transform adult education institutions, centres will be grounded on management, governance and administration elements with a view to making them self managed institutions. | 98 of the 100 PALCs were evaluated on management, administration and governance. These centres were certificated for financial viability. 255 Centre Managers were trained on the use of Financial Management Systems and Guidelines. This will assist in attaining uniformity in all PALCs. | None. | None. |
| The Department will strive to improve the performance of learners at NQF Level 1. | The provincial certification rate is 32.5% and is above the national planned target of 30%. Qualitative analysis reveals that the AET results at NQF Level 1 have improved. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|------------|-------------|
| The Department will advocate, market and raise the profile of the AET sector. | The Department of Education hosted the National Adult Learners' Week in collaboration with the Adult Learning Network. The conference was attended by 202 delegates on the first day and 188 on the second day. The delegates came from the nine provinces. The conference highlighted the new legislative development, the changing landscape and the Ministerial vision of the post-school education system. | None. | None. |
| Monitoring and supporting the implementation of programmes and policies. | 60 centre support visits were conducted in 50 centres, focusing on the following: <ul style="list-style-type: none"> - Guidance on curriculum implementation - Checking on records, policies and providing guidance on administration, management and governance - Learner enrolment and attendance - Monitoring ABET Levels 3 and 4 assessment/ public examination sessions. | None. | None. |

Strategy to overcome areas of under-performance

The Department had been unable to achieve its set annual learner targets in PALCs. This can be attributed to a number of reasons, such as learners being employed after registration, attrition rate and other socio-economic conditions. This led to dwindling of numbers in some of the centres / classes during the year and these centres were suspended. Secondly, the Department had been unable to open new centres in new areas due to pressure on its personnel budget.

The Department will submit its training needs to EDTP SETA as a means to solicit assistance for upgrading educators. To improve enrolment targets, the Department will consider phasing NQF Level 4 programmes in PALCs once the development of curriculum for NASCA has been completed by DHET and educators trained on the new NASCA learning programmes.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, *"To simplify performance tracking, in-year changes to the plan should not be made. Where an institution's performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report"*.

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Public Centres | 134 178 | 134 205 | (27) | 121 903 | 109 282 | 12 621 |
| Professional Services - ABET | 2 667 | 2 726 | (59) | 2 506 | 2 227 | 279 |
| Human Resource Development | 500 | 500 | 0 | 500 | 391 | 109 |
| Total | 137 345 | 137 431 | (86) | 124 909 | 111 900 | 13 009 |

The over-expenditure of R86 thousand (less than 0.1% of the allocation) is due to accruals from the previous year.

5.7 Programme 7: Early Childhood Development

Purpose: To provide Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White Paper 5.

Programme 7 has the following sub-programmes

- Sub-programme 7.1: Grade R in Public Schools
- Sub-programme 7.2: Grade R in Community Schools
- Sub-programme 7.3: Professional Services
- Sub-programme 7.4: Human Resource Development
- Sub-programme 7.5: Conditional Grant

Strategic Objectives

| | |
|----------------------------|---|
| Strategic Objective | Access to ECD. |
| Objective Statement | Provide quality, coordinated, coherent and integrated ECD services to 136 000 children in 0 – 6 age cohort by 2015. |
| Baseline | Enrolment in ECD is currently standing at 78 025 learners. |

| | |
|----------------------------|--|
| Strategic Objective | ECD Practitioners. |
| Objective Statement | Increase access to ECD by training 400 practitioners annually to a total training of 1600, to ensure that they have basic accredited ECD NQF Level 4 qualifications by 2015. |
| Baseline | There are currently 449 qualified practitioners. |

Strategic objectives

| Programme Name: Programme 7: Early Childhood Development | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|---|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| Provide quality, coordinated, coherent and integrated ECD services to 136 000 children in the 0 – 6 age cohort by 2015. | 125 726 | 144 726 | 161 095 | (16 369) | ECD enrolment increased due to advocacy campaigns conducted through distribution of ECD material and radio slots. |
| Increase access to ECD by training 400 practitioners annually, to a total of 1 600 , to ensure they have basic accredited ECD NQF Level 4 qualifications by 2015. | 400 | 700 | 677 | 23 | Practitioners dropped out of training due to family and personal constraints. |

Performance indicators

| Programme / Sub-programme: Programme 7: Early Childhood Development | | | | | |
|--|------------------------------|--------------------------|------------------------------|---|---|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM701: Number of learners enrolled in Grade R in public schools. | 57 364 | 57 394 | 58 169 | (775) | Grade R enrolment increased after the Department conducted advocacy campaigns through distribution of ECD material and radio slots. |
| PPM702: Number of public schools that offer Grade R. | 1 020 | 1 020 | 1 020 | 0 | None. |

| Priority Plans | Achievement | Challenges | Mitigations |
|--|--|---|--|
| Enrol 80 000 Grade R learners in ECD centres: 57 394 at schools; and 22 606 at community based centres. | Enrolled 81 820 learners: 58 169 in schools; and 23 651 at community based centres. | None. | None. |
| Enrol 50 000 learners in Pre-Grade R centres. | Number of Pre-Grade R learners registered is 79 275 . | Pre-Grade R enrolment increased after the Department conducted advocacy campaigns through distribution of ECD material and radio slots. | None. |
| Number of public schools expected to register and offer Grade R is 1 020 . | 1020 Public schools are registered and offering Grade R. | None. | None. |
| LTSM will be supplied to 1 020 public schools. | LTSM supplied to 814 schools | Late submission of orders by 206 schools. | LTSM will be supplied in the next financial year. |
| Pre-Grade R LTSM will be supplied to 300 ECD centres. | LTSM supplied to 182 ECD centres. | Insufficient budget to supply LTSM to 118 ECD centres. | The remaining ECD centres will receive LTSM in the 2013/14 financial year. |
| Construction of 12 Grade R classrooms in public schools targeting CRDP wards in particular. | Construction commenced at the 12 schools (Kabete 46%; Mzinti 30%; Kuphileni 35%; Imzamoyethu 25%; Harmonypark 7%; Qalani 45%; Qhubekani 60%; Kwakwari 80% and Khuthalani 90%). | Late commencement of Grade R projects due to the protracted bid processes. | Construction will be completed in the next financial year. |

| Priority Plans | Achievement | Challenges | Mitigations |
|---|---|---|---|
| Number of practitioners to be trained in ECD NQF Level 4 is 300 . | 212 Practitioners are in ECD NQF Level 4 training. | No practitioners in Bohlabela requiring ECD NQF Level 4 qualification. | Practitioners from Bohlabela enrolled at Level 5. |
| Number of practitioners to be trained in ECD NQF level 5 is 400 . | 465 Practitioners are in ECD NQF Level 5 training. | An additional 65 practitioners from Bohlabela recruited owing to the non-availability of ECD practitioners for the ECD NQF Level 4 training. | None. |
| The number of child minders, gardeners and cooks to be trained is 80 per ECD co-operative category. | 266 child-minders trained in the ECD NQF Level 4 qualification. 67 cooks and 57 gardeners were trained in their respective job descriptions. | None. | None. |
| 400 child minders will receive incentive grants at a rate of R63.18 per day as per ministerial determination pertaining to EPWP that is driven and funded by the Department of Public Works, Roads and Transport. | 400 child-minders received incentive grants. | None. | None. |
| The Department will convene a Provincial ECD Conference to amongst others; review the Provincial Integrated ECD Strategy with all its partners. | Provincial ECD conference held and ECD Strategy reviewed. | None. | None. |

Strategy to overcome areas of under- performance

The procurement system for LTSM was improved for this section. Procurement programme 7 will be planned and orders made concurrently with the mainstream schools. Circuit Managers and principals will sign off all procurement orders. Progress will be monitored (using the electronic web-based reporting system) at the various stages of procurement by the circuit, the district and the LTSM committee.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, *“To simplify performance tracking, in-year changes to the plan should not be made. Where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”*.

Sub-programme expenditure

| | 2012/2013 | | | 2011/2012 | | |
|------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| Sub-Programme | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Grade R in Public Centres | 152 471 | 144 863 | 7 608 | 147 292 | 141 290 | 6 002 |
| Grade R in Community Centres | 10 800 | 11 090 | (290) | 7 200 | 7 409 | (209) |
| Pre-Grade R | 8 780 | 8 780 | 0 | 12 000 | 116 | 11 884 |
| Professional Services | 2 352 | 2 547 | (195) | 2 158 | 2 315 | (157) |
| Human Resource Development | 451 | 450 | 1 | 504 | 394 | 110 |
| Conditional Grant | 41 021 | 40 926 | 95 | 29 942 | 25 621 | 4 321 |
| Total | 215 875 | 208 656 | 7 219 | 199 096 | 177 145 | 21 865 |

Challenges with regard to infrastructure projects were being experienced, which resulted in under-expenditure on this programme. Poor planning and late submission of infrastructure plans to the DPWRT affected the implementation of Grade R facilities.



5.8 Programme 8: Auxiliary and Associated Services

Purpose: To provide education institutions as a whole with training and support.

Programme 8 has the following sub-programmes:

Sub-programme 8.1: Payments to SETA

Sub-programme 8.2: Conditional Grant Projects

| | |
|--|--|
| Sub-programme 8.3: External Examinations Strategic Objectives | Reach out-of-school youth. |
| Objective Statement | To ensure that 8 000 out of school youth and vulnerable children attend schools by 2015. |
| Baseline | Number of out-of-school youth and vulnerable children: 12 135. |

Strategic objectives

| Programme Name: Programme 8: Auxiliary and Associated Services | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|---|
| Strategic Objectives | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| To ensure that 8 000 out-of-school youth and vulnerable children attend schools by 2015. | 4000 | 6000 | *5 266 | 734 | Fewer children were referred to the CYCC and to full service schools by the courts. |

Performance indicators

| Programme Name / Sub-programme: Programme 8: Auxiliary and Associated Services | | | | | |
|---|------------------------------|--------------------------|------------------------------|---|--|
| Performance Indicators | Actual Achievement 2011/2012 | Planned Target 2012/2013 | Actual Achievement 2012/2013 | Deviation from Planned Target to Actual Achievement for 2012/2013 | Comment on Deviations |
| PPM801: Number of candidates for the Grade 12 senior certificate examinations (matric exams). | 68 254 | 57 000 | *79 090 | (22 745) | More candidates registered due to extension of the senior certificate examinations. |
| PPM802: Number of candidates for the ABET NQF Level 4 examinations. | 20 085 | 13 167 | **20 548 | (7 381) | More learners registered for ABET L4 than expected. The projected target did not include the June exams. |
| <p>* 8 643 wrote the February / March National Senior Certificate supplementary examination (new curriculum). * 55 239 (47 889 full-time and 7350 part-time candidates) wrote the final October / November National Senior Certificate (new curriculum). * 15 208 part-time candidates wrote the senior certificate examination (old curriculum). ** 5 117 candidates wrote the June ABET Level 4 Examination. ** 15 431 candidates wrote the November ABET Level 4 Examination</p> | | | | | |

| Priority Plans | Achievement | Challenges | Mitigation |
|--|---|------------|------------|
| Continue with the training of 200 Master Trainers on the integration of Sexual and Reproductive Health (SRH) programmes into the curriculum in order to fast-track empowerment of 4 200 educators; overall *4 400 educators will be targeted. | 4 446 Educators trained on the integration of Sexual Reproductive Health (SRH) programmes into the curriculum to increase knowledge and skills for learners to protect themselves from HIV and TB. | None. | None. |
| Train 600 School Management Teams to develop implementation plans, ensuring that SRH is implemented for all learners in schools. | 604 Members of School Management Teams capacitated on the development of school implementation plans to ensure that SRH and TB are implemented for all learners. | None. | None. |
| Co-curricular activities will be implemented targeting both Primary and Secondary Schools. In Primary Schools, the Soul Buddyz programme will be strengthened through supporting 338 clubs and hosting the 3rd Provincial Congress. | 338 Primary Schools were supported to establish Soul Buddyz Clubs. During the School Aids Month, the Department hosted the 3rd Soul Buddyz Congress to award and recognize outstanding performance of the clubs. 50 Top clubs (schools) and 156 delegates attended. The 3 top clubs were: Moratiseng in Bohlabela; Hloniphani in Gert Sibande; and Maphakama at Ehlanzeni. 10 of the 50 clubs represented the province at the National Congress in KwaZulu-Natal. | None. | None. |
| In secondary schools, the Peer Support Programme will target 600 schools and 4 200 (Grade 8-10) learners, focusing on schools with high teenage pregnancy statistics. | 4 212 Grade 8-10 learners from 600 schools trained as Peer Educators on combination prevention, co-curricular activities, care and support for Orphaned and Vulnerable Children. The Peer Educators (learners) are able to link classroom activities with community development activities. For example Swartklip School turned a Science lesson into a community development project by raising awareness on healthy living styles. | None. | None. |

| Priority Plans | Achievement | Challenges | Mitigation |
|---|---|--|--|
| 2 400 Educators to be empowered on Care and Support, including turning 900 schools into Nodes of Care and Support and hosting 4 Leth'impilo campaigns (Jamborees) to mitigate the impact of HIV and AIDS by providing a caring, supportive and enabling environment for learners and educators. | 2 400 Educators empowered on Care and Support for OVCs, including Basic Counselling. 900 Schools turned into Nodes of Care and Support for OVC's to reduce the vulnerability of children to social challenges and create an enabling environment for them. 4 Co-ordinated Service Delivery Campaigns (Leth'impilo) hosted in 3 districts (Bohlabela, Ehlanzeni and Gert Sibande), where 195 and 10 742 learners from Arthurseat, Greenvalley, Mkhuhlu, Whitehazy, Sikhulile, Mgwanya, Mpuluzi Circuits benefitted. | None. | None. |
| Conduct 68 Open Discussions between parents and learners (targeting schools communities) including Calendar Events, as well as empowering 40 Cluster of School Governing Bodies and conducting Social Mobilisation campaigns. | 68 Open Discussions held between parents and learners on social challenges affecting learners, including the commemoration of Calendar Events, such as Sexual Transmitted Illness (STIs) (February), Human Rights Month (March), Candle-light Ceremonies (May) and School Aids Month (September). Social Mobilization Campaigns, including community dialogues, were conducted targeting areas with high prevalence and schools with high Teenage Pregnancy. One of the successful community dialogues using a multi-sectoral approach was led by Soul City in collaboration with DOE, DSD and DOH at Nhlazatshe. 20 Clusters of Parents and School Governing Bodies were capacitated on their role in supporting implementation of Life Skills in schools. | Insufficient support / lack of support from parents in addressing social challenges affecting learners, including support in the implementation of Life Skills in schools. | Strengthen collaboration with other stakeholders, such as Faith Based Organizations, Aids Councils and Non-Governmental Organizations. |
| Register and correctly profile 57 000 candidates for National senior certificates. | 79 090 candidates were correctly profiled and registered for National Senior Certificates. | None. | None. |
| Register and correctly profile 16 000 candidates for AET Level 4. | 20 548 Candidates were correctly profiled and registered for the two ABET Level 4 June and November examinations sessions. | None. | None. |
| Appoint 7 480 competent markers to mark scripts after examinations. | 5 380 competent markers appointed. | Appointed fewer Markers than the norm requires, as fewer registered candidates wrote the SC and ABET exams. | Rigorous advocacy campaigns will be conducted in the media to encourage registered candidates to sit for examinations. |

| Priority Plans | Achievement | Challenges | Mitigation |
|---|---|---|---|
| Capture all marks after marking to ensure that: all candidates who wrote examinations are resulted on time; and qualifying candidates receive certificates. | Both SBA and written marks were captured and candidates were resulted on time. | 25 of 85 ERCO candidates were not resulted on time. This is the examination body de-registered by Umalusi. The Department was requested to accommodate candidates to sit for imminent examination. There was a delay in the submission of school based assessment marks, as many of the candidates are home scholars. | 25 outstanding SBA marks were received from the Department of Basic Education and the candidates were resulted. |
| Print trial exam papers and manage School Based Assessments. | Trial examination question papers for 11 big enrolment subjects were printed, packaged and distributed to schools. Disks for smaller subjects were issued to circuits for printing a day prior to examination. Two Provincial SBA moderations were conducted for NSC. Computerized mark sheets were printed and distributed to schools. | None. | None. |
| Train invigilators and do advocacy on exam policies for all exam staff. | 721 chief invigilators and 330 monitors attended the workshop. | None. | None. |
| Manage Site Based Assessments. | Two Provincial SBA moderations conducted for ABET Level 4. Computerized mark sheets were printed and distributed to schools. All mark sheets were accounted for, captured and copies filed in the Districts and Head Office mark sheets storage points. | None. | None. |

Strategy to overcome areas of under-performance

None.

Changes to planned targets

No changes were made to planned targets, as per section 4.2 of The Framework for Strategic Plans and Annual Performance Plans, which stipulates, *“To simplify performance tracking, in-year changes to the plan should not be made. Where an institution’s performance exceeds or misses targets due to in-year budget changes or for another reason, this should be noted in its annual report”*.

Sub-programme expenditure

| Sub-Programme | 2012/2013 | | | 2011/2012 | | |
|----------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Payment to SETA | 4 997 | 4 997 | 0 | 4 751 | 4 751 | 0 |
| External Examination | 148 934 | 123 796 | 25 138 | 16 511 | 15 881 | (573) |
| Conditional Grants | 17 896 | 17 813 | 83 | 125 655 | 126 228 | 630 |
| Total | 171 827 | 146 606 | 25 221 | 146 917 | 146 860 | 57 |

The Department had under-expenditure on this programme, as only R70 million was paid to examination markers on a budget of R95 million. This saving was caused by the fewer markers appointed than planned for marking of supplementary and ABET Level 4 examinations. Also: compensation of markers was based strictly on the time markers spent on marking and excluded lunch breaks (which were previously included in their claims); and travelling claims for use of private transport was less.

6. SUMMARY OF FINANCIAL INFORMATION

6.1. Departmental receipts

| Departmental Receipts | 2012/2013 | | | 2011/2012 | | |
|--|---------------|-------------------------|--------------------------|---------------|-------------------------|--------------------------|
| | Estimate | Actual Amount Collected | (Over)/Under Expenditure | Estimate | Actual Amount Collected | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Tax receipts | | | | | | |
| Casino taxes | 0 | 0 | 0 | 0 | 0 | 0 |
| Horse racing taxes | 0 | 0 | 0 | 0 | 0 | 0 |
| Liquor licences | 0 | 0 | 0 | 0 | 0 | 0 |
| Motor vehicle licences | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of goods and services other than capital assets | 11 241 | 14 185 | (2 944) | 10 801 | 13 116 | (2 315) |
| Transfers received | 0 | 0 | 0 | 0 | 0 | 0 |
| Fines, penalties and forfeits | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest, dividends and rent on land | 6 550 | 2 800 | 3 750 | 9 651 | 2 617 | 7 034 |
| Sale of capital assets | 0 | 592 | (592) | 0 | 486 | (486) |
| Financial transactions in assets and liabilities | 6 840 | 7 892 | (1 052) | 2 937 | 4 711 | (1 774) |
| Total | 24 631 | 25 469 | (838) | 23 389 | 20 930 | 2 459 |

The Department's revenue collected for the 2012/13 financial year amounted to R26 million against a budgeted collection of R25 million. The Department therefore over-collected by R 839 thousand, compared to the budgeted collection amount.

The Department under-collected in the two main items mentioned below, i.e.:

a) Interest: Bank Accounts

The projection for this item was R7 million for the year. An amount of R3 million was received as interest from the bank where the Department's bank account is held. This amount is determined by the going interest rate paid by: the bank on the credit balance of the account; the amount that the Department keeps in its bank account; and the period over which the amount is kept in the account. Compared to previous years, which were taken into account when projections for this item were determined, the Department relatively spent most of its funds as soon as such funds were transferred to the Department. This is the reason for the item being the main contributor to under-collection, by an amount of R4 million.

b) Departmental Debt

The projection for this item was R2 million for the year. An amount of R581 thousand was collected on this item, resulting in under-collection of R978 thousand for the year.

Over-collection i.t.o. the following items off-set under-collection, resulting in overall over-collection:

c) Commission Insurance

The projection for this item was R10 million for the year. An amount of R12 million was collected as commission paid to the Department for implementing deductions against employees' salaries on behalf of financial and other institutions, e.g. insurance companies. The amount received on these items increases each year and is based on the number of employees who have commission-earning deductions against their salaries. Most of these deductions increase annually, mainly to keep up with inflation, hence the ever-increasing collection on the item. The Department over-collected by R2 million.

d) Rental Residences (Government Housing)

The projection for this item was R1 million for the year. An amount of R2 million was collected with respect to rental of government residential accommodation. When rental on government accommodation was increased, the figures for collection for the MTEF period, including the 2012/13 financial, had already been submitted; hence the seemingly high collection on this item when compared to projections. Projections were adjusted for the 2013/14 financial year. The Department has over-collected by R632 thousand on this item for the year.

e) Recovery of Previous Year's Expenditure

The projection for this item was R5 million for the year. An amount of R7 million was collected on this item, resulting in over-collection of R2 million.

f) Sale of Capital Assets

The Department received proceeds from auctioning old/damaged government vehicles amounting to R592 thousand during the course of the year. An amount of R67 thousand was received in April 2012, whilst R524 thousand was received in January 2013.

Impact of Monitoring Tool

The tool that is used for monitoring performance and compliance at cash offices has assisted in standardising the monitoring of activities and resources at all cash offices. The tool assisted in supporting officials in identifying weaknesses and discrepancies promptly, thereby allowing for prompt action to rectify sub-standard performance and facilities. Deficiencies in resources, such as policies and tariffs, were also identified and rectified through the use of the monitoring tool.

6.2 Programme Expenditure

| Programme Name | 2012/2013 | | | 2011/2012 | | |
|-----------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
| | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Administration | 581 429 | 560 808 | 20 621 | 644 176 | 565 343 | 78 833 |
| Public Ordinary Schools | 12 385 315 | 12 514 416 | (129 101) | 11 420 251 | 11 374 306 | 45 495 |
| Independent Schools' Subsidies | 12 467 | 12 381 | 86 | 11 887 | 11 474 | 413 |
| Public Special Schools | 266 855 | 255 882 | 10 973 | 255 471 | 243 928 | 11 543 |
| Further Education and Training | 513 881 | 519 844 | (5 963) | 398 123 | 393 246 | 4 877 |
| Adult Education and Training | 137 345 | 137 431 | (86) | 124 909 | 111 900 | 13 009 |
| Early Childhood Development | 215 875 | 208 656 | 7 219 | 199 096 | 177 145 | 21 865 |
| Auxiliary and Associated Services | 171 827 | 146 606 | 25 221 | 146 917 | 146 860 | 57 |
| Total | 14 284 994 | 14 356 024 | (71 030) | 13 200 830 | 13 024 202 | 1 762 |

Appropriation and expenditure indicated in Table 6.2 above includes statutory appropriation and expenditure (MEC's salary).

Final expenditure outcome for the 2012/13 financial year amounted to R14 356 billion, against the final appropriation amount of R14. 285 billion, which resulted in net over-expenditure of R71 million, or 0.5%. This over-expenditure was mainly due to the accruals from the 2011/12 financial year that had to be paid in the 2012/13 financial year, in particular on Programme 2: Public Ordinary Schools. The Provincial Treasury tabled a Finance Bill in 2012 which included an allocation of R131.9 million to the Department of Education for the clearing of unauthorized expenditure.

The correct method of clearing unauthorized expenditure is that the Department receives funding and transfers same back to the Provincial Revenue Fund without spending. Whilst this is the correct method, it does not address the main issue at the Department of Education, i.e. a shortage of cash. Had this amount been appropriated, the budget would have increased and the issue of accruals would not have been dealt with.

The Department needed cash and not an increase in its budget baseline. Whilst this cash assisted the Department in clearing the accruals however without the amount being appropriated has resulted in over-spending of the baseline, as the BAS system recognises that this is in excess of what was appropriated. This method, although correct, would not have addressed the problem at hand, which was payment to service providers, who had waited for the cash, with some abandoning sites due to non-payment. Accruals have been reduced dramatically, but in the process this has created another problem, i.e. over-expenditure. Whilst the accruals are dealt with, the Department is now faced with another unauthorized expenditure for the 2012/13 financial year.

6.3 Transfer payments, excluding public entities

This section is not applicable to the Department.

6.4 Public Entities

| Name of Public Entity | Services Rendered by the public entity | Amount Transferred to the public Entity R'000 | Amount Spent by the public entity R'000 | Achievements of the public entity |
|---|---|---|---|--|
| Mpumalanga Regional Training Trust (MRTT) | The purpose of MRTT is to increase the skills base of the province, mainly on construction, manufacturing, hospitality and tourism. | 105 915 | 86 936 | <p>Hospitality and Tourism Academy The division provided training to 125 learners during the 2012/13 financial year.</p> <p>Technical Training Operation The division provided training to 1 080 learners in construction, manufacturing and engineering skills training at NQF Level 2, 3 and 4 for the 2012/13 financial year.</p> <p>CRDP The division managed to provided construction related trades to 618 learners during the period under review: <i>* Details on achievements are presented in Programme 5.</i></p> |
| Total | | 105 915 | 86 936 | |

6.5 Conditional grants and earmarked funds paid

None

6.6 Conditional grants and earmarked funds received

Education Infrastructure Grant

Compilation of the Infrastructure Programme Management Plan (IPMP) is a requirement with regard to implementation of public school infrastructure within the province. The preparation hereof of undertaken within the context of the strategic direction of the Department, the analysis of infrastructure needs and policy considerations as contained in the infrastructure plan and the MTEF budget allocation.

Considerable financial investment has been made on infrastructure; however this has not translated into material and tangible products. Poor workmanship remains a challenge in the main; communal responsibility regarding safeguarding school infrastructure has also been a challenge.

The Provincial Government has taken a decision to blacklist all companies that delivered unsatisfactory services in this regard; this is also a national stance that will go a long way to ensuring that quality standards are adhered to when putting up infrastructure of any kind. Through SGBs, communities are also sensitised on the need to safeguard school infrastructure.

| | |
|--|---|
| Department that transferred the grant | Department of Basic Education. |
| Purpose of the grant | Enhancement of school infrastructure. |
| Expected outputs of the grant | Provision of 12 ECD Centres in CRDP wards. Provision of 176 on new projects of which 70 are storm damaged. 2 boarding schools 1 special school in Bohlabela. Plan and design for the school for the deaf. Establishment of the Programme Management Unit (PMU) |
| Actual outputs achieved | Progress as at the end of March: 2 ECD centres completed. 58 Storm damaged schools completed. Progress at 1 Special School in Bohlabela is at 5%. Progress at Amsterdam Boarding School is at 55%. Progress at Emakhazeni Boarding School is at 5%. The Department appointed the PMU as at the end of March 2013. |
| Amount per amended DORA (R'000) | R530 711 |
| Amount received (R'000) | R530 711 |
| Reasons if amount as per DORA was not received | Not Applicable. |
| Amount spent by the Department (R'000) | R527 662 |
| Reasons for funds unspent by entity | Delayed start on projects. |
| Monitoring mechanism by the receiving Department | Monthly reports and site visits. |

NSNP Conditional Grant

The NSNP aims to enhance the educational experience of needy learners by providing a healthy meal at school. During its implementation, the NSNP has shown that it contributes to: improving learning capacity; promoting self-supporting school food gardens and other production initiatives; and promoting healthy lifestyles amongst learners. Since its inception, the programme has reached learners in primary schools only. In the 2009/10 financial year, the programme was extended to quintile 1 secondary schools; in the 2010/11 financial year, the programme was extended to quintile 2 secondary schools. All secondary schools ranked in quintile 3 started benefitting from the programme with effect from 1 April 2011.

The purpose of the NSNP Conditional Grant is to provide nutritious meals to targeted learners in primary and secondary schools ranked in quintiles 1 – 3. Minimum requirements for the grant are outlined in the Conditional Grant Framework, as follows:

- Provide nutritious meals on all school days to all learners in schools ranked in quintile 1 - 3 (primary and secondary) (as per gazetted national quintiles) as well as identified special schools.
- Cost per meal per learner is R2,46 in primary schools and R3,36 in secondary schools, inclusive of cooking fuel and the honorarium.
- The honorarium is at a minimum of R640 per person per month, in line with a food handler to learner ratio of 1:200 at secondary schools and 1:240 at primary schools.
- Comply with recommended food specifications.

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| Department that transferred the grant | Department of Basic Education. |
| Purpose of the grant | To provide quality and nutritious meals to all needy learners. |
| Expected outputs of the grant | To provide 835 444 learners in quintiles 1 to 3 in primary schools and secondary schools with nutritional meals for 196 days. |
| Actual outputs achieved | 845 815 learners in Q1-3 primary and secondary schools provided with nutritional meals for 196 school days. (See Programme 2 for more detail on actual outputs.) |
| Amount per amended DORA (R'000) | R506 561 |
| Amount received (R'000) | R506 561 |
| Reasons if amount as per DORA was not received | N/A |
| Amount spent by the Department (R'000) | R498 387 |
| Reasons for funds unspent by entity | Invoices not submitted on time for payment by service providers. |
| Monitoring mechanism by the receiving Department | Institutional arrangement for monitoring and evaluation established. |

EPWP Grant

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| Department that transferred the grant | EPWP SOCIAL SECTOR GRANT National Department of Public Works |
| Purpose of the grant | To pay incentives to unemployed child-minders and gardeners and improve their skill. |
| Expected outputs of the grant | To pay incentives to 400 child-minders and 250 gardeners from 1 April 2012 to 31 March 2013. |
| Actual outputs achieved | Paid incentives to 400 child-minders and 250 gardeners on a monthly basis from 1 April 2012 to 31 March 2013. |
| Amount per amended DORA (R'000) | R12 613 |
| Amount received (R'000) | R12 613 |
| Reasons if amount as per DORA was not received | None. |
| Amount spent by the Department (R'000) | R12 603 |
| Reasons for funds unspent by entity | None. |
| Monitoring mechanism by the receiving Department | Analysis of budget expenditure reports. |

Technical High School Grant

There are fifty-seven schools with 4 828 learners offering the four technical subjects, i.e.: Civil, Electrical and Mechanical Technology and Engineering Graphics and Design (EGD). The distribution of schools is skewed towards advantaged areas, with: Bohlabela having only two; Ehlanzeni having 10; Gert Sibande having 25 and Nkangala having 20. There are one-hundred-and-fifteen teachers in total teaching technical subjects in the province.

Recapitalization of technical schools commenced through a conditional grant in 2010 nationally. Fifteen of the fifty-seven schools in the province have been selected to participate in the recapitalization programme. They are spread as follows: Bohlabela - 2; Ehlanzeni - 2; Gert Sibande - 6 and Nkangala - 5.

The objectives of the recapitalization programme are the following:

- to improve conditions at technical schools and modernise them to meet the teaching requirements of learners in the technical fields by constructing or refurbishing workshops;
- supply equipment to do hands-on practical work; and
- increase the number of suitably qualified and technically skilled graduates from these schools.

Implementation of the grant is now in its second year. Challenges faced in the implementation are mainly due to difficulties in the meeting of deadlines in the infrastructure development projects with the Department of Public Works Roads and Transport (DPWRT) as well as the high costs of building that exceeds the allocated budget. To mitigate these challenges, the Department did planning with the DPWRT in 2012/13 for the 2013/14 financial year projects. The implementation in this grant is on track and the building of one new workshop and the refurbishment of three existing workshops has been completed at one of the two schools.

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| Department that transferred the grant | Department of Basic Education |
| Purpose of the grant | To recapitalize fifteen technical schools to improve their capacity to contribute to skills development and training in the country by: building workshops at technical schools to support the technical subject offerings; refurbishing or re-designing workshops at technical schools to comply with safety laws and regulations and to meet minimum industry standards; buying and installing new machinery and equipment consistent with the technical subjects that are offered at technical schools; training and up-skilling teachers at technical schools to acquire new trends, practical skills, and development in their technical subjects. |
| Expected outputs of the grant | <ul style="list-style-type: none"> • Building one new workshop and refurbishing three existing workshops at two schools. • Supply and install equipment at ten schools. • Train 120 technical school teachers. |
| Actual outputs achieved | <ul style="list-style-type: none"> • Building one new workshop and refurbishing three existing workshops completed in one of the two schools. • Equipment supplied installed in ten schools. • 56 (of 120) technical schools teachers trained. |
| Amount per amended DORA (R'000) | R25 678 |
| Amount received (R'000) | R25 678 |
| Reasons if amount as per DORA was not received | Not applicable. |
| Amount spent by the Department (R'000) | R21 980 |
| Reasons for funds unspent by entity | Non-completion of infrastructural work at the second school. |
| Monitoring mechanism by the receiving Department | <ul style="list-style-type: none"> • Monthly and quarterly report on financial and non-financial performance information. • Regular meetings with consultants and contractors. |

Dinaledi Schools

There are a total of 46 Dinaledi Schools in Mpumalanga with: 4 in Bohlabela; 14 in Ehlanzeni; 14 in Gert Sibande; and 14 in Nkangala. A conditional grant was allocated for recapitalization of the Dinaledi Schools over a period of three years.

Recapitalization of the Dinaledi Schools nationally commenced in 2011 and all 46 schools in the province are to participate in the recapitalization programme. The purpose of the grant is to:

- supply schools with Science laboratory equipment;
- supply schools with computers;
- capacitate Mathematics, Physical Sciences and English FAL teachers;
- capacitate principals of under-performing schools; and supply Mathematics, Physical Sciences and English FAL teaching and learning computer software to schools.

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| Department that transferred the grant | Department of Basic Education. |
| Purpose of the grant | To resource all 46 identified Dinaledi schools in order to increase the number of learners taking Maths and Science, and improve on the quality of passes |
| Expected outputs of the grant | <ul style="list-style-type: none"> • Training of all Maths, Science and English educators from the 46 Dinaledi schools. • Resourcing schools with science equipment and ICT resources. • 8 schools without laboratories will be supplied with science kits. And planning for the construction of science labs for these schools will be under way. |
| Actual outputs achieved | <ul style="list-style-type: none"> • Trained 76 Maths, Science and English educators from 46 Dinaledi schools; and a new cohort of 96 have been registered for the 2013 academic year. • Resourced the 45 Dinaledi schools with science equipment and ICT resources (i.e. computers, software, calculators, interactive boards, document scanners, viewers, data projectors, and desktop and laptop computers). • Science kits provided to all Dinaledi schools. Planning for construction of 8 schools without laboratories commenced. |
| Amount per amended DORA (R'000) | R9 802 |
| Amount received (R'000) | R9 802 |
| Reasons if amount as per DORA was not received | N/A |
| Amount spent by the Department (R'000) | R9 787 |
| Reasons for funds unspent by entity | The total amount budgeted for the grant was spent, i.e. of the R9 702 000, 100% was spent. An amount of R15 000 was not used from the R630 000 that was rolled over. There were outstanding invoices from a school that had not been submitted by the end of the financial year. |
| Monitoring mechanism by the receiving Department | <ul style="list-style-type: none"> • Progress report: monthly, quarterly and annual reports. • Monitoring, support and evaluation of the programme for effective implementation by provincial and national teams. |

Life Skills HIV and AIDS Education

The goal of the 2012/13 Conditional Grant Framework was not only to enhance awareness programmes offered by schools to prevent and mitigate the impact of HIV, but also to increase knowledge, skills and confidence amongst learners and educators to take self-appropriate sexual and reproductive health decisions.

The purpose of the 2012/13 Conditional Grant Framework is to support South Africa's HIV prevention strategy by increasing sexual and reproductive knowledge, skills and appropriate decision making amongst learners and educators. Furthermore, it is for use in mitigating the impact of HIV by providing a caring, supportive and enabling environment for learners and educators.

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|--|--|
| Department that transferred the grant | Department of Basic Education |
| Purpose of the grant | <ul style="list-style-type: none"> • To support South Africa's HIV Prevention Strategy by increasing sexual and reproductive health knowledge, skills and appropriate decision making among learners and educators. • To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators. • To ensure the provision of a safe, rights-based environment in schools that is free of discrimination, stigma and any form of sexual harassment / abuse. • To reduce the vulnerability of children to HIV, TB and STI infections, with a particular focus on orphaned and vulnerable children. |
| Expected outputs of the grant | <ul style="list-style-type: none"> • 4 400 Educators capacitated to implement the following programmes: • Integration of sexual and reproductive health, drug and substance abuse (SRH) into the curriculum. • Care and Support of Orphaned and Vulnerable Children. • 4 Coordinated Service Delivery Campaigns conducted. • 4200 Learners capacitated on combination prevention, co-curricular activities, care and support of Orphaned and Vulnerable Children. • Soul Buddyz Club established at 338 schools. |
| Actual outputs achieved | <ul style="list-style-type: none"> • 4 446 Educators capacitated on: the integration of Sexual and Reproductive Health (SRH) into the curriculum to increase knowledge and skills for learners to protect themselves; as well as on Care and Support of Orphaned and Vulnerable Children. • 4 Coordinated Service Delivery Campaigns (Leth'impilo) hosted in 3 districts (Bohlabela, Ehlanzeni and Gert Sibande). 10 742 Learners benefitted. • 4 212 Learners capacitated on combination prevention, co-curricular activities and Care and Support of Orphaned and Vulnerable Children. • 338 Primary Schools supported to establish Soul Buddyz Clubs, including hosting of the 3rd Soul Buddyz Congress, which 50 clubs attended and where they were awarded for outstanding performance. |
| Amount per amended DORA (R'000) | R17 896 |
| Amount received (R'000) | R17 896 |
| Reasons if amount as per DORA was not received | N/A |
| Amount spent by the Department (R'000) | R17 813 |
| Reasons for funds unspent by entity | <ul style="list-style-type: none"> • An amount of R83 000 was not paid - the service was rendered and the invoice submitted. • Roll over of funds applied for through the Provincial Treasury. |
| Monitoring mechanism by the receiving Department | <ul style="list-style-type: none"> • Progress report, monthly, quarterly and annual reports. • Monitoring, support and evaluation of the programme for effective implementation by the provincial and national teams. |

6.7 Donor Funds

No donor funds were received during the year under review.

6.8 Capital investment, maintenance and asset management plan

Progress made on implementing the capital, investment and asset management plan.

The investment on capital was R692 million and projects Implemented were 168 during 2012/13 financial year. The main challenge encountered was the storm that affected a number of schools. The Department in response to the challenges it had to stop already planned projects and substitute them with the storm damaged schools.

- 83 projects completed
- 79 projects on-going
- 04 on hold

Over and above this, 62 maintenance projects were completed in various districts.



LIST OF COMPLETED PROJECTS AS AT 31 MARCH 2013

TOTAL: 83

| No. | Tender No. | Project Name | Type | Education District | Local Municipality | Category | SCOPE | | Construction / Retention / Final Accounts | DURATION | | |
|---|-----------------|----------------|------|--------------------|--------------------|---|------------------------------|--|---|----------|-------------|------------|
| | | | | | | | Project Description | | | Start | Planned End | Actual End |
| 1. MUD SCHOOLS (UNSAFE) | | | | | | | | | | | | |
| 1 | PWRT/1288/10/MP | Pugishe | P | Bohlabela | Bushbuckridge | Mud and unsafe structures: conventional | Demolish and construct 3 Cr | | F | Jun-11 | Sep-11 | Apr-12 |
| 2 | PWRT/1344/10/MP | Langa | S | Bohlabela | Bushbuckridge | Mud and unsafe structures: conventional | Demolish and construct 15 Cr | | F | Jun-11 | Dec-11 | Jan-13 |
| 3 | PWRT/1427/10/MP | Enkundleni | P | Gert Sibande | Govan Mbeki | Mud and unsafe structures: conventional | Demolish and construct 3 Cr | | F | Sep-10 | Nov-10 | Jun-12 |
| 4 | PWRT/1432/10/MP | Kl Thwala | P | Gert Sibande | Govan Mbeki | Mud and unsafe structures: conventional | Demolish and construct 8 Cr | | F | May-12 | Dec-10 | Nov-12 |
| 2. MUD SCHOOLS (UNCONVENTIONAL TO CONVENTIONAL) | | | | | | | | | | | | |
| 1 | PWRT/1308/10/MP | Mhangana | S | Bohlabela | Bushbuckridge | Mud and unsafe structures: conventional | Demolish and construct 14 Cr | | F | Mar-11 | Aug-11 | Mar-13 |
| 2 | PWRT/1516/10/MP | Sizile/Delpark | P | Nkangala | Victor Khanye | Mud and unsafe structures: conventional | Demolish and construct 2 Cr | | R | Apr-11 | Jul-11 | Feb-13 |
| 3 | PWRT/1460/10/MP | Qhubulwazi | C | Gert Sibande | Pixley Ka Seme | Mud and unsafe structures: conventional | Demolish and construct 12 Cr | | F | Mar-11 | Sep-11 | Feb-13 |
| 4 | PWRT/1439/10/MP | Mlilo | C | Gert Sibande | Mkhondo | Mud and unsafe structures: conventional | Demolish and construct 12 Cr | | F | Oct-11 | Jun-12 | Oct-12 |
| 5 | PWRT/1507/10/MP | Mandlakababa | P | Nkangala | Dr JS Moroka | Mud and unsafe structures: conventional | Demolish and construct 2 Cr | | R | May-11 | Jul-11 | Feb-13 |
| 3. MUD SCHOOLS (UNCONVENTIONAL) | | | | | | | | | | | | |
| 1 | PWRT/690/10/MP | Ndedema | P | Nkangala | Dr JS Moroka | Mud and unsafe structures: conventional | Demolish and construct 15 Cr | | R | Oct-12 | Dec-12 | Mar-13 |
| 4. GRADE-R SCHOOLS | | | | | | | | | | | | |
| 1 | PWRT/1083/10/MP | Greenvalley | P | Gert Sibande | Bushbuckridge | Grade R | 1 Cr, 4 T, 1F | | F | Dec-10 | Jun-12 | Nov-12 |
| 2 | PWRT/1085/10/MP | Moniwa | P | Gert Sibande | Thembisile Hani | Grade R | 1 Cr, 4 T, 1F | | R | Jan-13 | Mar-13 | Mar-13 |
| 5. SUBSTITUTE SCHOOLS | | | | | | | | | | | | |
| 1 | PWRT/1639/10/MP | Lekholane | P | Nkangala | Dr JS Moroka | Substitute school | CC, Kit, Ad, 10 T, 15 C, F | | F | Jun-11 | | Mar-13 |

6. STORM DAMAGED SCHOOLS

| | | | | | | | | | | | |
|----|----------------|--------------|---|-----------|---------------|----------------------|--------------|---|--------|--------|--------|
| 1 | STO/0422/12/MP | Njani | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Aug-12 | Aug-12 |
| 2 | STO/0447/12/MP | Shalamuka | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Aug-12 | Aug-12 |
| 3 | STO/0454/12/MP | Glory Hill | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Jan-13 | Jan-13 |
| 4 | STO/046/12/MP | Madikinya | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 5 | STO/049/12/MP | Magwagwaza | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jul-12 | Nov-12 | Nov-12 |
| 6 | STO/0455/12/MP | Mugidi | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Dec-12 | Dec-12 |
| 7 | STO/0418/12/MP | Phaphama | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 8 | STO/0413/12/MP | Lekete | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jul-12 | Jul-12 |
| 9 | STO/0421/12/MP | Thwasani | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 10 | STO/044/12/MP | ML Nkuna | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 11 | STO/0414/12/MP | NP Mathabela | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jul-12 | Jul-12 |
| 12 | STO/045/12/MP | Timbavati | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 13 | STO/0412/12/MP | Madile | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Oct-12 | Oct-12 |
| 14 | STO/0429/12/MP | Ximoyi Khosa | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 15 | STO/0432/12/MP | Mogawane | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 16 | STO/0415/12/MP | LM Kganane | S | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Oct-12 | Oct-12 |
| 17 | STO/0417/12/MP | Makuke | S | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Oct-12 | Oct-12 |
| 18 | STO/0424/12/MP | NJ Mahlangu | S | Ehlanzeni | Nkomazi | Storm damaged school | Leaking roof | F | May-12 | Dec-12 | Dec-12 |
| 19 | STO/0419/12/MP | Rhindzani | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 20 | STO/0431/12/MP | Matikwane | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 21 | STO/0425/12/MP | Munyamani | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 22 | STO/0411/12/MP | Kgwadibaba | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 23 | STO/0444/12/MP | Nxalati | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Dec-12 | Dec-12 |
| 24 | STO/0453/12/MP | Mahashe | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Aug-12 | Nov-12 | Nov-12 |
| 25 | STO/0456/12/MP | Mdluli | S | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Dec-12 | Dec-12 |
| 26 | STO/0457/12/MP | Hlalakahle | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Oct-12 | Oct-12 |
| 27 | STO/0458/12/MP | Sibambayane | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jul-12 | Feb-13 | Feb-13 |
| 29 | STO/0449/12/MP | Sethlare | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Feb-13 | Feb-13 |

6. STORM DAMAGED SCHOOLS

| | | | | | | | | | | | |
|----|----------------|----------------|---|-----------------|---------------|----------------------|--------------|---|--------|--------|--------|
| 30 | STO/0464/12/MP | Mthembeni | S | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Jun-12 | Mar-13 | Mar-13 |
| 31 | STO/0410/12/MP | Paulos Ngobeni | P | Bohlabela | Bushbuckridge | Storm damaged school | Leaking roof | F | Oct-12 | Nov-12 | Nov-12 |
| 32 | STO/071/12/MP | Vulamasango | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Mar-13 | Mar-13 |
| 33 | STO/0457/12/MP | Nelspruit | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Oct-12 | Oct-12 |
| 34 | STO/0445/12/MP | Mlilo | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Oct-12 | Oct-12 |
| 35 | STO/0442/12/MP | Barberton | C | Ehlanzeni South | Umjindi | Storm damaged school | Leaking roof | F | Jul-12 | Feb-13 | Feb-13 |
| 36 | STO/0451/12/MP | Vulamehlo | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Mar-13 | Mar-13 |
| 37 | STO/0465/12/MP | Inkunzi | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Feb-13 | Feb-13 |
| 38 | STO/0426/12/MP | Mthimba | C | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 39 | STO/0462/12/MP | Mbazima | P | Ehlanzeni South | Nkomazi | Storm damaged school | Leaking roof | F | Jun-12 | May-12 | May-12 |
| 40 | STO/0421/12/MP | Ekhiyeni | P | Ehlanzeni South | Umjindi | Storm damaged school | Leaking roof | F | May-12 | Oct-12 | Oct-12 |
| 41 | STO/0435/12/MP | Phumalanga | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 42 | STO/048/12/MP | Khaliphani | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 43 | STO/0430/12/MP | Gujtwa | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 44 | STO/0434/12/MP | Sifundilela | P | Ehlanzeni South | Umjindi | Storm damaged school | Leaking roof | F | May-12 | Aug-12 | Aug-12 |
| 45 | STO/0431/12/MP | Umpopoli | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Mar-13 | Mar-13 |
| 46 | STO/0437/12/MP | Jabulani | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 47 | STO/0441/12/MP | Mgcobaneni | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 48 | STO/0420/12/MP | Celani | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 49 | STO/0463/12/MP | SS Ripinga | P | Ehlanzeni South | Nkomazi | Storm damaged school | Leaking roof | F | Jun-12 | Mar-13 | Mar-13 |
| 50 | STO/0450/12/MP | Nyalunga | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Mar-13 | Mar-13 |
| 51 | STO/0433/12/MP | Enkokokweni | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | May-12 | Jan-13 | Jan-13 |
| 52 | STO/0436/12/MP | Khanyisile | P | Ehlanzeni South | Umjindi | Storm damaged school | Leaking roof | F | May-12 | Nov-12 | Nov-12 |
| 53 | STO/0466/12/MP | Salubindza | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jun-12 | Feb-13 | Feb-13 |
| 54 | STO/0448/12/MP | Khutsalani | C | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Mar-13 | Mar-13 |
| 55 | STO/0460/12/MP | Bambanani | C | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Nov-12 | Nov-12 |
| 56 | STO/0446/12/MP | Vulindlela | P | Ehlanzeni South | Mbombela | Storm damaged school | Leaking roof | F | Jul-12 | Feb-13 | Feb-13 |
| 57 | STO/0443/12/MP | Glenthrope | P | Ehlanzeni South | Umjindi | Storm damaged school | Leaking roof | F | Jul-12 | Feb-13 | Feb-13 |

| 7. CURRENT PROGRAMME | | | | | | | | | |
|----------------------|-----------------|----------------|----|-----------------|---------------|-------------------|---|---|--------|
| 1 | PW/463/07/MP | Soshangana | S | Bohlabela | Bushbuckridge | Current programme | 7C, CC, R/R, Lib, Lab, 3HE, AD, SH, WS, E, 15C, 24T | F | Mar-13 |
| 2 | PW/495/07/MP | Ndabeni | P | Bohlabela | Bushbuckridge | Current programme | Construct AD and demolish existing AD | F | Feb-13 |
| 3 | PW/487/07/MP | Xanthia | S | Bohlabela | Bushbuckridge | Current programme | Construct 8 Crs and AD and demolish 8 existing Crs and AD | R | Jan-13 |
| 4 | PW/418/07/MP | Sidlemu | P | Ehlanzeni South | Nkomazi | Current programme | CC, Lib, R/R, Admin, Kit, Ad, Sh, 6C, 18T | R | Feb-13 |
| 5 | PW/493/07/MP | Mosipa | S | Bohlabela | Bushbuckridge | Current programme | Ad, 7C | F | Feb-13 |
| 8. TECHNICAL SCHOOLS | | | | | | | | | |
| 1 | PWRT/1752/10/MP | Elukhanyisweni | S | Nkangala | Emalahleni | Technical School | Construct technical workshop and refurbish 3 workshops | R | Mar-13 |
| 2 | PWRT/1680/10/MP | Lekete | H | Bohlabela | Bushbuckridge | Technical School | Construct technical workshop and refurbish workshops | F | Feb-13 |
| 3 | PWRT/1682/10/MP | Ramoshidi | H | Gert Sibande | Dr JS Moroka | Technical School | Construct technical workshop and refurbish workshops | F | Jan-13 |
| 9. SPECIAL SCHOOLS | | | | | | | | | |
| 1 | PWRT/704/10/MP | Pelonolo | SP | Nkangala | Dr JS Moroka | Special School | 4 Cr, Lib, Lab, Kit, Ad, Sh, 5 T | F | Oct-12 |
| 2 | PWRT/1979/12/MP | Mantjedi | SP | Nkangala | Dr. JS Moroka | Special School | 6 C, Kit, Ad, Sh, 10 T | F | Jun-12 |

| 10. MAINTENANCE SCHOOLS | | | | | | | | | |
|------------------------------|----------------------|------------------------|---|-------------|--------------------|--------------------------|---|---|----------------------------|
| 1 | PWRT/1733/11/MP | Mzimba | S | Bohlabela | Bushbuckridge | Maintenance school | Maintenance of Classrooms | F | Apr-10 Apr-11 Jul-12 |
| 11. SINGITA PROGRAMME | | | | | | | | | |
| 1 | MPM009 | Emfuleni | P | Bohlabela | Bushbuckridge | Singita Programme | Renovate Cr, AD, F, external work | R | Nov-12 Mar-13 Mar-13 |
| 2 | MPM006 | Moduping | P | Bohlabela | Bushbuckridge | Singita Programme | Renovate Cr, AD, F, external work | R | Jan-13 Feb-13 Feb-13 |
| 12. UPGRADES AND RENOVATIONS | | | | | | | | | |
| 1 | PWRT/MAIN/1001/12/MP | Rob Ferreira | H | Ehlanzeni | Mbombela | Upgrades and renovations | Construct of 4 Cr | R | Nov-12 Jan-13 Feb-13 |
| 13. DOE MAINTENANCE SCHOOLS | | | | | | | | | |
| 1 | Various | 62 Maintenance Schools | | All regions | All municipalities | Maintenance school | Maintenance of existing schools and offices | R | Apr-12 Mar-13 Mar-13 |

TOTAL: 79

LIST OF CARRIED OVER PROJECTS AS AT 31 MARCH 2013

| No. | Tender No. | Project Name | Type | Education District | Local Municipality | Category | SCOPE | | Construction / Retention / Final Accounts | Start | |
|---|------------------|--------------------------|------|--------------------|--------------------|---|--|--|---|--------|--------------------------|
| | | | | | | | Project Description | | | Start | End Practical Completion |
| 1. MUD SCHOOLS (UNSAFE) | | | | | | | | | | | |
| 1 | PWRT/1469A/10/MP | Kgantsho | P | Nkangala | Thembisile Hani | Mud schools (unsafe) | Construct 5 Cr | | C | Feb-13 | May-13 |
| 2 | PWRT/1472/10/MP | Siphumule | P | Nkangala | Thembisile Hani | Mud schools (unsafe) | Construct 1Cr | | C | Feb-13 | May-13 |
| 3 | PWRT/1477/10/MP | Sihlengiwe | P | Nkangala | Thembisile Hani | Mud schools (unsafe) | Construct 2Cr | | C | Feb-13 | May-13 |
| 4 | PWRT/1789/12/MP | Hlisanani | P | Nkangala | Thembisile Hani | Mud schools (unsafe) | CRDP substitution of unsafe structures, 2 Grade R and fence, 18 Cr, admin, R/R, Lib, CC, kitchen, Ch, 27 T, 3 SG, CP,F | | C | Oct-12 | Oct-13 |
| 5 | PWRT/1791/12/MP | Mzimhlophe | P | Nkangala | Thembisile Hani | Mud schools (unsafe) | CRDP demolish and construct 14 Cr, Admin Lab, Lib, CC, kitchen, electricity and fence, SH, R/R, renovation of ablution block | | C | Oct-12 | Oct-13 |
| 6 | PWRT/1785/12/MP | Mgcobaneni | P | Ehlanzeni | Mbombela | Mud schools (unsafe) | Construct 19Cr, Grade R, admin, lab, Lib, CC, kitchen, 28 T, 3S G, CP | | C | Feb-13 | Feb-14 |
| 7 | PWRT/1787/12/MP | Schulzendal | P | Ehlanzeni | Nkomazi | Mud schools (unsafe) | CRDP substitution of unsafe structures, Grade R and fence, 18 Cr, admin, R/R, Lib, CC, kitchen, Ch, 24 T, 3 SG, CP | | C | Mar-13 | Mar-14 |
| 2. MUD SCHOOLS (UNCONVENTIONAL TO CONVENTIONAL) | | | | | | | | | | | |
| 1 | PWRT/1489/10/MP | Alex Benjamin (Phase 1) | P | Nkangala | Steve Tshwete | Mud schools: (unconventional to convectional) | Demolish and construct 1 admin, CC, Sh, 18 T, Kitchen, F, E, W, 3 SG, CP | | C | Aug-12 | Apr-13 |
| 2 | PWRT/1489/10/MP | Alex Benjamin (Phase 2) | P | Nkangala | Steve Tshwete | Mud schools: (unconventional to convectional) | Construct 12 Cr, admin, lab, lib, CC, Sh, 18 T, kitchen, F, E, W, 3 SG, CP | | C | Mar-13 | Oct-13 |
| 3 | PWRT/1468/10/MP | Arnot Colliery (Phase 2) | P | Nkangala | Steve Tshwete | Mud schools: (unconventional to convectional) | Construct 9 Cr | | C | Mar-13 | Aug-13 |
| 4 | PWRT/1499/10/MP | Ilanga (Phase 1) | S | Nkangala | Emalaheni | Mud schools: (unconventional to convectional) | Construct 19 Cr, admin, lib, lab, CC, SH, kitchen, 28 T, 3 SG, CP, in partnership with Eskom | | C | Oct-12 | Jun-13 |

| 2. MUD SCHOOLS (UNCONVENTIONAL TO CONVENTIONAL) | | | | | | | | | | |
|---|-----------------|------------------|---|--------------|-----------------|--|---|---|--------|--------|
| 5 | PWRT/1499/10/MP | Ilanga (Phase 2) | S | Nkangala | Emalahleni | Mud schools: (unconventional to convectional) | Construct 19 Cr, admin, lib, lab, CC, SH kitchen, 28 T, 3 SG, CP, in partnership with Eskom | C | Feb-13 | Oct-13 |
| 6 | MP800003699 | Lungelo | C | Nkangala | Emalahleni | Mud schools: (unconventional to convectional) | 5 CL, kitchen, 3 toilets | C | Feb-13 | Jul-13 |
| 7 | MP800002931 | Berbice | P | Nkangala | Emalahleni | Mud schools: (unconventional to convectional) | 5 CL, kitchen, 3 toilets | C | Mar-13 | Jul-13 |
| 8 | MP800002932 | Kwashuku | S | Nkangala | Emalahleni | Mud schools: (unconventional to convectional) | 5 CL, kitchen, 3 toilets | C | Mar-13 | Jul-13 |
| 9 | PW/1414/10/MP | Holdesheim | P | Gert Sibande | Mkhondo | Mud schools: (unconventional to convectional) | Demolish and construct 3Cr | C | Jan-13 | Apr-13 |
| 10 | PWRT/1455/10/MP | Amersfoort | P | Gert Sibande | Pixley Ka Seme | Mud schools: (unconventional to convectional) | Construct 6 Cr, 10 T, W, F, E | C | Nov-12 | Jun-13 |
| 3. MUD UNSAFE STRUCTURE (UNCONVENTIONAL) | | | | | | | | | | |
| 1 | PWRT/1480/10/MP | Jabulani | P | Nkangala | Thembisile Hani | Mud unsafe structures: unconventional | Demolish and construct 12 Cr | C | Mar-13 | Jun-13 |
| 2 | PWRT/690/10/MP | Buhlebemfundo | P | Nkangala | Thembisile Hani | Mud unsafe structures: unconventional | Demolish and construct 12 Cr | C | Nov-10 | Jun-13 |
| 3 | PWRT/1466/10/MP | Tjidelani | P | Nkangala | Thembisile Hani | Mud and unsafe structures: unconventional | Demolish and construct 20 Cr | C | Oct-12 | Apr-13 |
| 4. GRADE-R SCHOOLS | | | | | | | | | | |
| 1 | PWRT/1999/12/MP | Kabete | P | Nkangala | Dr JS Moroka | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 2 | PWRT/2002/12/MP | Kwakwari | P | Nkangala | Thembisile Hani | Grade R | 1 Cr, 4 T, 1 F | C | Feb-13 | Jun-13 |
| 3 | PWRT/2000/12/MP | Khuthalani | P | Nkangala | Thembisile Hani | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 4 | PWRT/2003/12/MP | Mzinti | P | Ehlanzeni | Nkomazi | Grade R | 1 Cr, 4 T, 1 F | C | Feb-13 | Jun-13 |
| 5 | PWRT/1993/12/MP | Ekuphileni | C | Gert Sibande | Mkhondo | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 6 | PWRT/1995/12/MP | Imizamoyethu | P | Gert Sibande | Mkhondo | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 7 | PWRT/1994/12/MP | Harmony Park | C | Gert Sibande | Mkhondo | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 8 | PWRT/1997/12/MP | Qalani | P | Gert Sibande | Mkhondo | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |
| 9 | PWRT/1998/12/MP | Qhubekani | P | Gert Sibande | Mkhondo | Grade R | 1 Cr, 4 T, 1 F | C | Jan-13 | Jun-13 |

| 5. SUBSTITUTE SCHOOLS | | | | | | | | | | |
|--------------------------|---------------------|------------------|---|-----------------|-----------------|----------------------|--|---|--------|---------|
| 1 | PWRT/1782/11/MP | Mandlivese | P | Ehlanzeni | Mbombela | Substitute school | 20 Cr, 1 CC, lib, lab, kit, 1 R/R, admin, 20 T, 1 WS | R | Oct-11 | Apr-13 |
| 2 | PWRT/1741/12/MP | Seabe | H | Nkangala | Dr JS Moroka | Substitute school | 10 Cr, 1 CC, Lib, lab, CC, CH, Kit, 28 T,3 SG,CP | C | Feb-13 | Feb-14 |
| 3 | PWRT/1781/12/MP | Frank Maghinyana | P | Bohlabela | Bushbuckridge | Substitute school | 10 Cr, 1 CC, 1 Lib, lab, CC, CH, kit, 28 T, 3 SG, CP | C | Feb-13 | Feb-14 |
| 4 | PWRT/1983/12/MP | Samuel Mhlanga | P | Bohlabela | Bushbuckridge | Substitute school | 18 Cr, 2 Grade R, admin, kit, 28 T, F, EW, GH | C | Feb-13 | Mar-14 |
| 6. STORM DAMAGED SCHOOLS | | | | | | | | | | |
| 1 | STO047/12/MP | Bhekimfundo | P | Nkangala | Thembisile Hani | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 2 | PWRT/MAIN1014/13/MP | Landulwazi | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 3 | PWRT/MAIN1013/13/MP | Esithembisweni | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 4 | PWRT/MAIN1011/13/MP | Bhekokuhle | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 5 | PWRT/MAIN1012/13/MP | Ekuphakameni | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 6 | PWRT/MAIN1017/13/MP | CJ Nkosi | S | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | May-13 |
| 7 | PWRT/MAIN1019/13/MP | Ntabanhle | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | May-13 |
| 8 | PWRT/MAIN1016/13/MP | Chief SW Nhlapho | S | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | May-13 |
| 9 | PWRT/MAIN1015/13/MP | Vulingcodvo | P | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 10 | PWRT/MAIN1018/13/MP | Mbalenhle | S | Gert Sibande | Albert Luthuli | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 11 | PWRT/MAIN1020/13/MP | Sijabule | P | Nkangala | Dr JS Moroka | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 12 | PWRT/MAIN1022/13/MP | Mabhoko | P | Nkangala | Dr JS Moroka | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 13 | PWRT/MAIN1021/13/MP | Vumazonke | P | Nkangala | Dr JS Moroka | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 14 | PWRT/MAIN1010/13/MP | Siyifunile | S | Nkangala | Emakhazeni | Storm damaged school | Leaking roof | C | Mar-13 | Jun-13 |
| 15 | STO/0427/12/MP | Khulamlambo | P | Ehlanzeni South | Nkomazi | Storm damaged school | Leaking roof | R | May-12 | Sept-13 |

| 7. CURRENT PROGRAMME | | | | | | | | |
|---------------------------|-----------------|----------------------------|----|--------------|--------------------|------------------------|---|---|
| 1 | SAK/057A/07/MP | Khangela/MM Motloung | P | Nkangala | Victor Khanye | Current programme | Admin | C |
| 2 | PW/462A/07/MP | Shobiyana | S | Bohlabela | Bushbuckridge | Current programme | 12 Cr, CC, R/R, lib, lab, HE, AD, SH, WS, E, 16 C, 16 T | C |
| 3 | PW/472A/07/MP | Gedlembane | S | Ehlanzeni | Nkomazi | Current programme | 8 Cr, CC, R/R, lib, lab, 3 HE, AD, SH, WS, E, 20 C, 10 T | C |
| 4 | PW/484/07/MP | Methula | S | Gert Sibande | Goven Mbeki | Current programme | 7 C, CC, lib, lab, AD, SH, 17 T, F | C |
| 5 | PW/419/07/MP | Mayflower | S | Gert Sibande | Albert Luthuli | Current programme | CC, lib, lab, R/R, AD, 18 C | C |
| 6 | PW/484/07/MP | Ikhethelo | S | Gert Sibande | Govan Mbeki | Current programme | CC, lib, lab, admin, SH, 17 T, E, F, 7 Cr | R |
| 8. INTERVENTION PROGRAMME | | | | | | | | |
| 1 | PWRT/1817/11/MP | Injabulo | C | Gert Sibande | Mkhondo | Intervention Programme | 9 Cr, CC, Grade R, Lib, Kit, R/R, 3 SG, CP, AD, SH, 16 T, W, E, F | R |
| 9. NEW SCHOOLS | | | | | | | | |
| 1 | PWRT/1780/12/MP | New Coronation/ Klarinet | | Nkangala | Emalaheni | New school | 28 Cr, ad, lab, lib, CC, Sh, 40 T, F, E, W, kit, R/R, 3 SG, CP | C |
| 2 | PWRT/1728/11/MP | Ubuhe (CRDP) | S | Gert Sibande | Mkhondo | New school | 28 Cr, ad, lab, lib, CC, Sh, 40 T, F, E, W, kit, R/R, 3 SG, CP | C |
| 3 | PWRT/1439/10/MP | Nederland Park (Wesselson) | S | Gert Sibande | Msukaligwa | New school | 28 Cr, ad, lab, lib, CC, Sh, 40 T, F, E, W, kit, R/R, 3 SG, CP | C |
| 10. DOE SPECIAL PROJECTS | | | | | | | | |
| 1 | DoE 1 | Abacus | | All Regions | All municipalities | DoE Special Projects | Supply of mobile classes | C |
| 2 | DoE 2 | EFMS | | All Regions | All municipalities | DoE Special Projects | Roll out of education facilities management system | C |
| 3 | DoE 3 | PMU | | All Regions | All municipalities | DoE Special Projects | Project Management Unit | C |
| 4 | DoE 4 | Acorns to Oaks | SP | Bohlabela | Bushbuckridge | DoE Special Projects | 18 Cr, ad, lab, media centre, CC, SH, E, F, W, 5T | C |
| 5 | DoE 5 | Ramantsho | SP | Nkangala | Dr JS Moroka | DoE Special Projects | 2 Cr, ad | C |

| 11. SPECIAL SCHOOLS | | | | | | | | | | |
|----------------------------------|--------------------------|------------------|----|--------------|-----------------|-------------------------------|---|---|--------|--------|
| 1 | PWRT/1979/12/MP | Wolvenkop | SS | Nkangala | Thembisile Hani | Special School | 6 Cr, 4 workshops | C | Feb-13 | Oct-13 |
| 2 | PWRT/1977/12/MP | Thanduxolo | SS | Nkangala | Emalaheni | Special School | 10 Cr, ad, 4 w/s, 2 garages, 2 SG | C | Feb-13 | Feb-14 |
| 3 | PWRT/1978/12/MP | Tsakane | SS | Bohlabela | Bushbuckridge | Special School | 10 CRS, MD, ad, hall, 4 workshops, 2 SG, W, E&F | C | Feb-13 | Feb-14 |
| 12. BOARDING SCHOOLS | | | | | | | | | | |
| 1 | 031/GS/C/2012-13/ EIG | Amsterdam | BS | Gert Sibande | Mkhondo | Boarding school | Construct comprehensive boarding school | C | Oct-12 | Nov-13 |
| 2 | 031/GS/C/2012-13/ EIG | Emakhazeni | BS | Nkangala | Emakhazeni | Boarding school | Construct comprehensive boarding school | C | Dec-12 | Mar-14 |
| 13. SINGITA PROGRAMME | | | | | | | | | | |
| 1 | DPWRT/074/12/MP | Dumphries | S | Bohlabela | Bushbuckridge | Singita Programme | Completion of ad, kit, T | C | Mar-13 | Aug-13 |
| 2 | PWRT/080/12/MP | Mzilikazi | P | Bohlabela | Bushbuckridge | Singita Programme | Completion of ad, kit, T | C | Mar-13 | Jul-13 |
| 3 | PWRT/1025/13/MP | Shatleng | P | Bohlabela | Bushbuckridge | Singita Programme | Completion of ad, kit, T, Cr | R | Mar-13 | Nov-13 |
| 14. REFUBISHMENT AND RENOVATIONS | | | | | | | | | | |
| 1 | PWRT/1757/11/MP | Masizakhe | P | Gert Sibande | Msukaligwa | ATG | Renovate 18 Cr, 8 T, water and sewer, E | C | Mar-13 | Sep-13 |
| 2 | PWRT/073/12/MP | Malapolama | P | Nkangala | Dr JS Moroka | Refurbishment and renovations | Renovate 39 CC, 40 T, ad, E | C | Mar-13 | Jul-13 |
| 3 | PWRT/2028/12/MP | Mareleng Phase 1 | S | Nkangala | Dr JS Moroka | Refurbishment and renovations | Alteration to existing 12 Cr, 6T | C | Mar-13 | Jul-13 |
| 15. ENVIROLOO SANITATION STYSTEM | | | | | | | | | | |
| 1 | SAK/005/12/MP | Rhandzekile | P | Bohlabela | Bushbuckridge | Enviroloo sanitation | Construct 18 T | C | Nov-12 | May-13 |
| 2 | SAK/001/12/MP | Maakere | S | Bohlabela | Bushbuckridge | Enviroloo sanitation | Construct 14 T | C | Nov-12 | May-13 |
| 3 | SAK/004/12/MP | Nembe Nhlana | P | Bohlabela | Bushbuckridge | Enviroloo sanitation | Construct 14 T | C | Nov-12 | May-13 |
| 4 | SAK/002/12/MP | Mahubahuba | P | Bohlabela | Bushbuckridge | Enviroloo sanitation | Construct 14 T | C | Nov-12 | May-13 |
| 5 | SAK/003/12/MP | Matikwana | P | Bohlabela | Bushbuckridge | Enviroloo sanitation | Construct 16 T | C | Nov-12 | May-13 |

Plans to close down or down-grade any current facilities

The Department plans to close schools with a small enrolment and accommodate the learners in Boarding Schools. Completion of the construction of the Amsterdam and Emakhazeni Boarding Schools will lead to the closure of 45 (forty-five) schools due to low enrolment. 32 (thirty-two) of the schools are in the Nkangala District and 13 (thirteen) are in the Gert Sibande District. The names of the affected schools in the Nkangala District are: Arbor, Argent, Bambisana, Dieplaagte, Dumezweni, Fundisisa, Manyazela, Okhela, Sizwile, Umthombo Wolwazi, Swartklip, Bankfontein, Mkhulu, Houtenbek, Poolzee, Uitkyk, Eilandslaagte, Ongesiens, Ukuzwana, Denjan, Mogalitwa, Amandla, Springvalley, Kwanala, Beestepan, Ipani, Evergreen, Omnia, Ubhaqa, Bosmanspruit, Bosmanspan and Hammelfontein. In the Gert Sibande District, the affected schools are: Bankop, Broadholm, Geduld, Idalia, Lithole, Ngwempisi, Nongena, Riverbend, Samlee, St Andrews, Thokomala, Westoe and Zandspruit. The Department will consult with all stakeholders before the official closure of the identified schools via gazetting for public comments and submissions.

Progress made on the maintenance of infrastructure

Schools in the province are allocated funds to cater for day-to-day maintenance of buildings. The amount does not always seem to be adequate, as the buildings were neglected for a long period of time. Planned and routine maintenance of buildings in the province still remains a challenge, as the majority of schools are not maintained. The focus was on eradication of mud and unsafe structures as well as reduction of over-crowding in schools. Over and above this, the exact backlog was unknown until an assessment of the condition of schools was undertaken. A backlog strategy was developed and the maintenance of school buildings forms part of it. It will assist with planning the maintenance of buildings as well as inform the time it will take to bring the buildings up to safety standards.

Developments relating to the above that are expected to impact on the Department's current expenditure.

The bulk of the budget for infrastructure provisioning is currently directed towards the provision of new facilities to mitigate over-crowding in the schools by constructing new schools. The Department's current expenditure will therefore be affected when the backlog strategy is implemented, as the bulk of the budget will now have to shift to maintenance in order to curb further dilapidation of existing facilities. Fewer new facilities may be constructed as the existing facilities are maintained.

ASSET MANAGEMENT PLAN

Immovable assets

The Department transferred all immovable assets to the Department of Public Works, Roads and Transport, amounting to R209.8 million. Payment for immovable assets has been disclosed under construction as work in progress in the Annual Financial Statements.

Movable assets

Procurement of assets is decentralised to the Districts and each District purchases its own assets and captures these on the Logistical Information System (LOGIS). The following measures were taken to ensure an asset register that is complete and credible in order to ensure an effective, efficient and accurate reconciliation of information:

- Annual stock-take was done by the Department, as prescribed by Treasury Regulations.
- Signing of inventories by responsible officials.

The Department performed monthly reconciliations of the purchase of assets on Logistical Information System and Basic Accounting System.

The asset register containing all the information required by Treasury Regulations was maintained.

Infrastructure projects that have been completed in the current year and the progress in comparison to what was planned at the beginning of the year.

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.

The Department has identified assets for disposal that are redundant, inefficient and not economically repairable. The assets have been taken to the Department of Public works, Roads and Transport for actuation and disposal.

The Department lost four computers due to theft during the financial year.

Measures taken to ensure that the Department's asset register remained up-to-date during the period under review:

The asset register for the Department was updated and all assets are bar-coded and correctly allocated to the relevant inventory holders. Inventory lists were provided for all officials to acknowledge the existence of verified assets.

The current state of the Department's movable assets is as follows:

| Condition | Number of Assets | Percentage |
|---------------|------------------|------------|
| Good | 14 425 | 28% |
| Normal (fair) | 32 697 | 65% |
| Bad | 1 739 | 3% |
| Scrap | 1 802 | 4% |

The breakdown of assets is as follows:

| Asset classification | Number of Assets |
|----------------------|------------------|
| Major assets | 6 138 |
| Minor assets | 44 507 |
| Total | 50 645 |

Major maintenance projects undertaken during the period under review

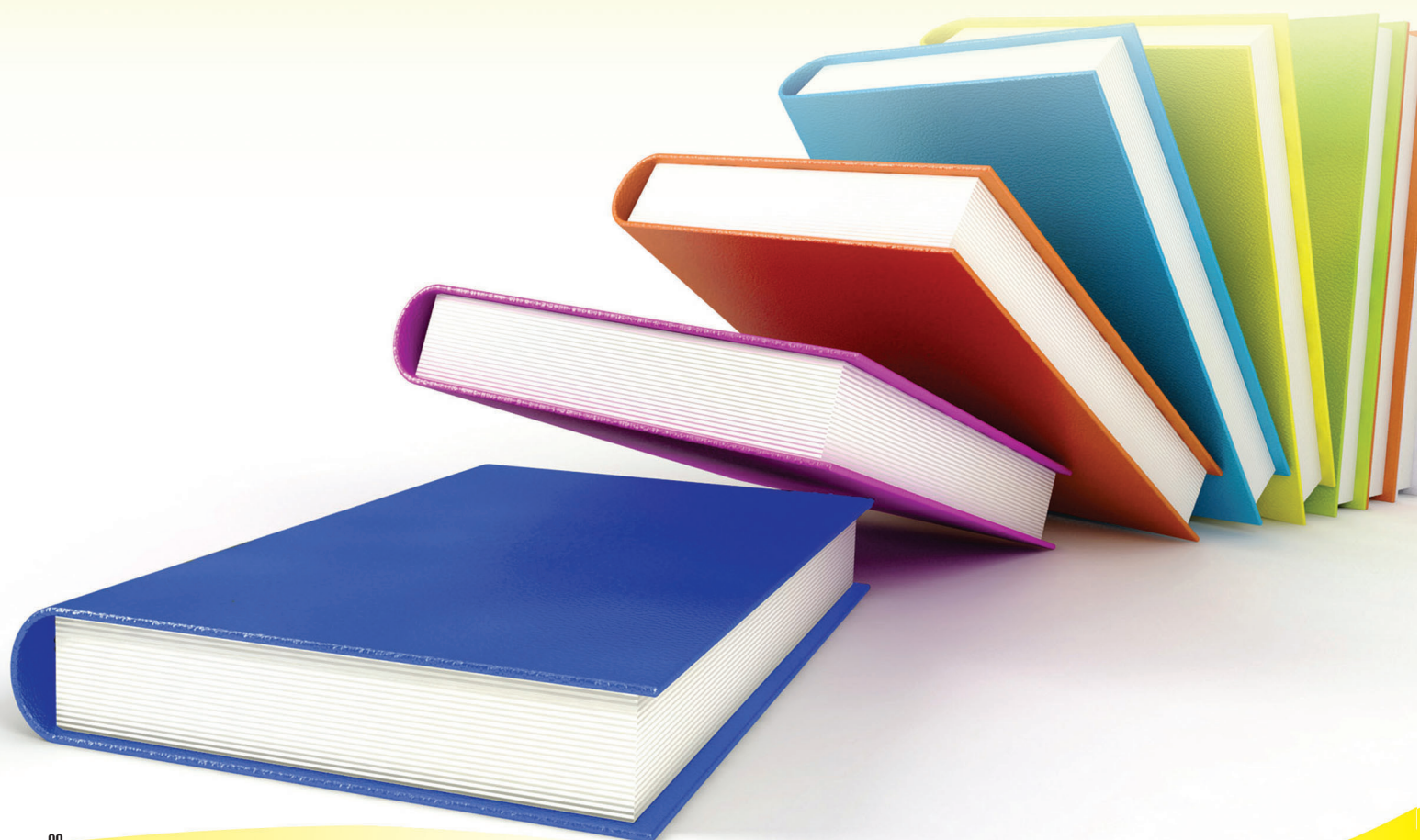
Of 76 [seventy-six] schools that were storm damaged: 58 [fifty-eight] were repaired; 14 [fourteen] are on-going; and 4 [four] are on hold. This, however, only addresses the reactive maintenance, in the main. In addition to the storm damaged schools, the Department maintained 62 schools throughout the districts.

Progress made in addressing the maintenance backlog during the period under review

Little progress was made to address the maintenance backlog due to limited funding that is available for the provision of infrastructure. The current allocation does not sustain the need for new construction and maintenance. The backlog has grown, as the newly built facilities have not been maintained since construction, thus adding to the other facilities that have not been maintained at all. Progress is therefore not according to expectations, as the maintenance backlog was an unknown phenomenon. Deliberate measures to decrease the construction of new facilities and increase the number of facilities that need to be maintained should be taken.

| Infrastructure Projects | 2012/2013 | | | 2011/2012 | | |
|--|---------------------------|--------------------------|--------------------------------|---------------------------|--------------------------|--------------------------------|
| | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 | Final Appropriation R'000 | Actual Expenditure R'000 | (Over)/Under Expenditure R'000 |
| New and replacement assets | 265 948 | 237 061 | 28 887 | 240 967 | 266 380 | (25 413) |
| Existing infrastructure assets | 419 946 | 437 659 | (17 713) | 449 831 | 432 757 | 17 074 |
| Upgrades and additions | 164 005 | 275 787 | (11 782) | 141 729 | 212 765 | (71 036) |
| Rehabilitation, renovation and refurbishment | 175 388 | 104 419 | 70 969 | 281 787 | 149 318 | 132 469 |
| Maintenance and repairs | 80 553 | 57 453 | 23 100 | 26 315 | 70 674 | (44 359) |
| Infrastructure transfer | | | | | | |
| Current | 80 553 | 57 453 | 23 100 | 26 315 | 70 674 | (44 359) |
| Capital | 605 341 | 617 267 | (11 926) | 664 483 | 628 463 | 36 020 |
| Total | 685 894 | 674 720 | 11 174 | 690 798 | 699 137 | (8 339) |





PART C

Governance



1. INTRODUCTION

The Department's service delivery programmes and initiatives are underpinned by the principles of good governance that are fundamental to optimal utilization and management of public finances and resources to enhance education delivery in the province. The executive and senior management are committed to monitoring and evaluating the implementation of risk management strategies on a regular basis through a risk management committee. The Department has an internal audit unit that is independent and functionally reports to an audit committee. The Department believes in ethical conduct of employees and service providers and has adopted a zero tolerance approach to fraud and maladministration. The Department has developed a fraud prevention and response plan to mitigate the risk of fraud.

2. RISK MANAGEMENT

Effective management of risk is essential to achieve the Department's goals and objectives. Risk management remained an integral part of the operation of the Department during the year under review. The Department has adopted an enterprise-wide approach to risk management, which means that each key risk in each business unit of the Department is included in a structured framework and systematic process of risk management. Risk assessment reviews were conducted to specifically address strategic, operational, human resource, information, communication, technology and financial risks.

Key risk management initiatives undertaken during the year included:

- Identification of the Department's key risks and commencement of a structured risk management process for a number of management areas.
- Continuation of the implementation of the risks identification during the implementation of the operational plan for the Department.
- Assisted with the investigation into internal examination during year.
- General advisory services to raise risk awareness throughout the Department.
- Served at all scheduled meetings of the Examine Management Advisory Forum .

In addition, a facilitated process of embedding risk management into the day-to-day activities and management processes within the Department were followed. This includes the following activities:

- Conducting annual strategic risk assessment reviews.
- Conducting operational risk assessment or re-evaluating key risks for all business units at least annually.
- Regular review and update of risk registers and programmes on management action intended to minimize or reduce the identified risk.
- Development of contingency plans for high risks.
- Early identification of emerging risks and a possible reduction process.
- Monitor and report on key risks affecting the Department.
- The identified risks were reported to the Risk Committee and the Audit Committee.

3. FRAUD AND CORRUPTION

The Department has approved and adopted a fraud prevention strategy. The plan was compiled during the year in line with the requirements of the Public Finance Management Act (PFMA) and the Treasury Regulations (TR). The main objectives of the plan include:

- Developing a culture of ethical behaviour and instilling zero tolerance to fraud and corruption.
- Sending a clear message to all employees and members of the public who interact with the Department that it is committed to fighting fraud and corruption.
- Improving accountability, efficiency and effective administration within the Department and dealing decisively with acts of fraud and corruption.
- Improving the application of system policies, procedures and regulations.
- Encouraging all employees and other stakeholders to strive towards the detection and prevention of fraud and corruption impacting on or having the potential to impact on the Department.

An ethics assessment was conducted within the Department to assess the attitudes of employees regarding ethical behaviour and understanding the standards required. Several workshops were conducted by Labour Relations and HRD on the Code of Conduct to emphasise the importance of conduct displayed at the workplace in various situations.

There are various ways in which Departmental officials and members of the public report suspected fraud and corruption activities, for example: Presidential hotline, Provincial hotline, anonymous emails and letters, the PSC, etc. The Department forwards these allegations to the Internal Audit unit, the Integrity Management unit in the Office of the Premier and the Auditor-General for investigation. Once received, recommendations from these offices are implemented by the Department and progress reports are discussed at Audit Committee meetings.

4. MINIMISING CONFLICT OF INTEREST

The Department of Public Service and Administration (DPSA) requires all senior managers (Directors and above) to disclose their financial interest annually and all other levels are required to apply for permission to do remunerative work over and above their normal work. All senior managers disclosed their financial interest for the 2012/13 financial year by 30 April 2012.

In addition, the Department requires disclosure of interest by bid committee members prior to all evaluation and adjudication of bids. All members of the bid committees declared their interests during the meetings. The members of short listing and interviewing panels for appointment of employees also declared their interests during the financial year. Similarly, all employees are required to seek the permission of the Executing Authority for additional remunerative work and no such approval was granted by the Honourable MEC during the financial year under review. 88 officials were charged with misconduct for being directors of companies doing business with government. Payments were not effected to companies with government officials as directors until settlement agreements were signed between the service providers and the Department. Where companies were found to have government officials as directors, these have been submitted to Provincial Treasury for restriction on the National Treasury register and the Department is also trying to recoup amounts paid to the Provincial Revenue Fund utilising the State Attorneys.

5. CODE OF CONDUCT

The Code of Conduct is the set of principles and behavioural rules that employees, supervisors and subordinates within the public service are required to observe in their daily operations. In terms of section 195(1)(a) of the Constitution, we are obliged to maintain and promote a high standard of professional ethics in public administration. Furthermore, public service requires us to maintain the values and principles that, inter alia, include: democratic values, promoting efficient administration, development oriented administration and accountability.

The Code of Professional Ethics, as promulgated under the South African Council of Educators (SACE) Act 31 of 2000, emphasizes the professional behaviour expected from teachers. It is important to emphasise that although the primary purpose of the Code is a positive one, an employee shall be guilty of misconduct when there is violation of the Code of Conduct. The employer will subject the employee to disciplinary procedures with adherence to both principles of substantive and procedural fairness. Contrary to what is expected of employees i.t.o. observance of the Code of Conduct for Public Servants and the Code of Professional Ethics for educators, we have witnessed a breach of the Code, with officials and educators not adhering to the guidelines and rules on the expected standard of behaviour.

The result of the breach has seen 276 employees being subjected to disciplinary procedures and 12 have been placed on precautionary suspension pending finalization of the investigation. 88 employees found to be doing business with the employer without permission were charged with violation of the provisions of Section 30 of the Public Service Act and sanctions ranged from final written warnings, to fines and suspension without pay.

To curb non-adherence and non-compliance to the codes, training was conducted for public servants in the offices and also at school level. This will be intensified and consolidated going forward.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Safety, Health, Environment, Risk and Quality (SHERQ) is one of the pillars implemented by EHWP. Hazards identification and risk assessment (HIRA) entails the process of evaluating hazards for the purpose of eliminating or controlling them. The process is guided by the Occupational Health and Safety Act No 85 of 1993.

The Department has concluded the SHERQ policy on safety, which takes into account the occupational well-being of employees in as far as the following are concerned:

- Hygiene issues: The Department has made strides in making sure that this factor is carefully looked after. That is why sanitation issues are of satisfactory standard.
- Wellness through sport: The Department organises wellness days, which test the mental and physical fitness of employees through minor exercise and engaging in different sporting codes. This extends to participating in inter-provincial sport events for selected employees.
- Ergonomic issues: The overall working environment of employees provides satisfactory productivity due to the availability of basic working tools.
- Health issues: The Department coordinates health awareness campaigns and health screening sessions in collaboration with sister Departments and social partners.

However, the Department does experience challenges with regard to the following:

- Occasional water shortages are experienced, resulting in employees not being comfortable staying at work for a full eight hours. These situations are normally reported and quickly resolved.
- The Department has fully signaged its head office, but has not done so effectively at its other offices.
- Air-conditioners are centrally controlled, resulting in uncomfortable temperatures for some employees.
- Continuous usage of the same area by employees results in it requiring special cleaning procedures. The Department sometimes organises office cleaning campaigns with the participation of all employees.

7. INTERNAL CONTROL

The Department has no specific unit dedicated to dealing with internal controls, however we have established key controls and measures that focus on critical areas identified by line management, facilitated by risk management and assessed and evaluated by the Internal Auditors. These include approved organizational structures, delegation of authority, quality assurance, and policies and procedures.

These controls are designed to provide cost effective assurance that the Department's assets are safeguarded and that resources are efficiently managed. Regular internal audits are conducted to identify and control weaknesses in the system timeously. Material control weaknesses are reported to appropriate senior management for correction and to the Audit Committee.

After the receipt of the 2011/12 Auditor-General's report, the Department developed an action plan to resolve and implement the recommendations to improve on its internal controls. Implementation of the action plan was monitored by the Audit Steering Committee (established by the Accounting Officer) as well as by the Audit Committee. It has been agreed that implementation of the action plan will start as early as May 2013, as the Department responds to informal audit queries, so that the impact can be felt in the financial year, rather than awaiting the final audit report for implementation in August of each year.

8. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2013.

Audit Committee Members and Attendance

The Audit Committee was appointed pursuant to section 77 of the Public Finance Management Act (PFMA) (No.1 of 1999 as amended by Act 29 of 1999). The Audit Committee is independent of management in the execution of its duties. The approved terms of reference require the Audit Committee to meet at least quarterly (i.e. four (4) times a year). During the year under review the Audit Committee held four (4) scheduled and three (3) special meetings.

Members and their attendance were as follows:

| MEMBER | ORDINARY MEETINGS | SPECIAL MEETINGS | TOTAL |
|--|-------------------|------------------|-------|
| Mr JBM Sibanyoni (Chairperson) (re-appointed 1 September 2012) | 4 | 3 | 7 |
| Dr H Jooste (re-appointed 1 September 2012) | 3 | 2 | 5 |
| Mr TT Ntuli (re-appointed 1 September 2012) | 2 | 2 | 4 |
| Mr AC Keyser (re-appointed 1 September 2012) | 3 | 1 | 4 |
| Ms IT Ranape (appointed 1 November 2012) | 2 | 1 | 3 |
| Ms GA Deiner (appointed 1 November 2012) | 2 | 1 | 3 |

Audit Committee Responsibility

The Audit Committee reports that it has complied with section 38(1) (a) of the PFMA and its responsibilities as prescribed by Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter, and has discharged all its responsibilities as contained therein.

The Effectiveness of internal control

The PFMA and the King III Report on Corporate Governance require internal audit to provide the Audit Committee and management with reasonable assurance that the internal controls are appropriate and effective.

The Audit Committee has observed that significant control weaknesses continued to be reported through the various reports of the different independent assurance providers. Poor implementation of policies and procedures, weak enforcement of accountability, organizational staffing deficiencies, and inadequate competency levels in financial and supply chain management contributed to the severity of internal control weaknesses.

The following internal audit work was completed during the year under review

- Asset Management.
- Curriculum Delivery.
- Financial Management and Human Resources.
- Infrastructure and Systems.
- Performance Information.
- Public Examinations.
- Risk Management.
- Supply Chain Management.

From the various reports of the Internal Audit the following were areas of concern

- Asset register not updated.
- Lack of proper internal controls to deal with theft, loss or damage of assets.
- Inadequate support for FET phase by CI's.
- Shortage of Learner Teacher Support Material at FET level.
- Inadequate implementation of curriculum norms and standards.
- Recommendations of Whole School Evaluation are not implemented.
- Ineffective management of Departmental debt book.
- Inadequate implementation of the internal process to verify Director's of prospective suppliers against PERSAL database.
- Inadequate controls over leave administration.
- Incorrect calculations of leave gratuity
- Delayed termination of ex- employees from PERSAL resulting in ex-employees debts.
- Inadequate enforcement of accountability through a responsive Labour Relations function.
- Inadequate management and reporting of projects.
- Inaccurate data set on infrastructure projects.
- Noncompliance with performance information policy on reporting and portfolio of evidence.
- Planned targets as outlined in the planning documentation not achieved.
- Delays in issuing Adult Education and Training results and certificates.
- Abuse of state vehicles and weak management of Departmental fleet.
- Late payment of suppliers.
- VAT paid to suppliers that are not VAT vendors.
- Ineffective implementation of Enterprise Risk Management.
- Lack of monitoring and supervision on the implementation of and recommendations made in the internal and external audit reports.

In year management and quarterly/monthly reports submitted in terms of the PFMA and the Division of Revenue Act (DORA)

The Audit Committee has taken note of the contents and quality of the reports prepared and issued by the Accounting Officer during the period under review. The area of concern for the Audit Committee relates to validity, accuracy and completeness of reporting on performance information.

Evaluation of Financial Statements

The Audit Committee has reviewed the annual financial statements included in the annual report. The Audit Committee has noted that there were no changes in accounting policies and practices. The Audit Committee has noted the Auditor-General's management letter and management's responses thereto, and has noted the significant adjustments resulting from the audit.

Internal Audit

The Department operated with an Acting Chief Audit Executive for most of the period under review, an incumbent to the position of Chief Audit Executive was appointed in February 2013. Though certain vacant positions were filled there are still vacancies within the internal audit unit. The Audit Committee also noted the resourcing of the internal audit through co-sourcing arrangements with professional audit firms.

Auditor-General's Report

The Audit Committee has reviewed the Department's implementation plan of issues raised by the Auditor-General in the prior-year (31 March 2012) report and we are satisfied that the matters have been adequately resolved, except the following;

- Filling of key vacant positions;
- Daily and Monthly reconciliation of book of accounts especially suspense accounts.
- Lack of Departmental framework on IT governance.
- Ineffective record management.
- Payment of creditors within 30 days.
- Lack of compliance to laws and regulations on Irregular, fruitless and wasteful expenditures.
- VAT paid on expenditure to suppliers who were not VAT vendors.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General. The Audit Committee notes the emphasis of matter raised by the Auditor-General; that necessitated the restatement of the corresponding figures for 31 March 2012. The Audit Committee further notes the unfavorable Auditor-General's comments indicating that the department did not achieve some of the planned targets as outlined in the planning documentation, did not comply with some section of the PFMA, Treasury Regulations, Public Service Regulations, DORA and the Government Gazette. Finally the Audit Committee also notes unfavorable comments on aspect of governance, leadership, financial and performance management, some of which were reported in the previous financial year (31 March 2012).

We have met with the Auditor-General to ensure that there are no unresolved issues.

Appreciation

The Audit Committee extends appreciation to the Member of the Executive Council, the Accounting Officer and the entire senior management team for their cooperation and in assisting the Audit Committee to discharge its responsibilities.

On behalf of the Audit Committee



Mr. M Sibanyoni
Chairperson of the Audit Committee



PART D

Human Resource Management



1. LEGISLATURE THAT GOVERNS HR MANAGEMENT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

2. INTRODUCTION

a. Overview of HR matters at the Department

HR priorities set for the year under review and the impact of these priorities

The 2012/13 HR Plan identified 3 HR priorities relating to the recruitment of additional skills in funded vacant posts as well as the utilisation and development of existing skills, as set out below.

HR Priority No 1: Recruitment/ Staffing

Due to long-standing Department and provincial moratoriums on filling posts and the consequent increasing number of vacancies over the past 3 years, the Department identified critical skills shortages that are compromising essential service delivery. The first HR planning priority identified was to facilitate filling key funded vacant posts at Head Office, 4 District Offices, 67 Circuit Offices and 15 Teacher Centres.

As indicated in the Honorable MEC's budget speech for the 2012/13 financial year, the Department will ensure the appointment of management personnel as well as Curriculum Implementers for the Bohlabela District. This is intended to stabilize management and enhance curriculum delivery for that district.

During the period under review, the Department filled all critical management positions, as well as Curriculum Implementer posts, for the Bohlabela District, with the exception of the District Director post, which was re-advertised in February 2013 for urgent filling. The Department further advertised 160 critical posts in phases during the period under review for office based officials and educators.

HR Priority No 2: Management of Leave and the PILIR

Various challenges relating to the management of leave and the PILIR were identified by both the Internal Auditors and the Auditor-General's office. The second HR planning priority identified was, therefore, to implement effective project on Management of Leave and the PILIR in the Department of Education. The project aimed to achieve the following objectives:

- To ensure that awareness campaigns are conducted on Management of Leave and the PILIR to ensure effective management and liability in terms of the management thereof.
- To promote timeous submission of leave and PILIR application forms, as well as ensure timeous capturing thereof on PERSAL, in accordance with completed attendance registers and leave rosters.
- To ensure that unauthorized absence is limited through a thorough audit of leave and the PILIR; and informing all supervisors in the Department of the leave credits of all employees in their divisions.
- To ensure that effective training on leave and the PILIR is conducted for all HR components and that all exceptions on the PERSAL system are addressed.
- To ensure that: all managers align Management of Leave and the PILIR to National and Departmental policies; and that all enquiries from the Auditor-General as well as the Internal Audit Unit are addressed.
- To ensure that the relationship between the Employee Wellness Division, Labour Relations and HR Benefits is strengthened and that all role-players are effective regarding the implementation of Management of Leave and the PILIR.

This HR planning priority was identified in line with the Honourable President's emphasis in his Opening of Parliament Speech that teachers should be in school, in class, on time, teaching for at least seven hours a day, as this remains pivotal to success.

During the period under review, the Department implemented a project on the Management of Leave and the PILIR in the Department of Education. A leave and PILIR reporting template was developed to ensure management of capturing of leave forms by all HR components and a huge improvement was visible i.t.o. capturing and submitting leave forms. An awareness campaign was launched and various articles on Management of Leave and PILIR were distributed throughout the Department, which enhanced compliance with policy. Exceptions on the PERSAL system were identified and communicated to National Treasury, which ensured the required amendment of the PERSAL Leave Administration System at national level. Verification forms were developed and electronically merged from a database, which will be utilised in future to inform employees and supervisors of the leave taken in terms of PERSAL leave records for verification.

HR Priority No 3: Leadership Development

The training of supervisors on managing discipline in terms of the Employment of Educators Act 1998, as well as Resolution 1 of 2003 of the PSCBC, represented the third HR planning priority as identified.

The primary objective in this regard is to minimize the occurrence of deviant behaviour and to ensure that performance standards are adhered to.

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

The Department must be able to fund its HR planning priorities, and - despite the huge HR gaps pertaining to other critical management and operational posts in offices; curriculum implementation and - support posts in districts, vacant posts in circuits, and support staff in schools - the vast majority of these posts were unfunded for the 2012/13 financial year.

Due to the long-standing Department and provincial moratorium on filling posts and the consequent increasing number of vacancies over the past 3 years, the Department had to identify critical vacant posts that are compromising essential service delivery.

The Department therefore obtained the Executive Authority's approval, in principle, to fill specific categories of posts in offices in phases during the 2012/13 financial year.

Key strategies to attract and recruit a skilled and capable workforce

In filling the critical vacant funded posts, the Department was committed to ensuring employment of the right people, whose acquired competencies best fit the advertised post profiles in question. In terms of the approved approach, it was agreed that: the recruitment processes for district-based posts below salary level 9 would be managed entirely by the districts; while recruitment processes for all other posts would be centralized at Head Office. This was done to ensure employment of the right people, whose acquired competency profiles best fitted the advertised posts.

Employee performance management framework

Performance management and development is a continuous process of ensuring that employees: know exactly what is expected of them; are properly trained or equipped to be able to do what is expected of them; and produce the results required of them. The process obviously involves performance appraisal and is results-driven. It focuses more on what the employee has achieved in terms of quantity and quality (measured against pre-determined performance standards), rather than focusing on isolated activities.

Achievements:

- The EHWP draft policy was developed in 2009 and served as a working document. It was finally adopted and approved in November 2012.
- Performance bonuses and pay progression payments were paid to all deserving officials in terms of their assessments and moderated scores.
- Workshops or information sharing sessions conducted with Department officials with regard to the implementation of PMDS.

Challenges:

- Non-compliance with the PMDS policy by some managers and their subordinates.
- Late payment of performance bonuses due to delays in the moderation process.

Future Action

- Approved moderation schedule has already been issued to PMDMC members.
- Monitoring of compliance will be done through the printing of list with names of officials not assessed to Heads of Directorates, so as to reflect on the status of compliance well in advance.
- Draft procedure manual on PMDS was developed.

Employee wellness programmes

Mpumalanga Department of Education, like any other Department or company, recognizes the need for an instrument that will assist in addressing challenges experienced by employees in a workplace. The Department developed an Employee Health and Wellness Policy that seeks to address all challenges in a workplace, in order to enhance productivity and performance to the benefit of both the employee and the employer. The policy covers all aspects of the programme that are offered within the Employee Health and Wellness Component.

Highlights:

- The EHWP draft policy was developed in 2009, and served as a working document. It was finally adopted and approved in November 2012.
- New aspects of the Health and Wellness Programme were introduced.
- More social partners came on board in partnering with the Department on the Workplace Health and Wellness Programme.
- The Department was able to participate in inter-provincial sport wellness with other provinces.

Challenges:

- There was a delay in adopting the Employee Health and Wellness policy, even though it was being implemented in the Department as a working draft; it was finally adopted in 2012.
- At times, attendance at Wellness Programme sessions is low, due to other Departmental engagements.
- An Advisory Committee was appointed in 2008, but it wasn't fully functional because of members transferring to other provinces and Departments.
- At times, the Department experiences occupational health and safety challenges in some offices in the districts.

Future Action

- The Employee Health and Wellness policy will be reviewed in 2014, which gives ample time to fully implement the programme, so that by the time it is reviewed, all inputs regarding its review will be thorough and accurate, thus helping to improve the programme even more.
- The Advisory Committee will be re-visited so as to make amends in terms of representation and participation. In this way, programme ownership will be expanded.
- To improve the coordination of occupational health and safety issues in the Department. Occupational Health and Safety Representatives have been appointed.

Policy development

Achievements

- All HRM policies were placed on the Intranet, and the IT division assisted with forwarding a message to the personal computers of all employees in the Department. This first required acknowledgement that they had been made aware that all HRM policies are available on the Intranet and that they had to ensure that they familiarised themselves with the content, before they could work on their computers. HRM directives pertaining to the new policies on Determination on Leave of Absence,; Determination on Working Time in the Public Service, and the Administration of Overtime were also formulated and circulated throughout the Department.
- State guarantees were redeemed effectively to reduce the liability the Department has incurred. An effective communication system was developed to ensure that financial institutions are fully informed of account numbers of housing loans as well as if housing loans are still being deducted from the salaries of employees. National Treasury was furthermore requested to amend the State Guarantee Liability Report at a national level to add the mentioned information onto the report. The Department ensured the enhancement of the State Guarantee Liability Report at a National level. Due to the effectiveness of this project, the Office of the Premier (Mpumalanga) requested the HR Division of the Department to train all provincial departments on the redemption of state guarantees. The current remaining balance of the value of State Guarantees is: R3,011,849.00. (Reduced from R75,000,000.00 over a period of 4 years).
- 642 Educators completed training in Mathematics, Science and Technology, and obtained either an Advanced Certificate in Education (ACE NQF level 6) or a Bachelor of Education qualification (under-graduate NQF Level 6) to enable them to teach subject content for improved performance in these subjects.

Challenges faced by the Department

- Funding limitations (in terms of the approved 2012/2013 budget for personnel compensation) was the single most limiting factor in ensuring that adequate staff were employed in delivering on the 2012/2013 HR Planning priorities and outcomes. General financial pressures and constraints within the province resulted in a phased filling of critical posts in terms of HR Planning Priority No 1.
- The continuously eroding HR administration capacity of the Department also had an impact on delivering the 2012/2013 HR planning priorities and outcomes, especially in respect of HR Planning Priority No 2, i.e. implementation of a project to improve the management of leave and the PILIR. Despite the fact that the DPSA recommends that the vacancy rate in HR components should never be allowed to rise above 5%, the actual vacancy rate - including Labour Relations and the HR Development - was in excess of 30%. The Department prioritised filling of specific HR management posts during the 2012/13 financial year. However, the main concern remains the high vacancy rate i.t.o. the 'foot soldiers', i.e. HR clerks who capture the transactions on PERSAL; their immediate supervisory level, i.e. Principal HR Officers; and Chief HR Officers who direct and monitor production level outputs and also review and approve transactions; as well as HR Practitioners who advise on compliance with HR policies.
- Challenges were also identified pertaining to the need for additional training to be given to all employees in the Department on the policies that regulate HR benefits. Working procedures followed by HR officials have to be reviewed and new systems have to be implemented to ensure that all challenges identified by the Auditor-General be addressed. Additional training should also be given to HR officials.

Future HR plans/goals

Final review of the Organisational structure

The Mpumalanga Department of Education is required to again review its proposed structure – as already submitted to the DPSA - in line with the national generic structure for provincial education departments. This process will entail the following:

- Withdrawing its proposed revised structure, as submitted to the DPSA, with prior provincial executive approval;
- Establishing an Organisational Structure Review Team, consisting of senior managers and officials from the Organisational Development Unit to formulate a revised proposed structure in line with the generic structure developed by DBE for provincial education departments.
- Re-submitting the revised proposed structure under the signature of the Honourable MEC for consideration by the Minister for Public Service and Administration.

Implementing an Exit Management strategy

A departmental staff retention policy was formally approved during the period under review and partially implemented. The Department will now determine the scope and measures to be applied in conducting exit interviews pertaining to critical and scarce skills posts.

Improving the rate of filling vacated principal posts

The Department has identified a high turnover rate amongst principals, mainly due to age and early retirement. In order to ensure that school principal posts are filled within 4 months of being vacated, Principal posts will be advertised at least 3 times per annum.

Review of working procedures

Working procedures for all HR benefits matters have to be reviewed and new working procedures developed and implemented through effective training sessions. Re-training of all employees in the Department on the policies regulating HR benefits also has to be implemented.

Training of supervisors on managing discipline

The process of training supervisors on managing discipline in terms of the Employment of Educators Act 1998, as well as Resolution 1 of 2003 of the PSCBC, which commenced during the period under review, will be finalised.

Training of teachers

The Department will facilitate the professional, vocational, technical and academic learning programmes leading to part- or full qualification with credit bearings (PIVOTAL) for educators to improve their ability to teach the subject content related to Accounting, Geography, Agriculture and Indigenous Languages.

3. HUMAN RESOURCE OVER-SIGHT STATISTICS

3.1. Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme

| Programme | Total Expenditure (R'000) | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services Expenditure (R'000) | Personnel Expenditure as a % of Total Expenditure | Average Personnel Cost per Employee (R'000) |
|--|---------------------------|-------------------------------|------------------------------|---|---|---|
| Programme 1: Administration | 560 808 | 345 562 | 5 123 | 0 | 61.80% | 250 |
| Programme 2: Public ordinary schools | 12 514 416 | 10 201 912 | 42 322 | 407 266 | 81.52% | 262 |
| Programme 3: Independent schools | 12 381 | 0 | 0 | 0 | 0.00% | 0 |
| Programme 4: Public special schools | 255 882 | 156 361 | 526 | 4 157 | 61.11% | 212 |
| Programme 5: Further education and training | 519 844 | 8,885 | 0 | 0 | 1.71% | 355 |
| Programme 6: Adult basic education | 137 431 | 121 929 | 500 | 2 117 | 88.72% | 69 |
| Programme 7: Early childhood development | 208 656 | 137 516 | 8 583 | 2 239 | 65.91% | 66 |
| Programme 8: Auxiliary and associated services | 146 606 | 70 173 | 216 | 0 | 47.87% | 14035 |
| Total | 14 356 024 | 11 042 338 | 57 270 | 415 779 | 76.93% | 246 |

Table 3.1.2 Personnel Costs by Salary Band

| Salary Band | Personnel Expenditure (R'000) | % of Total Personnel Cost | No. of Employees | Average Personnel Cost per Employee (R'000) |
|--|-------------------------------|---------------------------|------------------|---|
| Lower skilled (Levels 1-2) | 318 606 | 2.89% | 3 262 | 98 |
| Skilled (Level 3-5) | 591 524 | 5.36% | 5 188 | 114 |
| Highly skilled - production (Levels 6-8) | 6 284 060 | 57% | 24 410 | 257 |
| Highly skilled - supervision (Levels 9-12) | 3 678 450 | 33.31% | 9 649 | 381 |
| Senior and top management (Levels 13-16) | 28 111 | 0.25% | 34 | 827 |
| Contract (Levels 1-2) | 2 954 | 0% | 67 | 44 |
| Contract (Levels 3-5) | 1 585 | 0% | 5 | 317 |
| Contract (Levels 6-8) | 115 | 0% | 0 | 0 |
| Contract (Levels 9-12) | 115 | 0% | 0 | 0 |
| Contract (Levels 13-16) | 778 | 0% | 1 | 778 |
| Periodical remuneration | 5 251 | 0% | 1 255 | 4 |
| Abnormal appointment | 130 789 | 1% | 2 397 | 55 |
| Total | 11 042 338 | 100.00% | 46 268 | 239 |

Table 3.1.3 Salaries, Overtime, Home Owner's Allowance and Medical Aid by programme

| Programme | Salaries | | Overtime | | Home Owners Allowance | | Medical Aid | |
|--|------------------|------------------------------------|----------------|------------------------------------|-----------------------|-------------------------------|----------------|---------------------------------------|
| | Amount (R'000) | Salaries as a % of Personnel Costs | Amount (R'000) | Overtime as a % of Personnel Costs | Amount (R'000) | HOA as a % of Personnel Costs | Amount (R'000) | Medical Aid as a % of Personnel Costs |
| Programme 1: Administration | 243 722 | 70.5% | 2 997 | 0.9% | 14,018 | 4.1% | 21 931 | 6.3% |
| Programme 2: Public ordinary schools | 7 658 198 | 75.1% | 5 265 | 0.1% | 359 973 | 3.5% | 496 698 | 4.9% |
| Programme 3: Independent schools | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Programme 4: Public special schools | 112 031 | 71.6% | 739 | 0.5% | 7 002 | 4.5% | 9 773 | 6.3% |
| Programme 5: Further education and training | 6 844 | 77.0% | 0 | 0.0% | 183 | 2.1% | 404 | 4.5% |
| Programme 6: Adult basic education | 86 455 | 70.9% | 0 | 0.0% | 16,514 | 13.5% | 241 | 0.2% |
| Programme 7: Early childhood development | 10 754 | 7.8% | 0 | 0.0% | 387 | 0.3% | 598 | 0.4% |
| Programme 8: Auxiliary and associated Services | 967 | 1.4% | 0 | 0.0% | 0 | 0.0% | 24 | 0.0% |
| Total | 8 118 971 | 73.5% | 9 001 | 0.1% | 398 077 | 3.6% | 529 669 | 4.8% |

Table 3.1.4 Salaries, Overtime, Home Owner's Allowance and Medical Aid by salary band

| Salary Band | Salaries | | Overtime | | Home Owners Allowance | | Medical Aid | |
|--|------------------|------------------------------------|----------------|------------------------------------|-----------------------|-------------------------------|----------------|---------------------------------------|
| | Amount (R'000) | Salaries as a % of Personnel Costs | Amount (R'000) | Overtime as a % of Personnel Costs | Amount (R'000) | HOA as a % of Personnel Costs | Amount (R'000) | Medical Aid as a % of Personnel Costs |
| Skilled (level 1-2) | 211 928 | 65.9% | 519 | 0.2% | 33 826 | 10.5% | 26 215 | 8.2% |
| Skilled (level 3-5) | 401 816 | 67.7% | 1 769 | 0.3% | 51 212 | 8.6% | 43 355 | 7.3% |
| Highly skilled - production (levels 6-8) | 4 714 149 | 75.0% | 3 736 | 0.1% | 222 598 | 3.5% | 312 714 | 5.0% |
| Highly skilled - supervision (levels 9-12) | 2 767 582 | 75.2% | 2 977 | 0.1% | 89 735 | 2.4% | 146 936 | 4.0% |
| Senior management (level 13-16) | 23 342 | 80.8% | 0 | 0.0% | 706 | 2.4% | 449 | 1.6% |
| Periodical remuneration | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Abnormal appointment | 154 | 0.1% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 8 118 971 | 73.5% | 9 001 | 0.1% | 398 077 | 3.6% | 529 669 | 4.8% |

3.2. Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme

| Programme | Number of Posts on Approved Establishment | Number of Posts Filled | Vacancy Rate | Number of Employees Additional to the Establishment |
|---|---|------------------------|--------------|---|
| Programme 1: Administration | 318 606 | 2.89% | 3 262 | 98 |
| Programme 2: Public ordinary schools | 40 954 | 38 648 | 5.6 | 6 |
| Programme 4: Public special schools | 3 678 450 | 33.31% | 9 649 | 381 |
| Programme 5: Further education and training (FET) | 26 | 25 | 3.8 | 0 |
| Programme 6: Adult basic education (ABET) | 1 869 | 1 772 | 5.2 | 0 |
| Programme 7: Early childhood development (ECD) | 2 114 | 2 071 | 2 | 0 |
| Programme 8: Auxiliary and associated services | 2 | 5 | -150 | 3 |
| TOTAL | 48 150 | 44 647 | 7.3 | 78 |

Scope:

Please note that apart from the 2032 Grade R Practitioners, persons remunerated on abnormal appointments (fixed stipend or on a claims basis) are not included in the HR Over-sight Tables 3-13.

The remuneration on an abnormal basis includes Exam Revisers, school hostel House Parents and Learning Support Assistants.

Notes on post establishment changes, compared to March 2012:

- Posts for Pr1: Administration changed from 2125 to 2148, which was due to the allocation of 24 DORA posts, while 1 post was also seconded to Program 8 (HIV and Aids Conditional Grant).
- Posts for Pr7: ECD shows an increase from 2019 to 2114, which was due to the allocation of 100 additional Grade R. Practitioner posts, while 5 full-time posts at free-standing ECD Centres were also abolished.

Notes on Staff in addition:

- Pr1: 2 full-time staff employed for a fixed period / project, i.e. DDG for Accelerated Capacity Building and a Cleaner in the Office of the MEC.
- Pr1: 67 Interns employed.
- Pr2: 4 full-time educators employed in terms of the QIDS UP Project.
- Pr2: 2 full-time contract staff employed and remunerated from the Nutrition Conditional Grant.
- Pr8: 3 full-time contract staff employed and remunerated from the Life Skills HIV and AIDS Conditional Grant.

Table 3.2.2 Employment and vacancies by salary band

| Salary Band | Number of Posts on Approved Establishment | Number of Posts Filled | Vacancy Rate | Number of Employees Additional to the Establishment |
|-----------------------------------|---|------------------------|--------------|---|
| Lower skilled (1-2) | 4 550 | 3 329 | 26.8 | 68 |
| Skilled (3-5) | 5 355 | 5 193 | 33.8 | 5 |
| Highly skilled production (6-8) | 25 777 | 24 410 | 7.8 | 4 |
| Highly skilled supervision (9-12) | 10 343 | 9 649 | 6.7 | 0 |
| Senior management (13-16) | 51 | 34 | 33.3 | 1 |
| Abnormal other (Grade R Pract.) | 2 074 | 2032 | 2 | 0 |
| Total | 48 150 | 44 647 | 7.3 | 78 |

Table 3.2.3 Employment and vacancies by critical occupations

| Critical Occupation | Number of Posts on Approved Establishment | Number of Posts Filled | Vacancy Rate | Number of Employees Additional to the Establishment |
|---|---|------------------------|--------------|---|
| Administrative related | 11 | 8 | 27.3 | 0 |
| Architects, town and traffic planners | 3 | 2 | 33.3 | 0 |
| Auxiliary and related workers | 35 | 28 | 20 | 0 |
| Building and other property caretakers | 100 | 75 | 25 | 0 |
| Bus and heavy vehicle drivers | 16 | 10 | 37.5 | 0 |
| Cleaners in offices, workshops, hospitals, etc. | 4 240 | 3 421 | 19.3 | 1 |
| Client informs clerks (switchboard., recept., inform. clerks) | 10 | 5 | 50 | 0 |
| Communication and information related | 9 | 6 | 33.3 | 0 |
| Computer programmers | 1 | 0 | 100 | 0 |
| Computer system designers and analysts | 13 | 4 | 69.2 | 0 |
| Dieticians and nutritionists | 5 | 2 | 60 | 0 |
| Engineers and related professionals | 2 | 2 | 0 | 0 |
| Farmhands and labourers | 1 | 1 | 0 | 0 |
| Finance and economics related | 39 | 31 | 20.5 | 0 |
| Financial and related professionals | 101 | 68 | 32.7 | 0 |
| Financial clerks and credit controllers | 195 | 108 | 44.6 | 0 |
| Food services aids and waiters | 53 | 43 | 18.9 | 0 |
| General legal administration and rel. professionals | 4 | 1 | 75 | 0 |
| Head of Department/chief executive officer | 1 | 1 | 0 | 0 |
| Household and laundry workers | 189 | 135 | 28.6 | 0 |
| Household food and laundry services related | 4 | 4 | 0 | 0 |
| Human resources and organisat. develop. and related prof. | 159 | 94 | 40.9 | 0 |
| Human resources clerks | 305 | 193 | 36.7 | 0 |
| Human resources related | 56 | 37 | 33.9 | 0 |
| Information technology related | 2 | 0 | 100 | 0 |
| Inspectors of apprentices, works and vehicles | 23 | 9 | 60.9 | 0 |
| Language practitioners, interpreters and other commun. | 6 | 2 | 66.7 | 0 |
| Librarians and related professionals | 4 | 1 | 75 | 0 |
| Library, mail and related clerks | 103 | 64 | 37.9 | 0 |
| Light vehicle drivers | 88 | 74 | 15.9 | 0 |
| Logistical support personnel | 192 | 130 | 32.3 | 0 |
| Material-recording and transport clerks | 312 | 190 | 39.1 | 0 |

| Critical Occupation | Number of Posts on Approved Establishment | Number of Posts Filled | Vacancy Rate | Number of Employees Additional to the Establishment |
|---|---|------------------------|--------------|---|
| Messengers, porters and deliverers | 150 | 78 | 48 | 0 |
| Natural Sciences related | 1 | 1 | 0 | 0 |
| Occupational therapy | 1 | 1 | 0 | 0 |
| Other administrat. and related clerks and organisers | 2910 | 2392 | 17.8 | 72 |
| Other administrative policy and related officers | 14 | 9 | 35.7 | 0 |
| Other information technology personnel | 31 | 15 | 51.6 | 0 |
| Photographic lithographic and related workers | 17 | 14 | 17.6 | 0 |
| Physiotherapy | 4 | 0 | 100 | 0 |
| Professional nurse | 13 | 6 | 53.8 | 0 |
| Quantity surveyors and related prof. not classified elsewhere | 11 | 3 | 72.7 | 0 |
| Risk management and security services | 3 | 2 | 33.3 | 0 |
| Secretaries and other keyboard operating clerks | 325 | 175 | 46.2 | 0 |
| Senior managers | 49 | 32 | 34.7 | 1 |
| Social work and related professionals | 4 | 4 | 0 | 0 |
| Speech therapy and audiology | 7 | 8 | -14.3 | 0 |
| Statisticians and related professionals | 1 | 0 | 100 | 0 |
| Work planners | 3 | 2 | 33.3 | 0 |
| Youth workers | 152 | 73 | 52 | 0 |
| Youth workers (Abnormal Grade R) | 2 074 | 2 032 | 2 | 0 |
| Other occupations (including Executing Authority) | 36 098 | 35 051 | 12 | 4 |
| TOTAL | 48 150 | 44 647 | 7.3 | 78 |

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

3.3. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in the organisation.

Table 3.3.1 Job Evaluation by Salary band

| Salary Band | Number of Posts on Approved Establishment | Number of Jobs Evaluated | % of Posts Evaluated by Salary Band | Post Upgraded | | Post Downgraded | |
|--|---|--------------------------|-------------------------------------|---------------|----------------------|-----------------|----------------------|
| | | | | Numbers | % of Posts Evaluated | Numbers | % of Posts Evaluated |
| Lower skilled (Levels 1-2) | 4 550 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled (Levels 3-5) | 5 355 | 2 608 | 48.7 | 2 608 | 100 | 0 | 0 |
| Highly skilled production (Levels 6-8) | 25 778 | 2 | 0 | 0 | 0 | 0 | 0 |
| Highly skilled supervision (Levels 9-12) | 10 343 | 2 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band A | 34 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band B | 11 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band C | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management Service Band D and E/A | 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 1-2) | 68 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 5 | 5 | 100 | 5 | 100 | 0 | 0 |
| Contract (Levels 6-8) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band A) | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band B) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band C) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Band D) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 46 150 | 2 617 | 5.7 | 2 613 | 99.8 | 0 | 0 |

Note:

- The Premier's Department conducted a job evaluation of the 2 613 clerical posts in the Department, created on SL3, and recommended upgrading all posts to salary level 4, based on evaluation results. The Executing Authority subsequently formally approved the job evaluation results for implementation with effect from 1 April 2012.
- The Premier's Department also conducted job evaluation in respect of the 4 new Non-OSD DORA posts, i.e. 1 x Deputy Director, 1 x Assistant Director and 2 x State Accountant, which (in terms of the findings of the job evaluation panel) were correctly graded at salary levels 11, 10 and 8 (respectively) and therefore did not require upgrading.

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

Table 3.3.2 Profile of employees whose positions were upgraded due to their posts being upgraded

| Beneficiary | African | Asian | Coloured | White | Total |
|-----------------------------|---------|-------|----------|-------|-------|
| Female | 1 460 | 2 | 3 | 48 | 1 513 |
| Male | 546 | 0 | 0 | 1 | 547 |
| Total | 2 006 | 2 | 3 | 49 | 2 060 |
| Employees with a disability | | | | | 0 |

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

Table 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation

| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|---|---------------------|----------------------|--------------------|--|
| Admin Related | 2 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| Auxiliary and Related Workers | 1 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Building and Other Property Caretakers | 15 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Building and Other Property Caretakers | 2 | 03 | 04 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Bus and Heavy Vehicle Drivers | 1 | 03 | 04 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Bus and Heavy Vehicle Drivers | 1 | 04 | 05 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Cleaners In Offices Workshops Hospitals, etc. | 1 | 01 | 02 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Cleaners In Offices Workshops Hospitals, etc. | 534 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Client Inform Clerks | 1 | 04 | 05 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Communication and Information Related | 1 | 09 | 10 | Appointed to post advertised on higher level without Job Evaluation |
| Communication and Information Related | 1 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| Communication and Information Related | 1 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| Dieticians and Nutritionists | 1 | 09 | 10 | Translation from educator rank with retention of salary level |

| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|-------------------------------|---------------------|----------------------|--------------------|---|
| Finance and Economics Related | 3 | 09 | 10 | Appointed to post advertised on higher level without Job Evaluation |
| Finance and Economics Related | 1 | 09 | 10 | Pre-2001 Rank promotion |
| Finance and Economics Related | 10 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| Finance and Economics Related | 3 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| Finance and Economics Related | 5 | 11 | 12 | Re-graded to higher level without Job Evaluation |



| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|--|---------------------|----------------------|--------------------|--|
| Financial Clerks and Credit Controllers | 24 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Financial Clerks and Credit Controllers | 4 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Food Services Aids and Waiters | 6 | 01 | 02 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Food Services Aids and Waiters | 5 | 01 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Household and Laundry Workers | 46 | 01 | 02 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Household and Laundry Workers | 7 | 01 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Household and Laundry Workers | 7 | 03 | 04 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| HR and Org Development and Related Professionals | 9 | 09 | 10 | Appointed to post advertised on higher level without Job Evaluation |
| HR and Org Development and Related Professionals | 10 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| HR and Org Development and Related Professionals | 2 | 09 | 10 | Upgraded in line with Job Evaluation results |
| HR and Org Development and Related Professionals | 1 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| HR Clerks | 39 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| HR Clerks | 6 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| HR Related | 6 | 09 | 10 | Appointed to post advertised on higher level without Job Evaluation |
| HR Related | 2 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| HR Related | 1 | 09 | 10 | Transferred to Dept with retention of salary level after restructuring of THRD |
| HR Related | 5 | 09 | 10 | Translation from educator rank with retention of salary due to restructuring of post |
| HR Related | 1 | 11 | 12 | Absorbed with retention of salary level after restructuring |
| HR Related | 7 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| HR Related | 3 | 11 | 12 | Pre-2001 Rank promotion |
| HR Related | 3 | 11 | 12 | Re-graded to higher level without Job Evaluation |

| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|---|---------------------|----------------------|--------------------|--|
| Library Mail and Related Clerks | 4 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Library Mail and Related Clerks | 2 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Light Vehicle Drivers | 2 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Logistical Support Personnel | 5 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Logistical Support Personnel | 1 | 09 | 10 | Appointed to post advertised on higher level without Job Evaluation |
| Logistical Support Personnel | 2 | 09 | 10 | Pre-2001 Rank promotion |
| Logistical Support Personnel | 3 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| Logistical Support Personnel | 1 | 11 | 12 | Appointed to post advertised on higher level without Job Evaluation |
| Logistical Support Personnel | 1 | 11 | 12 | Re-graded to higher level without Job Evaluation |
| Material-Recording and Transport Clerks | 17 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Material-Recording and Transport Clerks | 4 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Messengers, Porters and Deliverers | 1 | 01 | 02 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Messengers, Porters and Deliverers | 1 | 01 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Messengers, Porters and Deliverers | 8 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Other Admin and Related Clerks and Organisers | 319 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Other Admin and Related Clerks and Organisers | 3 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Other Admin Policy and Related Officers | 1 | 07 | 08 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Other IT Personnel | 1 | 09 | 10 | Absorbed with retention of salary level after restructuring |
| Other IT Personnel | 1 | 09 | 10 | Re-graded to higher level without Job Evaluation |
| Photographic, Lithogr. and Related Workers | 3 | 02 | 03 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Risk Management and Security Services | 1 | 09 | 10 | Re-graded to higher level without Job Evaluation |

| Occupation | Number of Employees | Job Evaluation Level | Remuneration Level | Reason for Deviation |
|---|---------------------|----------------------|--------------------|--|
| Secretaries and Other Keyboard Oper. Clerks | 2 | 03 | 04 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Secretaries and Other Keyboard Oper. Clerks | 3 | 03 | 05 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Secretaries and Other Keyboard Oper. Clerks | 9 | 05 | 06 | National Coordination of Secretary posts |
| Secretaries and Other Keyboard Oper. Clerks | 1 | 03 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Secretaries and Other Keyboard Oper. Clerks | 7 | 05 | 06 | Rank Progression / Grade Progression in terms of PSCBC Res 3 of 2009 |
| Secretaries and Other Keyboard Oper. Clerks | 2 | 05 | 07 | National Coordination of Secretary posts |
| Percentage of total employed | | | | 2.6% |

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

Table 3.3.4 Profile of employees who have a salary levels higher than that determined by job evaluation

| Beneficiary | African | Asian | Coloured | White | Total |
|------------------------------------|--------------|----------|----------|-----------|--------------|
| Female | 660 | 4 | 5 | 80 | 749 |
| Male | 422 | 0 | 2 | 10 | 434 |
| Total | 1 082 | 4 | 7 | 90 | 1 183 |
| Employees with a disability | 3 | 0 | 0 | 1 | 4 |

| | |
|--|--------------|
| Total number of employees whose remuneration exceeded the grade determined by job evaluation in 2012/13 | 1 183 |
|--|--------------|

3.4. Employment Changes

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

Table 3.4.1 Annual turnover rates by salary band

| Salary Band | Number of Employees at Beginning of period - April 2012 | Appointments and Transfers into Department | Terminations and Transfers out of Department | Turnover Rate |
|--|---|--|--|---------------|
| Lower skilled (Levels 1-2) | 3 515 | 0 | 74 | 2.1 |
| Skilled (Levels 3-5) | 5 192 | 280 | 331 | 6.4 |
| Highly skilled production (Levels 6-8) | 24 175 | 1 011 | 1 163 | 4.8 |
| Highly skilled supervision (Levels 9-12) | 9 746 | 36 | 475 | 4.9 |
| Senior Management Service Bands A | 25 | 1 | 0 | 0 |

| Salary Band | Number of Employees at Beginning of period - April 2012 | Appointments and Transfers into Department | Terminations and Transfers out of Department | Turnover Rate |
|-----------------------------------|---|--|--|---------------|
| Senior Management Service Bands B | 3 | 0 | 0 | 0 |
| Senior Management Service Bands C | 2 | 0 | 0 | 0 |
| Senior Management Service Bands D | 2 | 0 | 0 | 0 |
| Contracts | 13 | 80 | 18 | 88.9 |
| Abnormal Other (Grade R Pract) | 1 968 | 0 | 0 | 0 |
| Total | 44 641 | 1 408 | 2 061 | 4.6 |

Table 3.4.2 Annual turnover rates by critical occupation

| Critical Occupation | Number of Employees at Beginning of period - April 2012 | Appointments and Transfers into Department | Terminations and Transfers out of Department | Turnover Rate |
|--|---|--|--|---------------|
| Administrative related | 7 | 1 | 1 | 14.3 |
| Architects, town planners and traffic planners | 0 | 2 | 0 | 0 |
| Auxiliary and related workers | 29 | 0 | 0 | 0 |
| Building and other property caretakers | 81 | 0 | 6 | 7.4 |
| Bus and heavy vehicle drivers | 10 | 0 | 0 | 0 |
| Cleaners in offices, workshops, hospitals, etc. | 3518 | 1 | 110 | 3.1 |
| Client inform. Clerks (switch., receipt, inform. clerks) | 6 | 0 | 0 | 0 |
| Communication and information related | 4 | 0 | 0 | 0 |
| Computer system designers and analysts | 4 | 0 | 0 | 0 |
| Dieticians and nutritionists | 2 | 0 | 0 | 0 |
| Engineers and related professionals | 0 | 2 | 0 | 0 |
| Farm-hands and labourers | 1 | 0 | 0 | 0 |
| Finance and economics related | 25 | 1 | 0 | 0 |
| Financial and related professionals | 66 | 4 | 1 | 1.5 |
| Financial clerks and credit controllers | 109 | 0 | 3 | 2.8 |
| Food services aids and waiters | 45 | 0 | 1 | 2.2 |

| Critical Occupation | Number of Employees at Beginning of period - April 2012 | Appointments and Transfers into Department | Terminations and Transfers out of Department | Turnover Rate |
|--|---|--|--|---------------|
| General legal administration and rel. professionals | 1 | 0 | 0 | 0 |
| Head of Department/ Chief Executive Officer | 1 | 0 | 0 | 0 |
| Household and laundry workers | 148 | 1 | 9 | 6.1 |
| Household, food and laundry services related | 2 | 0 | 0 | 0 |
| Human resources, organisat. develop. and related prof | 94 | 0 | 2 | 2.1 |
| Human resources clerks | 195 | 2 | 5 | 2.6 |
| Human resources related | 29 | 0 | 1 | 3.4 |
| Inspectors of apprentices, works and vehicles | 5 | 3 | 1 | 20 |
| Language practitioners, interpreters and other commun. | 3 | 0 | 0 | 0 |
| Librarians and related professionals | 1 | 0 | 0 | 0 |
| Library, mail and related clerks | 68 | 3 | 4 | 5.9 |
| Light vehicle drivers | 64 | 0 | 6 | 9.4 |
| Logistical support personnel | 142 | 0 | 5 | 3.5 |
| Material-recording and transport clerks | 195 | 1 | 1 | 0.5 |
| Messengers, porters and deliverers | 139 | 0 | 4 | 2.9 |
| Natural Sciences related | 1 | 0 | 0 | 0 |
| Occupational therapy | 1 | 0 | 0 | 0 |
| Other administrat. and related clerks and organisers | 2 414 | 75 | 53 | 2.2 |
| Other administrative policy and related officers | 8 | 0 | 0 | 0 |
| Other information technology personnel | 15 | 0 | 0 | 0 |

| Critical Occupation | Number of Employees at Beginning of period - April 2012 | Appointments and Transfers into Department | Terminations and Transfers out of Department | Turnover Rate |
|---|---|--|--|---------------|
| Photographic, lithographic and related workers | 9 | 0 | 0 | 0 |
| Professional nurse | 5 | 0 | 0 | 0 |
| Quantity surveyors and rela. Prof. not classified elsewhere | 0 | 4 | 0 | 0 |
| Risk management and security services | 2 | 0 | 0 | 0 |
| Secretaries and other keyboard operating clerks | 178 | 6 | 4 | 2.2 |
| Senior managers | 32 | 1 | 0 | 0 |
| Social work and related professionals | 4 | 0 | 0 | 0 |
| Speech therapy and audiology | 7 | 0 | 0 | 0 |
| Work planners | 1 | 0 | 0 | 0 |
| Youth workers | 76 | 0 | 2 | 2.6 |
| Youth workers (Abnormal Grade R) | 1 968 | 0 | 0 | 0 |
| Other occupations (including Executing Authority) | 34 926 | 1 301 | 1 842 | 5.3 |
| Total | 44 641 | 1 408 | 2 061 | 4.6 |

Table 3.4.3 Reasons why staff left the Department

| Termination Type | Number | % of Total Resignations |
|---|--------------|-------------------------|
| Death | 242 | 11.7 |
| Resignation | 583 | 28.3 |
| Expiry of contract | 672 | 32.6 |
| Dismissal – operational changes | 0 | 0 |
| Dismissal – misconduct | 25 | 1.2 |
| Dismissal – inefficiency | 0 | 0 |
| Discharged due to ill-health | 49 | 2.4 |
| Retirement | 481 | 23.3 |
| Transfer to other public service departments | 3 | 0.1 |
| Other | 6 | 0.3 |
| Total | 2 061 | 100 |
| Total number of employees who left, as a % of total employment | 2 061 | 5.1% |

Table 3.4.4 Promotions by critical occupation

| Occupation | Employees - 1 April 2012 | Promotions to Another Salary Level | Salary Level Promotion as a % of Employees by Occupation | Progression to Another Notch within a Salary Level | Notch Progres- sion as a % of Employees by Occupation |
|---|-----------------------------|--|---|---|--|
| Administrative related | 7 | 1 | 14.3 | 3 | 42.9 |
| Auxiliary and related workers | 29 | 0 | 0 | 15 | 51.7 |
| Building and other property caretakers | 81 | 0 | 0 | 41 | 50.6 |
| Bus and heavy vehicle drivers | 10 | 0 | 0 | 2 | 20 |
| Cleaners in offices, workshops, hospitals, etc. | 3 518 | 0 | 0 | 1 417 | 40.3 |
| Client inform, clerks (switchboard recept., inform. clerks) | 6 | 0 | 0 | 2 | 33.3 |
| Communication and information related | 4 | 2 | 50 | 4 | 100 |
| Computer system designers and analysts | 4 | 0 | 0 | 0 | 0 |
| Dieticians and nutritionists | 2 | 0 | 0 | 1 | 50 |
| Farm-hands and labourers | 1 | 0 | 0 | 0 | 0 |
| Finance and economics related | 25 | 4 | 16 | 14 | 56 |
| Financial and related professionals | 66 | 1 | 1.5 | 45 | 68.2 |
| Financial clerks and credit controllers | 109 | 0 | 0 | 72 | 66.1 |
| Food services aids and waiters | 45 | 0 | 0 | 11 | 24.4 |
| General legal administration and rel. professionals | 1 | 0 | 0 | 0 | 0 |
| Head of Department/Chief Executive Officer | 1 | 0 | 0 | 0 | 0 |
| Household and laundry workers | 148 | 0 | 0 | 58 | 39.2 |

| Occupation | Employees - 1 April 2012 | Promotions to Another Salary Level | Salary Level Promotion as a % of Employees by Occupation | Progression to Another Notch within a Salary Level | Notch Progression as a % of Employees by Occupation |
|--|-----------------------------|--|---|---|---|
| Household, food and laundry services related | 2 | 0 | 0 | 0 | 0 |
| Human resources and organisat. develop. and relate prof. | 94 | 3 | 3.2 | 54 | 57.4 |
| Human resources clerks | 195 | 5 | 2.6 | 127 | 65.1 |
| Human resources related | 29 | 3 | 10.3 | 13 | 44.8 |
| Inspectors of apprentices. works and vehicles | 5 | 2 | 40 | 1 | 20 |
| Language practitioners. interpreters and other commun. | 3 | 0 | 0 | 3 | 100 |
| Librarians and related professionals | 1 | 0 | 0 | 1 | 100 |
| Library, mail and related clerks | 68 | 0 | 0 | 12 | 17.6 |
| Light vehicle drivers | 64 | 0 | 0 | 38 | 59.4 |
| Logistical support personnel | 142 | 1 | 0.7 | 82 | 57.7 |
| Material-recording and transport clerks | 195 | 0 | 0 | 103 | 52.8 |
| Messengers, porters and deliverers | 139 | 0 | 0 | 33 | 23.7 |
| Natural Sciences related | 1 | 0 | 0 | 0 | 0 |
| Occupational therapy | 1 | 0 | 0 | 0 | 0 |
| Other administrat. and related clerks and organisers | 2 414 | 0 | 0 | 279 | 11.6 |
| Other administrative policy and related officers | 8 | 0 | 0 | 6 | 75 |
| Other information technology personnel | 15 | 0 | 0 | 6 | 40 |
| Photographic, lithographic and related workers | 9 | 0 | 0 | 3 | 33.3 |

| Occupation | Employees - 1 April 2012 | Promotions to Another Salary Level | Salary Level Promotion as a % of Employees by Occupation | Progression to Another Notch within a Salary Level | Notch Progression as a % of Employees by Occupation |
|--|-----------------------------|--|---|---|---|
| Professional nurse | 5 | 0 | 0 | 1 | 20 |
| Risk management and security services | 2 | 0 | 0 | 1 | 50 |
| Secretaries and other keyboard operating clerks | 178 | 8 | 4.5 | 23 | 12.9 |
| Senior managers | 32 | 1 | 3.1 | 9 | 28.1 |
| Social work and related professionals | 4 | 0 | 0 | 0 | 0 |
| Speech therapy and audiology | 7 | 0 | 0 | 0 | 0 |
| Work planners | 1 | 0 | 0 | 1 | 100 |
| Youth workers | 76 | 0 | 0 | 12 | 15.8 |
| Youth workers (Abnormal Grade R) | 1 968 | 0 | 0 | 0 | 0 |
| Other occupations (including Executing Authority) | 34 926 | 172 | 0.5 | 30 084 | 86.1 |
| Total | 44 641 | 203 | 0.5 | 32 577 | 73 |

Table 3.4.5 Promotions by salary band

| Salary Band | Employees - 1 April 2012 | Promotions to Another Salary Level | Salary Bands Promotions as a % of Employees by Salary Level | Progressions to Another Notch within a Salary Level | Notch Progression as a % of Employees by Salary Bands |
|--|-----------------------------|--|--|--|---|
| Lower skilled (Levels 1-2) | 3 515 | 0 | 0 | 1 218 | 34.7 |
| Skilled (Levels 3-5) | 5 192 | 8 | 0.2 | 2 304 | 44.4 |
| Highly skilled production (Levels 6-8) | 24 175 | 39 | 0.2 | 20 532 | 84.9 |
| Highly skilled supervision (Levels 9-12) | 9 746 | 156 | 1.6 | 8 455 | 86.8 |
| Senior management (Levels 13-16) | 32 | 0 | 0 | 9 | 28.1 |
| Contract (SMS Band A) | 1 | 0 | 0 | 0 | 0 |

| Salary Band | Employees - 1 April 2012 | Promotions to Another Salary Level | Salary Bands Promotions as a % of Employees by Salary Level | Progressions to Another Notch within a Salary Level | Notch Progression as a % of Employees by Salary Bands |
|------------------------------------|-----------------------------|--|--|--|---|
| Contract (Levels 1-2) | 0 | 0 | 0 | 59 | 0 |
| Contract (Levels 3-5) | 9 | 0 | 0 | 0 | 0 |
| Contract (Levels 6-8) | 2 | 0 | 0 | 0 | 0 |
| Contract (Levels 9-12) | 1 | 0 | 0 | 0 | 0 |
| Abnormal other (Grade R Pract.) | 1 968 | 0 | 0 | 0 | 0 |
| TOTAL | 44 641 | 203 | 0.5 | 32 577 | 73 |

3.5. Employment Equity

Table 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories, as at 31 March 2013

| Occupation category | Male | | | | Female | | | | Total |
|--|---------------|-----------|-----------|------------|---------------|-----------|------------|--------------|---------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 20 | 0 | 2 | 2 | 11 | 0 | 0 | 0 | 35 |
| Professionals | 11 110 | 34 | 90 | 678 | 21 141 | 65 | 119 | 2 141 | 35 378 |
| Technicians and associate professionals | 78 | 0 | 0 | 4 | 100 | 1 | 1 | 9 | 193 |
| Clerks | 793 | 0 | 0 | 4 | 2 146 | 11 | 5 | 167 | 3 126 |
| Service and sales workers | 3 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 6 |
| Skilled agriculture and fishery workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 16 | 0 | 0 | 0 | 8 | 0 | 0 | 1 | 25 |
| Plant and machine operators and assemblers | 80 | 0 | 0 | 0 | 3 | 1 | 0 | 0 | 84 |
| Elementary occupations | 1 895 | 5 | 1 | 9 | 1 808 | 6 | 1 | 28 | 3 753 |
| Other, permanent | 4 | 0 | 0 | 0 | 6 | 0 | 0 | 5 | 15 |
| Other, non-permanent | 11 | 0 | 0 | 0 | 1912 | 7 | 5 | 97 | 2 032 |
| Total | 14 010 | 39 | 93 | 697 | 27 138 | 91 | 131 | 2 448 | 44 647 |
| Employees with disabilities | 31 | 1 | 0 | 4 | 33 | 0 | 0 | 2 | 71 |

Table 3.5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands, on 31 March 2013

| Occupation Band | Male | | | | Female | | | | |
|---|---------------|-----------|-----------|------------|--------------|-----------|------------|--------------|---------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | Total |
| Top Management (L15-L16) and Executing Authority | 1 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 5 |
| Senior Management (L13-L14) | 19 | 0 | 2 | 2 | 6 | 0 | 0 | 0 | 29 |
| Professionally qualified and experienced specialists and mid-management | 3 618 | 22 | 34 | 406 | 4 674 | 20 | 41 | 834 | 9 649 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 7 338 | 12 | 56 | 277 | 15 217 | 48 | 81 | 1381 | 24 410 |
| Semi-skilled and discretionary decision making | 1 319 | 2 | 0 | 7 | 3 723 | 13 | 4 | 125 | 5 193 |
| Semi-skilled and discretionary decision making | 92 | 0 | 0 | 0 | 186 | 0 | 0 | 6 | 284 |
| Unskilled and defined decision making | 1 704 | 3 | 1 | 5 | 1 602 | 3 | 0 | 11 | 3 329 |
| Abnormal other (Gr R Practitioners) | 11 | 0 | 0 | 0 | 1 912 | 7 | 5 | 97 | 2 032 |
| Total | 14 010 | 39 | 93 | 697 | 27138 | 91 | 131 | 2 448 | 44 647 |

Table 3.5.3 Recruitment

| Occupation Band | Male | | | | Female | | | | |
|---|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | Total |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Professionally qualified and experienced specialists and mid-management | 8 | 0 | 0 | 4 | 18 | 0 | 0 | 6 | 36 |

| Occupation Band | Male | | | | Female | | | | Total |
|---------------------------------------|------------|----------|----------|-----------|------------|----------|----------|------------|--------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Unskilled and defined decision making | 20 | 0 | 0 | 0 | 56 | 0 | 0 | 0 | 76 |
| Total | 468 | 0 | 1 | 44 | 696 | 1 | 7 | 191 | 1 408 |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Table 3.5.4 Promotions

| Occupational Band | Male | | | | Female | | | | Total |
|---|---------------|-----------|-----------|------------|---------------|-----------|-----------|--------------|---------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior Management | 3 | 0 | 0 | 1 | 4 | 0 | 0 | 0 | 8 |
| Professionally qualified and experienced specialists and mid-management | 3 090 | 19 | 30 | 345 | 4 299 | 20 | 37 | 771 | 8 611 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 6 031 | 11 | 35 | 176 | 132 50 | 36 | 51 | 981 | 20 571 |
| Semi-skilled and discretionary decision making | 459 | 1 | 0 | 3 | 1795 | 5 | 1 | 48 | 2 312 |
| Unskilled and defined decision making | 655 | 0 | 0 | 2 | 615 | 0 | 0 | 5 | 1 277 |
| Total | 10 239 | 31 | 65 | 527 | 19 963 | 61 | 89 | 1 805 | 32 780 |
| Employees with disabilities | 18 | 1 | 0 | 5 | 24 | 0 | 0 | 1 | 49 |

Table 3.5.5 Terminations

| Occupational Band | Male | | | | Female | | | | Total |
|---|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management | 174 | 2 | 5 | 19 | 220 | 1 | 2 | 52 | 475 |

| Occupational Band | Male | | | | Female | | | | Total |
|---|------------|----------|-----------|-----------|--------------|----------|----------|------------|--------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents | 402 | 1 | 7 | 26 | 591 | 1 | 4 | 131 | 1163 |
| Semi-skilled and discretionary decision making | 107 | 0 | 0 | 0 | 221 | 0 | 0 | 11 | 339 |
| Unskilled and defined decision making | 45 | 0 | 0 | 0 | 38 | 0 | 0 | 1 | 84 |
| Total | 728 | 3 | 12 | 45 | 1 070 | 2 | 6 | 195 | 2 061 |
| Employees with Disabilities | 1 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 3 |

Table 3.5.6 Disciplinary action

| Disciplinary action | Male | | | | Female | | | | Total |
|---------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Disciplinary action | 139 | 0 | 0 | 0 | 137 | 0 | 0 | 2 | 276 |

Table 3.5.7 Skills development

| Occupational category | Male | | | | Female | | | | Total |
|--|--------------|----------|----------|----------|--------------|----------|----------|----------|--------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and managers | 165 | 1 | 0 | 1 | 112 | 0 | 0 | 1 | 280 |
| Professionals | 867 | 0 | 0 | 3 | 915 | 0 | 0 | 2 | 1787 |
| Technicians and associate professionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clerks | 93 | 0 | 0 | 0 | 205 | 0 | 1 | 1 | 300 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Elementary occupations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 125 | 1 | 0 | 4 | 1 232 | 0 | 1 | 4 | 2 367 |
| Employees with disabilities | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |

3.6. Performance Rewards

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary band and critical occupations.

Table 3.6.1 Performance rewards by race, gender and disability

| Race and Gender | Beneficiary Profile | | | Cost | |
|-----------------|-------------------------|---------------------|-------------------------|---------------|---------------------------|
| | Number of Beneficiaries | Number of Employees | % of Total within Group | Cost (R'000) | Average Cost per Employee |
| African Male | 573 | 13 968 | 4.1 | 5 036 | 8 790 |
| Asian Male | 0 | 93 | 0 | 0 | 0 |
| Coloured Male | 0 | 38 | 0 | 0 | 0 |
| White Male | 6 | 693 | 0.9 | 160 | 26 646 |
| African Female | 802 | 25 193 | 3.2 | 6 620 | 8 254 |
| Asian Female | 2 | 126 | 1.6 | 20 | 9 894 |
| Coloured Female | 3 | 84 | 3.6 | 78 | 26 025 |
| White Female | 42 | 2349 | 1.8 | 533 | 12 701 |
| Total | 1 433 | 42 615 | 3.4 | 12 490 | 8 716 |

**Note: The total employment column in the table above excludes 2032 Grade R Practitioners, who do not participate in Performance Reward Schemes.*

Table 3.6.2 Performance rewards by salary band for personnel below Senior Management Service

| Salary Band | Beneficiary Profile | | | Cost | | |
|--|-------------------------|---------------------|--------------------------------|--------------------|---------------------------|--|
| | Number of Beneficiaries | Number of Employees | % of Total within Salary Bands | Total Cost (R'000) | Average Cost per Employee | Total Cost as a % of Total Personnel Expenditure |
| Lower skilled (Levels 1-2) | 665 | 3 262 | 20.4 | 3 859 | 5 803 | 665 |
| Skilled (Levels 3-5) | 551 | 5 188 | 10.6 | 4 236 | 7 688 | 551 |
| Highly skilled - production (Levels 6-8) | 180 | 24 410 | 0.7 | 2 952 | 16 400 | 180 |
| Highly skilled - supervision (Levels 9-12) | 30 | 9 649 | 0.3 | 1 069 | 35 633 | 30 |
| Contract (Levels 1-2) | 0 | 67 | 0 | 0 | 0 | 0 |
| Contract (Levels 3-5) | 0 | 5 | 0 | 0 | 0 | 0 |
| Total | 1 426 | 42 581 | 3.3 | 12 116 | 8 496 | 1 426 |

**Note: The total employment column in the Table above excludes the 2032 Grade R Practitioners, who do not participate in Performance Reward Schemes.*

Table 3.6.3 Performance rewards by critical occupation

| Critical Occupation | Beneficiary Profile | | | Cost | |
|---|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
| | Number of Beneficiaries | Number of Employees | % of Total within Occupation | Total Cost (R'000) | Average Cost per Employee |
| Administrative related | 3 | 8 | 37.5 | 178 | 59 333 |
| Architects, town planners and traffic planners | 0 | 2 | 0 | 0 | 0 |
| Auxiliary and related workers | 8 | 28 | 28.6 | 46 | 5 750 |
| Building and other property caretakers | 5 | 75 | 6.7 | 35 | 7 000 |
| Bus and heavy vehicle drivers | 3 | 10 | 30 | 26 | 8 667 |
| Cleaners in offices, workshops, hospitals, etc. | 692 | 3 421 | 20.2 | 4 119 | 5 952 |
| Client inform. clerks (switchb, recept. Inform, clerks) | 0 | 5 | 0 | 0 | 0 |
| Communication and information related | 5 | 6 | 83.3 | 200 | 40 000 |
| Computer system designers and analysts | 0 | 4 | 0 | 0 | 0 |
| Dieticians and nutritionists | 1 | 2 | 50 | 28 | 28 000 |
| Engineers and related professionals | 0 | 2 | 0 | 0 | 0 |
| Farm-hands and labourers | 0 | 1 | 0 | 0 | 0 |
| Finance and economics related | 8 | 31 | 25.8 | 295 | 36 875 |
| Financial and related professionals | 26 | 68 | 38.2 | 536 | 20 615 |
| Financial clerks and credit controllers | 42 | 108 | 38.9 | 492 | 11 714 |
| Food services aids and waiters | 1 | 43 | 2.3 | 6 | 6 000 |
| General legal administration and rel. professionals | 0 | 1 | 0 | 0 | 0 |
| Head of Department/Chief Executive Officer | 1 | 1 | 100 | 94 | 94 000 |
| Household and laundry workers | 23 | 135 | 17 | 163 | 7 087 |
| Household food and laundry services related | 0 | 4 | 0 | 0 | 0 |
| Human resources and organisat. Developm & related prof. | 19 | 94 | 20.2 | 444 | 23 368 |
| Human resources clerks | 51 | 193 | 26.4 | 653 | 12 804 |
| Human resources related | 3 | 37 | 8.1 | 64 | 21 333 |
| Inspectors of apprentices works and vehicles | 0 | 9 | 0 | 0 | 0 |
| Language practitioners interpreters and other commun. | 2 | 2 | 100 | 32 | 16 000 |
| Librarians and related professionals | 1 | 1 | 100 | 7 | 7 000 |
| Library, mail and related clerks | 19 | 64 | 29.7 | 201 | 10 579 |
| Light vehicle drivers | 13 | 74 | 17.6 | 98 | 7 538 |
| Logistical support personnel | 24 | 130 | 18.5 | 452 | 18 833 |
| Material-recording and transport clerks | 39 | 190 | 20.5 | 504 | 12 923 |
| Messengers, porters and deliverers | 14 | 78 | 17.9 | 81 | 5 786 |
| Natural Sciences related | 0 | 1 | 0 | 0 | 0 |
| Occupational therapy | 0 | 1 | 0 | 0 | 0 |
| Other administrat. and related clerks and organisers | 380 | 2 391 | 15.9 | 3 060 | 8 053 |
| Other administrative policy and related officers | 1 | 9 | 11.1 | 19 | 19 000 |
| Other information technology personnel | 0 | 15 | 0 | 0 | 0 |
| Photographic, lithographic and related workers | 3 | 14 | 21.4 | 22 | 7 333 |

| Critical Occupation | Beneficiary Profile | | | Cost | |
|---|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
| | Number of Beneficiaries | Number of Employees | % of Total within Occupation | Total Cost (R'000) | Average Cost per Employee |
| Professional nurse | 0 | 6 | 0 | 0 | 0 |
| Quantity surveyors and rela. prof. not classified elsewhere | 0 | 3 | 0 | 0 | 0 |
| Rank: Unknown | 0 | 16 | 0 | 0 | 0 |
| Risk management and security services | 0 | 2 | 0 | 0 | 0 |
| Secretaries and other keyboard operating clerks | 29 | 175 | 16.6 | 278 | 9 586 |
| Senior managers | 6 | 32 | 18.8 | 280 | 46 667 |
| Social work and related professionals | 0 | 4 | 0 | 0 | 0 |
| Speech therapy and audiology | 1 | 8 | 12.5 | 8 | 8 000 |
| Work planners | 0 | 2 | 0 | 0 | 0 |
| Youth workers | 2 | 73 | 2.7 | 13 | 6 500 |
| Other occupations | 8 | 35 036 | 0 | 54 | 6 750 |
| Total | 1 433 | 42 615 | 3.4 | 12 488 | 8 716 |

**Note: The total employment column in the Table above excludes the 2032 Grade R Practitioners, who do not participate in Performance Reward Schemes.*

Table 3.6.4 Performance related rewards (cash bonus), by salary band for Senior Management Service

| Salary Band | Beneficiary Profile | | | Cost | | |
|--------------|-------------------------|---------------------|--------------------------------|--------------------|---------------------------|--|
| | Number of Beneficiaries | Number of Employees | % of Total within Salary Bands | Total Cost (R'000) | Average Cost per Employee | Total Cost as a % of the total Personnel Expenditure |
| Band A | 6 | 26 | 23.1 | 280 | 46 667 | 1.2 |
| Band B | 0 | 3 | 0 | 0 | 0 | 0 |
| Band C | 0 | 3 | 0 | 0 | 0 | 0 |
| Band D | 1 | 2 | 50 | 94 | 94 000 | 2.7 |
| Total | 7 | 34 | 20.6 | 374 | 53 428.6 | 1.4 |

3.7. Foreign Workers

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

Table 3.7.1 Foreign workers by salary band

| Salary Band | 1 April 2012 | | 31 March 2013 | | Change | |
|--|--------------|------------|---------------|------------|------------|------------|
| | Number | % of Total | Number | % of Total | Number | % Change |
| Lower skilled (Levels 1-2) | 6 | 0.9 | 0 | 0 | -6 | -5.1 |
| Skilled (Levels 3-5) | 18 | 2.8 | 90 | 11.9 | 72 | 61.5 |
| Highly skilled production (Levels 6-8) | 588 | 92 | 665 | 88 | 77 | 65.8 |
| Highly skilled supervision (Lev. 9-12) | 25 | 3.9 | 0 | 0 | -25 | -21.4 |
| Contract (Levels 9-12) | 0 | 0 | 0 | 0 | 0 | 0 |
| Contract (Levels 13-16) | 0 | 0 | 0 | 0 | 0 | 0 |
| Periodical remuneration | 1 | 0.2 | 0 | 0 | -1 | -0.9 |
| Abnormal appointment | 1 | 0.2 | 1 | 0.1 | 0 | 0 |
| Total | 639 | 100 | 756 | 100 | 117 | 100 |

Table 3.7.2 Foreign workers by major occupation

| Major Occupation | 1 April 2012 | | 31 March 2013 | | Change | |
|-------------------------------|--------------|------------|---------------|------------|------------|------------|
| | Number | % of total | Number | % of Total | Number | % Change |
| Administrative office workers | 1 | 0.2 | 0 | 0 | -1 | -0.9 |
| Elementary occupations | 6 | 0.9 | 0 | 0 | -6 | -5.1 |
| Other occupations | 631 | 98.7 | 756 | 100 | 125 | 106.8 |
| Professionals and managers | 1 | 0.2 | 0 | 0 | -1 | -0.9 |
| Total | 639 | 100 | 756 | 100 | 117 | 100 |

3.8. Leave utilisation

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

Table 3.8.1 Sick leave

| Salary Band | Total Days | % Days with Medical Certification | Number of Employees using Sick Leave | % of Total Employees using Sick Leave | Average days Per Employee | Estimated Cost (R'000) |
|--|------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skills (Levels 1-2) | 7 300 | 84.9 | 1 310 | 6.9 | 6 | 1 690 |
| Skilled (Levels 3-5) | 9 749 | 82.4 | 1 790 | 9.4 | 5 | 3 161 |
| Highly skilled - production (Levels 6-8) | 59 338 | 79.9 | 11 349 | 59.8 | 5 | 40 278 |
| Highly skilled - supervision (Levels 9-12) | 24 387 | 82.2 | 4 516 | 23.8 | 5 | 25 393 |

| Salary Band | Total Days | % Days with Medical Certification | Number of Employees using Sick Leave | % of Total Employees using Sick Leave | Average days Per Employee | Estimated Cost (R'000) |
|--|----------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Top and senior management (Levels 13-16) | 129 | 100 | 16 | 0.1 | 8 | 302 |
| Contract (Levels 1-2) | 24 | 70.8 | 10 | 0.1 | 2 | 4 |
| Total | 100 927 | 81.1 | 18 991 | 100 | 5 | 70 828 |

Table 3.8.2 Disability leave (temporary and permanent)

| Salary Band | Total Days | % Days with Medical Certification | Number of Employees using Disability Leave | % of Total Employees using Disability Leave | Average Days Per Employee | Estimated Cost (R'000) |
|--|---------------|-----------------------------------|--|---|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 521 | 93.7 | 36 | 5.1 | 14 | 123 |
| Skilled (Levels 3-5) | 1358 | 99.8 | 59 | 8.3 | 23 | 433 |
| Highly skilled - production (Levels 6-8) | 15401 | 99.8 | 435 | 61.1 | 35 | 10 704 |
| Highly skilled - supervision (Levels 9-12) | 6498 | 99.6 | 182 | 25.6 | 36 | 6 528 |
| Total | 23 778 | 99.6 | 712 | 100 | 33 | 17 788 |

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

Table 3.8.3 Annual Leave

| Salary Band | Total Days Taken | Number of Employees using Annual Leave | Average Per Employee |
|--|------------------|--|----------------------|
| Lower skilled (Levels 1-2) | 26 964.51 | 1 993 | 14 |
| Skilled (Levels 3-5) | 31 362.22 | 2 210 | 14 |
| Highly skilled - production (Levels 6-8) | 15 704.15 | 1 350 | 12 |
| Highly skilled - supervision (Levels 9-12) | 16 817.75 | 1 304 | 13 |
| Senior management (Levels 13-16) | 527 | 31 | 17 |
| Contract (Levels 1-2) | 171 | 31 | 6 |
| Contract (Levels 3-5) | 21 | 4 | 5 |
| Contract (Levels 13-16) | 7 | 1 | 7 |
| Total | 91 574.63 | 6 924 | 13 |

Table 3.8.4 Capped leave

| Salary Band | Total Days Taken | Number of Employees using Annual Leave | Average Per Employee |
|--|------------------|--|----------------------|
| Lower skilled (Levels 1-2) | 41 | 5 | 8 |
| Skilled (Levels 3-5) | 57 | 12 | 5 |
| Highly skilled - production (Levels 6-8) | 1 666 | 527 | 3 |
| Highly skilled – supervision (Levels 9-12) | 1 504 | 432 | 3 |
| Total | 3 268 | 976 | 3 |

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

Table 3.8.5 Leave payouts

| Reason | Total Amount (R'000) | Number of Employees | Average per Employee (R'000) |
|---|----------------------|---------------------|------------------------------|
| Leave payout for 2011/12 due to non-utilisation of leave for the previous cycle | 25 | 1 | 25 000 |
| Capped leave payout on termination of service for 2012/13 | 32 265 | 3 431 | 9 404 |
| Current leave payout on termination of service for 2012/13 | 0 | 24 | 0 |
| Total | 32 290 | 3 456 | 9 343 |

3.9. HIV/AIDS and Health Promotion Programmes

Table 3.9.1 Steps taken to reduce the risk of occupational exposure

| Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any) | Key steps taken to reduce the risk |
|--|------------------------------------|
| No high risk units/categories | N/A |

Table 3.9.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

| Question | Yes | No | Details, if yes |
|--|-----|----|--|
| 1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position. | x | | Mr JM Tshoba, Chief Director for HRM. |
| 2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | x | | There are 21 EHWP officials in the Department, appointed both at Head Office and the four districts. Budget: approximately R2 m. |

| Question | Yes | No | Details, if yes |
|---|-----|----|--|
| 3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme. | x | | The following are events that relate to the EAP and Health programme: candlelight memorials, health screenings, substance abuse awareness sessions, sexually transmitted diseases awareness sessions. |
| 4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent. | x | | The Department appointed the following as a committee, but it was never effective due to the transfer of some of the members: Mr Khoza (Chairperson), Mr TO Ugoda (Secretary - to be replaced since he transferred), Mr MH Shongwe (member-Legal services), Ms D Matjee (Union representative), Ms TT Nagel (member-Life skills), Mr S Mbuli (member -Transformation unit), Ms LFN Mkhabela (Wellness unit - Head Office), Ms SNG Mahlangu (Wellness - Nkangala district), Mr NM Magabane (Wellness - Gert Sibande District), Mr K Mokoena (Wellness - Ehlanzeni District), Mr M Bembe (Wellness - Bohlabela District) and Mr M Bhembe (member - Risk Management). |
| 5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed. | | x | The EHWP Policy was formally approved in November 2012. Therefore it will be reviewed in 2014/15. |
| 6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures. | x | | The HIV/AIDS policy developed by the Department emphasises: <ul style="list-style-type: none"> • protection of the rights of people living with HIV/AIDS • non-discrimination of people living with HIV/AIDS and • de-stigmatisation of people living with HIV/AIDS in the workplace |
| 7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved. | x | | The EHWP continuously facilitates HIV Counselling and Testing (HCT) sessions for employees in the workplace. These sessions are facilitated in collaboration with social partners. Employees respond positively, due to the assurance of result confidentiality that ensures appropriate counselling. |
| 8. Has the Department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators. | x | | Each wellness session is followed up with evaluation by employees as consumers of the programme. In this way, the Employee Health and Wellness Unit is able to assess the level of interest in the programme and its benefits for future intensification of the programme. |

3.10. Labour Relations

Table 3.10.1 Collective agreements

| Subject Matter | Date |
|---------------------------------------|------|
| No collective agreements were signed. | N/A |

The following table summarises the outcome of disciplinary hearings conducted within the Department during the year under review.

Table 3.10.2 Misconduct and disciplinary hearings finalised

| Outcomes of Disciplinary Hearings | Number | % of total |
|-----------------------------------|------------|------------|
| Correctional counselling | 9 | 2.9 |
| Verbal warning | 0 | 0 |
| Written warning | 9 | 2.9 |
| Final written warning | 90 | 29.3 |
| Suspended without pay | 124 | 40.4 |
| Fine | 43 | 14.0 |
| Demotion | 2 | 0.7 |
| Dismissal | 8 | 2.6 |
| Not guilty | 2 | 0.7 |
| Case withdrawn | 22 | 7.2 |
| Total | 307 | 100 |

Note:

It will be noted that the number of Terminations due to Dismissal: Misconduct as indicated on **Table 3.4.3 Reasons why staff left the department** is **25**, which is a reflection of the actual Dismissal due to misconduct termination transactions that were captured and updated on PERSAL during the period under review.

The data reflected in the Table above on the other hand, reflects the 11 sanctions of Dismissal imposed by the Presiding Officer during the period under review, and as such becomes the formal outcome in respect of these cases. However, all employees have the right to appeal to the Executing Authority for review of the sanction. Where such appeals are submitted, the dismissal sanctions will not be captured on the PERSAL system until the appeal is finalized and the initial sanction of Dismissal confirmed. As a result, the numbers in the two tables will not tally.

Table 3.10.3 Types of misconduct addressed at disciplinary hearings

| Type of Misconduct (based on Annexure A) | Number | % of Total |
|--|--------|------------|
| Theft | 8 | 2.1 |
| Fraud | 9 | 2.4 |
| Failure to carry out a lawful order | 16 | 4.3 |
| Absenteeism | 39 | 10.4 |
| Sexual harassment | 2 | 0.5 |
| Sexual relationship with learners | 9 | 2.4 |
| Victimization and intimidation | 1 | 0.3 |
| Corporal punishment | 18 | 4.8 |
| Exam irregularities | 16 | 4.3 |
| Damage to state property | 0 | 0 |
| Improper and unacceptable conduct | 30 | 8 |

| Type of Misconduct (based on Annexure A) | Number | % of Total |
|---|------------|------------|
| Defiance/insubordination | 62 | 16.6 |
| Under the influence of alcohol | 1 | 0.3 |
| Sexual assault | 0 | 0 |
| Abscondment | 13 | 3.5 |
| GG misuse | 8 | 2.1 |
| Corruption with regard to examination | 1 | 0.3 |
| Performed remunerative work without authorisation | 88 | 23.5 |
| Prejudiced the administration | 28 | 7.5 |
| Fraudulent (child support grant) | 0 | 0 |
| Bribery | 1 | 0.3 |
| Rape | 1 | 0.3 |
| Falsification of records | 1 | 0.3 |
| Dishonesty | 5 | 1.3 |
| Poor performance | 2 | 0.5 |
| Assault | 8 | 2.1 |
| Negligence | 2 | 0.5 |
| Incapacity | 0 | 0 |
| Late terminations | 5 | 1.3 |
| Total | 374 | 100 |

Table 3.10.4 Grievances lodged

| | Number | % of Total |
|--|------------|-------------|
| Number of grievances resolved | 112 | 53.1% |
| Number of grievances not resolved | 99 | 46.9% |
| Total number of grievances lodged | 211 | 100% |

Table 3.10.5 Disputes lodged

| | Number | % of Total |
|--|-----------|-------------|
| Number of disputes upheld | 3 | 6% |
| Number of disputes dismissed | 36 | 72% |
| Number of disputes settled | 2 | 4% |
| Outstanding disputes | 9 | 18% |
| Total number of disputes lodged | 50 | 100% |

Table 3.10.6 Strike actions

| | |
|--|---|
| Total number of persons working days lost | 0 |
| Total cost of working days lost | 0 |
| Amount (R'000) recovered as a result of no-work-no-pay | 0 |

Table 3.10.7 Precautionary suspensions

| | |
|--|--------|
| Number of people suspended | 12 |
| Number of people whose suspension exceeded 30 days | 11 |
| Average number of days suspended | 81 |
| Cost (R'000) of suspension | R1 888 |

3.11. Skills development

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

Table 3.11.1 Training needs identified

| Occupational Category | Gender | Number of Employees as at 1 April 2012 | Training Needs Identified at Start of Reporting Period | | | |
|--|--------|--|--|---|-------------------------|--------------|
| | | | Learner-ships | Skills Programmes and Other Short Courses | Other Forms of Training | Total |
| Legislators, senior officials and managers | Female | 9 | 0 | 123 | 0 | 123 |
| | Male | 24 | 0 | 157 | 0 | 157 |
| Professionals | Female | 23 280 | 0 | 863 | 0 | 863 |
| | Male | 11 804 | 0 | 780 | 0 | 780 |
| Technicians and associate professionals | Female | 112 | 0 | 0 | 0 | 0 |
| | Male | 90 | 0 | 0 | 0 | 0 |
| Clerks | Female | 2 353 | 0 | 315 | 0 | 315 |
| | Male | 812 | 0 | 210 | 0 | 210 |
| Service and sales workers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 2 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 7 | 0 | 0 | 0 | 0 |
| | Male | 8 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 4 | 0 | 0 | 0 | 0 |
| | Male | 70 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 1 922 | 64 | 0 | 0 | 64 |
| | Male | 2 009 | 41 | 0 | 0 | 41 |
| Other, permanent | Female | 109 | 0 | 0 | 0 | 0 |
| | Male | 57 | 0 | 0 | 0 | 0 |
| Other, non-permanent | Female | 1 954 | 0 | 0 | 0 | 0 |
| | Male | 14 | 0 | 0 | 0 | 0 |
| Sub-total | Female | 29 751 | 64 | 1301 | 0 | 1365 |
| Sub-total | Male | 14 890 | 41 | 1147 | 0 | 1188 |
| Total | | 44 641 | 105 | 2 448 | 0 | 2 553 |

Table 3.11.2 Training provided for the period

| Occupational Category | Gender | Number of Employees as at 1 April 2012 | Training provided within the reporting period | | | |
|--|---------------|--|---|--|-------------------------|--------------|
| | | | Learner-ships | Skills Pro-grammes and Other Short Courses | Other Forms of Training | Total |
| Legislators, senior officials and managers | Female | 9 | 0 | 113 | 0 | 113 |
| | Male | 24 | 0 | 167 | 0 | 167 |
| Professionals | Female | 23 280 | 0 | 917 | 0 | 917 |
| | Male | 11 804 | 0 | 870 | 0 | 870 |
| Technicians and associate professionals | Female | 112 | 0 | 0 | 0 | 0 |
| | Male | 90 | 0 | 0 | 0 | 0 |
| Clerks | Female | 2353 | 0 | 207 | 0 | 207 |
| | Male | 812 | 0 | 93 | 0 | 93 |
| Service and sales workers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 2 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 7 | 0 | 0 | 0 | 0 |
| | Male | 8 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 4 | 0 | 0 | 0 | 0 |
| | Male | 70 | 0 | 0 | 0 | 0 |
| Elementary occupations | Female | 1 922 | 0 | 0 | 0 | 0 |
| | Male | 2 009 | 0 | 0 | 0 | 0 |
| Other, permanent | Female | 109 | 0 | 0 | 0 | 0 |
| | Male | 57 | 0 | 0 | 0 | 0 |
| Other, non-permanent | Female | 1 954 | 0 | 0 | 0 | 0 |
| | Male | 14 | 0 | 0 | 0 | 0 |
| Sub-total | Female | 29 751 | 0 | 1 237 | 0 | 1 237 |
| Sub-total | Male | 14 890 | 0 | 1 130 | 0 | 1 130 |
| Total | | 44 641 | 0 | 2 367 | 0 | 2 367 |

3.12. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.12.1 Injury on duty

| Nature of injury on duty | Number | % of Total |
|---------------------------------------|-----------|------------|
| Required basic medical attention only | 53 | 64.6 |
| Temporary total disablement | 29 | 35.4 |
| Permanent disablement | 0 | 0 |
| Fatal | 0 | 0 |
| Total | 82 | 100 |

3.13. Utilisation of Consultants

Table 3.13.1 Report on consultant appointments using appropriated funds

| Project Title | Number of Consultants who Worked on Project | Duration in Work Days | Contract Value in Rand R'000 |
|---|---|-----------------------|---|
| To assist the Department of Education with quality assurance / post auditing of vouchers for payments processed from 1 April 2012 to 30 September 2012. | 11 (eleven) | 3 months | R1,693 (inclusive of VAT and disbursements) |

| Total number of Projects | Total Individual Consultants | Total Duration in Work Days | Total Contract Value in Rand R'000 |
|--------------------------|------------------------------|-----------------------------|---|
| 1 (one) | 1 (one) | 3 months | R1,693 (inclusive of VAT and disbursements) |

Table 3.13.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

| Project Title | Percentage Ownership by HDI Groups | Percentage Management by HDI Groups | Number of Consultants from HDI Groups who Worked on the Project |
|---|------------------------------------|-------------------------------------|---|
| To assist the Department of Education with quality assurance / post auditing of vouchers for payments processed from 1 April 2012 to 30 September 2012. | 100% | 100% | 100% |

Table 3.13.3 Report on consultant appointments using donor funds

| Project Title | Total Number of Consultants who Worked on Project | Duration Work Days | Donor and Contract Value in Rand |
|---------------|---|--------------------|----------------------------------|
| N/A | N/A | N/A | N/A |

| Total Project Title | Total Number of Consultants who Worked on Project | Total Duration Work Days | Total Donor and Contract Value in Rand |
|---------------------|---|--------------------------|--|
| N/A | N/A | N/A | N/A |

Table 3.13.4 Analysis of consultant appointments using donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

| Project Title | Percentage Ownership by HDI Groups | Percentage Management by HDI Groups | Number of Consultants from HDI groups who Worked on the Project |
|---------------|------------------------------------|-------------------------------------|---|
| N/A | N/A | N/A | N/A |





PART E

Financial Information

MPUMALANGA PROVINCIAL GOVERNMENT DEPARTMENT OF EDUCATION

ANNUAL FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013



**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

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**MPUMALANGA DEPARTMENT OF EDUCATION
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1. REPORT OF THE ACCOUNTING OFFICER

1. INTRODUCTION

The purpose of this report is to highlight specific financial matters of the 2012/13 financial year.

2. REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2013

The following is the report by the Accounting Officer to the Executive Authority and the Mpumalanga Provincial Legislature on financial performance, financial position and activities of the Department of Education for the financial year ended 31 March 2013.

2.1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

The 2012/13 financial year continued to be a challenging year as the Department faced financial pressure especially on goods and services as a result of accruals from the previous financial year. An amount of R131.9 million was received from the Provincial Treasury. This amount was intended to assist the Department in clearing the accruals. A further amount of R301.1 million was received during the budget adjustment to augment the budget for compensation of employees, after the collective agreement was concluded at a higher percentage than budget for. The additional funds were also appropriated for public examination administration and Learning and Teaching Support Material (LTSM), for top up textbooks for the 2013 academic year.

The Department continued to implement austerity measures to ensure that spending on some operational items is reduced in order to prevent overspending in particular on goods and services and compensation of employees by staggering the filling of vacant funded posts.

2.1.1. Important Policy Decisions and Strategic Issues Facing the Department

2.1.1.1 Transfer of Specials Schools to the Department of Social Development

The new Children's Act as amended (Act No. 41 of 2007) was promulgated in April 2010. In terms of the Children's Act as amended (Act No. 41 of 2007) all existing schools of Industry and Reform schools must be transformed into Child and Youth Care Centres under the Department of Social Development. These changes mandated the Provincial Department of Education to facilitate the transfer of residential facilities of Special Schools (Schools of Industry and Reform schools) as Child and Youth Care Centre to the Department of Social Development, however due to many delays relating to national directive on the transfer, a decision was taken within the province that the transfer date be moved to 01 April 2013. A Provincial Steering Committee on the transfer of Child and Youth Care Centres was established to ensure a credible and smooth transfer.

Mpumalanga Department of Education is one of the Provincial Education Departments in the country with limited number of Special Schools, but with the very high prevalence of disability. The efforts of admitting children of school-going age out of school are hindered by issues relating to limited space. A decision to retain one school for boys viz, Vaal River and convert it to a Special School for learners with moderate intellectual disabilities was taken. This serves as a mitigation strategy on current infrastructure delivery backlog to enable children with disabilities to access basic education.

All activities of the Steering Committee that had to precede the transfer date were completed as planned. The transfer process will be effected on 01 April 2013. The Executive Council was informed of the transfer process. All assets that were earmarked for transfer to the Department of Social Development were signed off before the end of March 2013. All learner files were also handed over to the Department of Social Development by the end of March 2013 so that the function of designation can be handled in line with the prescripts of the Children's Act. The actual transfer of Child and Youth Care Centres will be effected on 01 April 2013 and the Memorandum of Agreement will be signed by both parties to manage the transitional arrangements after 01 April 2013. The transitional arrangements will be in place until the end of September 2013.

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A portion of the budget appropriated to the Department of Education under Program 4 -Special Schools, Transfers and Subsidies for the residential facilities of the three Child and Youth Care Centres and the Compensation of Employees earmarked for the transfer process was transferred to the Department of Social Development as follows:

Below is the break-down over the MTEF:

| Name of school | Period | Goods & Services R'000 | Compensation of Employees R'000 | Total R'000 |
|-------------------------|---------|---------------------------|------------------------------------|----------------|
| Vikelwa | 2013/14 | 2 266 | 4 970 | R7 236 |
| George Hofmeyer | 2013/14 | 2 266 | 5 087 | R7 353 |
| Ethokomala | 2013/14 | 2 460 | 6 856 | R9 316 |
| Total for period | | 6 992 | 16 913 | R23 905 |
| Vikelwa | 2014/15 | 2 378 | 5 264 | R7 642 |
| George Hofmeyer | 2014/15 | 2 378 | 5 387 | R7 765 |
| Ethokomala | 2014/15 | 2 581 | 7 260 | R9 841 |
| Total for period | | 7 337 | 17 911 | R25 248 |
| Vikelwa | 2015/16 | 2 487 | 5 558 | 8 045 |
| George Hofmeyer | 2015/16 | 2 487 | 5 689 | 8 176 |
| Ethokomala | 2015/16 | 2 581 | 7 260 | 9 841 |
| Total for period | | 7 555 | 18 507 | 26 062 |

2.1.1.2 Transfer of Further Education and Training institutions to Department of Higher Education and Training

The Department of Higher Education and Training was established in terms of the Presidential minute No. 690 and Proclamation of 6 July 2009. Under proclamation No. 44 of 1 July 2009, the concurrent functions under the Further Education and Training Colleges Act (16 of 2006) were transferred from the Minister of Basic Education to the Minister of Higher Education and Training.

On the 3rd May 2012 the Further Education and Training Colleges Amendment Act No 3 of 2012 was assented to by the President, effectively transferring Further Education and Training Colleges to the exclusive mandate of the Minister of Higher Education and Training. Through a Government notice of 11 May 2012, the Minister of Higher Education and Training left some sections of the Further Education and Training Colleges Amendment Act that deal with Management of staff and finances to the management of Provinces through a protocol agreement.

The Minister of Higher Education and Training published two Government notices on 18 and 28 of March 2013 that transferred the remaining sections of the Further Education and Training Colleges Amendment Act from Provinces to the Department of Higher Education and Training. From 1 April 2013, Further Education and Training Colleges will be transferred completely to the Department of Higher Education and Training. Due to insufficient capacity in the Department of Higher Education and Training, Provinces have been requested to manage staff in the provincial offices that will not yet have been transferred to the Department of Higher Education and Training, as well as the administration of salaries to all Further Education and Training College employees on agency basis through protocols.

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REPORT OF THE ACCOUNTING OFFICER

2.1.2. Comments on significant events that have taken place during the year

The following events took place during the 2012/13 financial year:

| No | Description of Event | Venue | Date |
|-----------|--|--|---------------------|
| 1. | Performance Review Summit for Bohlabela District | Mapulaneng College, Bushbuckridge | 24 / 04 / 2012 |
| 2. | Career Exhibition | Lowveld Showground, Ehlanzeni | 07 – 11 / 05 / 2012 |
| 3. | Performance Review Summit for Gert Sibande District | Siyathemba Thusong Center, Balfour | 11 / 05 / 2012 |
| 4. | Policy & Budget Speech | Legislature, Nelspruit | 15 / 05 / 2012 |
| 5. | Launch of Provincial QLTC | Sigweje Secondary School | 01 / 06 / 2012 |
| 6. | Provincial Eistedford Choral Music | Steve Tshwete Municipality, Middelburg | 07 – 10 / 06 / 2012 |
| 7. | Provincial ECD Summit | Ingwenyama Lodge | 06 – 07 / 06 / 2012 |
| 8. | National Eistedford Choral Music Competition | Randburg | 04 – 06 / 07 / 2012 |
| 9. | Outreach Programme | Amersfoort, Volkrust and Daggakraal, (Gert Sibande) | 14 / 06 / 2012 |
| 10. | Hand Over of Aplos Chiloane project in celebration of Mandela Day | Aplos Chiloane Primary School, Mkhululine, Bushbuckridge | 14 / 07 / 2012 |
| 11. | Handover of phase 1 & 2 Sinqobile school project | Barberton | 16 / 07 / 2012 |
| 12. | 2nd Quarter Performance Review assessment Nkangala District | Siyabuswa Campus | 27 / 07 / 2012 |
| 13. | Official Hand over of school infrastructure at Lefiso Primary School by the Honourable Premier | Lefiso Primary School, Marapyane | 24 / 08 / 2012 |
| 14. | ABET Conference | Green way woods, White River | 07 – 08 / 09 / 2012 |
| 15. | Official Hand over of Inqubeko Secondary School by the Honourable Premier | Piet Retief | 14 / 09 / 2012 |
| 16. | National Teaching Awards | Kloppenheim Lodge, Winnar | 02 / 11 / 2012 |
| 17. | Soul Buddyz Congress | Floreat Lodge, Sabie | 28 / 11 / 2012 |
| 18. | Official Hand over of Vezimfundo Primary School | Delmas | 30 / 11 / 2012 |
| 19. | Announcement of Grade 12 results | Pienaarsdam | 03 / 01 / 2013 |
| 20. | Rhandza Xikolo xa wena Campaign | Masitakhe Secondary School, Matsulu | 05 / 01 / 2013 |
| 21. | Meeting with Pastors | Ingwenyama Lodge | 24 / 01 / 2013 |
| 22. | MEC's meeting with Curriculum Implementers | Middelburg HTS | 30 / 01 / 2013 |
| 23. | Awareness Campaign for learners (Jerusalem High School) - study tour to Barberton Prison to encourage learners to refrain from committing crime. | Barberton Prison | 12 / 02 / 2013 |

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| No | Description of Event | Venue | Date |
|-----------|--|----------------------------|----------------|
| 24. | Launch of the University of Johannesburg B.ED foundation Phase programme | Siyabuswa Campus | 26 / 02 / 2013 |
| 25. | Learnership Graduation Ceremony | Civic Centre, Nelspruit | 15 / 03 / 2013 |
| 26. | Research Seminar | Pine Lake Inn, White River | 19 / 03 / 2013 |

2.1.3. Comments on major projects undertaken during the year

The following projects were undertaken during the financial year:

| Project name | Project description | District | Contract Amount '000 |
|-------------------------------|---|-----------------|-----------------------------|
| Mhlangana Secondary School | Construction of 14 classrooms | Bohlabela | R4 062 |
| Qhubulwazi Combined School | Construction of 12 classrooms | Gert Sibande | R3 919 |
| Arnot Colliery Primary School | Construction of 14 classrooms | Nkangala | R4 587 |
| Mlilo Combined School | Repair of storm damages | Gert Sibande | R4 623 |
| Tjhidelani Primary School | Construction of 20 classrooms | Nkangala | R9 301 |
| Lekholane Primary School | Construction of 15 classrooms, administration block, computer centre, 10 toilets, kitchen and fence | Nkangala | R16 382 |
| Soshangana Secondary School | Construction of 7 classrooms, administration block, laboratory, library, computer centre, school hall, 24 toilets, water and electricity. | Bohlabela | R12 647 |
| Sidlemu Primary School | Completion of the construction of 6 classrooms, administration block, library, computer centre, kitchen, 18 toilets and rails and ramps | Ehlanzeni | R8 602 |
| Lekete Secondary School | Construction of 1 workshop and the refurbishment of 3 other workshops | Bohlabela | R17 528 |
| Ramoshidi Secondary School | Construction of 4 workshops | Nkangala | R17 262 |

2.1.4. Spending trends

The final expenditure outcome for the 2012/13 financial year amounted to R14.356 billion against the final appropriation of R14.285 billion which resulted in a net over expenditure of R71 million or 0.5%.

The Department was allocated an original budget of R13.984 billion during the 2012/13 financial year as compared to adjustment budget of R14.285 billion in the 2012/13 financial year. An additional amount of R301.1 million was allocated to the Department during the adjustment budget appropriation resulting in a total budget of R14.285 billion.

The additional budget allocation includes rollovers to the value of R33 million broken down as follows:

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| Description | Amount R'000 | Programme |
|---|---------------------|--|
| Conditional grant: HIV/AIDS | R480 | Programme 8: Auxiliary and Associated Services |
| Conditional grant: NSNP | R32 001 | Programme 2: Public Ordinary Schools |
| Conditional grant: Dinaledi Schools Grant | R630 | Programme 2: Public Ordinary Schools |

An additional amount of **R200.7 million** was received on the cost of living adjustment which was higher than the main budget provided and was allocated as follows:

| Description | Amount R'000 | Programme |
|--|---------------------|---|
| Provincial Adjustments on the cost of living adjustment which was higher than the main budget provided | R199 500 | Programme 2: Public Ordinary School Education |
| | R1 200 | Programme 5: FET Colleges |

An amount of **R18 million** was received on additional national conditional grants and allocated as follows

| Description | Amount R'000 | Programme |
|-------------------------------------|---------------------|--|
| FET Colleges Grant | R2 589 | Programme 5: FET Colleges |
| EPWP Incentive Infrastructure Grant | R3 000 | Programme 2: Public Ordinary Schools |
| EPWP Social Sector Incentive Grant | R12 613 | Programme 7: Early Childhood Development |

The balance of the additional amount received during the 2012/13 adjustment appropriation of **R49 million** was made up as follows:

| Description | Amount R'000 | Programme |
|---|---------------------|--|
| Youth Development Fund | R 8 000 | Programme 5: FET Colleges |
| Additional funding for CAPS LTSM | R40 000 | Programme 2: Public Ordinary Schools |
| Examination Services | R18 400 | Programme 8: Auxiliary and Associated Services |
| Bursary adjustment | R1 157 | Programme 5: FET Colleges |
| Reduction for security service accounts shifted to Department of Community Safety, Security and Liaison | (R18 438) | Programme 2: Public Ordinary Schools |

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The Department has spent 100.5% of its adjusted budget for the 2012/13 financial year.

The Department spending trends per programme and economic classification is as follows:

Spending trends per Programme:

| Programme | 2012/13 adjusted budget R'000 | 2012/13 expenditure R'000 | % spent in 2012/13 | %spent in 2011/12 | %spent in 2010/11 |
|--|-------------------------------------|---------------------------------|-----------------------|----------------------|----------------------|
| 1. Administration | 581 429 | R560 808 | 96.5% | 87.7% | 91.4% |
| 2. Public Ordinary Schools | 12 385 315 | 12 514 416 | 101% | 99.6% | 97.9% |
| 3. Independent Schools | 12 467 | 12 381 | 99.3% | 96.5% | 100% |
| 4. Public Special School Education | 266 855 | 255 882 | 95.9% | 95.5% | 86.6% |
| 5. Further Education And Training Colleges | 513 881 | 519 844 | 101.2% | 98.8% | 99.7% |
| 6. Adult Based Education Training | 137 345 | 137 431 | 100.1% | 89.6% | 100.0% |
| 7. ECD | 215 875 | 208 656 | 96.7% | 89.0% | 89.9% |
| 8. Auxiliary and Associated Services | 171 827 | 146 606 | 85.3% | 100.0% | 82.6% |
| Total | 14 284 994 | 14 356 024 | 100.5% | 98.7% | 102.4% |

Spending trends per economic classification:

| Programme | 2012/13 adjusted budget R'000 | 2012/13 expenditure R'000 | % spent in 2012/13 | %spent in 2011/12 | %spent in 2010/11 |
|----------------------------|-------------------------------------|---------------------------------|-----------------------|----------------------|----------------------|
| Compensation of employees | 11 123 384 | 11 042 338 | 99.3% | 99.2% | 101.6% |
| Goods and services | 1 544 984 | 1 653 160 | 107.0% | 96.1% | 112.8% |
| Transfers and subsidies | 1 002 074 | 1 014 537 | 101.2% | 103.5% | 97.1% |
| Payment for Capital assets | R 614 552 | 645 989 | 105.1% | 89.3% | 89.0% |
| Total | 14 284 994 | 14 356 024 | 100.5% | 98.7% | 102.4% |

**MPUMALANGA DEPARTMENT OF EDUCATION
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Reasons for over spending

The Department incurred over expenditure of R71 million on the total budget and in particular Programme 2: Public Ordinary Schools due to the fact that accruals from the 2011/12 financial year had to be paid in the 2012/13 financial year. The Provincial Treasury tabled a Finance Bill in 2012 which included an allocation of R131.9 million to the Department of Education for the clearing of unauthorized expenditure.

The Department used the cash received in addition to its budget baseline to pay for its accruals. Whilst this cash assisted the Department in the clearing of accruals, however, without the amount being appropriated has resulted in overspending of the baseline as the BAS system recognize that this is in excess of what has been appropriated.

| Per Programme | Final Appropriation | Actual Expenditure | Variance | Variance as a % of Final Appropriation % |
|---|----------------------------|---------------------------|-----------------|---|
| | R'000 | R'000 | R'000 | |
| Programme 2: Public Ordinary Schools | 12 385 315 | 12 514 416 | (129 101) | (1.0%) |
| Over-expenditure was incurred on this programme due to the fact that accruals from the 2011/12 financial year had to be paid in the 2012/13 financial year. The Department overspent mainly on the purchase of learning and teaching support material in primary and secondary public schools. This over expenditure is less than 2%. | | | | |
| Programme 5: Public Special Schools | 513 881 | 519 844 | (5 963) | (1.2%) |
| Poor planning and late submission of infrastructure plans to the Department of Public Works, Roads and Transport (DPWRT) had an effect on the spending of infrastructure projects at public special schools which resulted in an under expenditure on this programme. | | | | |
| Programme 6: Further Education and Training | 137 345 | 137 431 | (86) | (0.1%) |
| Challenges with regard to the payment of bursaries, where insufficient budget allocations were received during the Adjustment Appropriation resulted in an over-expenditure on this programme as well as accruals from the previous financial year. This over expenditure is less than 2%. | | | | |

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Impact on programmes and service delivery

The over expenditure did not have any material impact on the programmes. The over expenditure is only 0.5% of the adjusted appropriation.

Actions taken or planned to avoid recurrence

The Department has a three year rolling plan to reduce accruals in order to minimize cash flow problems.

2.1.4.1. Virement

| Main division the virement was made from | Main division the funds was relocated to | Reason for the virement | The approval given by whom |
|---|---|--|---|
| Programme 1: Administration | Programme 2: Public Ordinary School Education | R1.7 million was shifted to administration for the payment of contractual obligations. Another R208 thousand was shifted to administration for the purchase of computer equipment. | Provincial Legislature with the tabling of the Adjustment Appropriation Bill. |
| Programme 1: Administration | Programme 2: Public Ordinary School Education | R4.5 million has been shifted to public ordinary schools for the payment of transfers and subsidies (households). | Accounting Officer. (Provincial Treasury notified) |
| Programme 4: Public Special Schools | Programme 1: Administration | R1.7 million was shifted to administration to pay for accruals on goods and services | Accounting Officer. (Provincial Treasury notified) |
| Programme 4: Public Special Schools | Programme 6: Adult basic education and Training | R2.6 million was shifted to adult basic education and training to curb the over expenditure on compensation of employees | Accounting Officer. (Provincial Treasury notified). |



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| Main division the virement was made from | Main division the funds was relocated to | Reason for the virement | The approval given by whom |
|---|---|--|---|
| Programme 4: Public Special Schools | Programme 7: Early Childhood Development | R89 thousand was shifted to early childhood development to pay for accruals on purchase of equipment | Provincial Legislature with the tabling of the Adjustment Appropriation Bill. |
| Programme 6: Adult Basic Education and Training | Programme 5: Further Education & Training | R129 thousand was shifted to Further Education and Training on transfers and subsidies (household). (This is 0.09% of the programme budget) | Provincial Legislature with the tabling of the Adjustment Appropriation Bill. |
| Programme 7: Early childhood development | Programme 1: Administration | R5.0 million was shifted to administration for the purchase of committed goods and services. | Accounting Officer. (Provincial Treasury notified) |
| Programme 8: Auxiliary and Associated Services | Programme 1: Administration | R7.9 million was shifted to administration for the purchase of committed goods and services | Accounting Officer. (Provincial Treasury notified) |
| Programme 8: Auxiliary and Associates Services | Programme 6: Adult Basic Education and Training | R4.6 million was shifted to adult basic education and training for the purchase of committed goods and services | Accounting Officer. (Provincial Treasury notified). |
| Programme 8: Auxiliary and Associated Services | Programme 5: Further Education & Training | An amount of R9 thousand was shifted to Further Education and Training on transfers and subsidies (household) | Accounting Officer. (Provincial Treasury notified). |

2.1.5. Any other material matters:

Unauthorized expenditure

The Department incurred unauthorized expenditure of R135.1 million (at programme level) as disclosed in note number 9 on page 217 of the Annual Financial Statements.

The affected programmes are as follows:

- **Public Ordinary Schools Education** (Programme 2) incurred unauthorised expenditure amounting to R129.1 million.
- **Further Education and Training** (Programme 5) incurred unauthorised expenditure amounting to R6 million.
- **Adult Basic Education and Training** (Programme 6) incurred unauthorised expenditure amounting to R86 thousand.

The **net** unauthorised expenditure for the vote is R71 million when considering the savings from other programmes

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| Unauthorised Expenditure per programme for the 2012/13 financial year | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|-------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance |
| | '000 | '000 | '000 | '000 | '000 | '000 |
| 2. PUBLIC ORDINARY SCHOOLS EDUCATION | | | | | | |
| Current payment | R11 399 767 | - | - | R11 399 767 | R11 486 330 | (R86 563) |
| Transfers and subsidies | R463 554 | - | R4 526 | R468 080 | R475 744 | (R 7 664) |
| Payment for capital assets | R517 468 | - | - | R 517 468 | R 552 342 | (R 34 874) |
| Payment for financial assets | - | - | - | - | - | (R 129 101) |
| | R12 380 789 | - | R4 526 | R12 385 315 | R12 514 416 | |
| 5. FURTHER EDUCATION AND TRAINING | | | | | | |
| Current payment | R66 517 | - | R138 | R66 517 | 68 494 | (R1 977) |
| Transfers and subsidies | R447 226 | - | - | R447 364 | R 451 350 | (R3 986) |
| Payment for capital assets | - | - | - | - | - | - |
| Payment for financial assets | - | - | - | - | - | - |
| | R513 743 | - | R138 | R513 881 | R519 844 | (R5 963) |
| 6. ADULT BASIC EDUCATION AND TRAINING | | | | | | |
| Current payment | R124 648 | - | R7 200 | R131 848 | R131 826 | R22 |
| Transfers and subsidies | R5 626 | - | (R129) | R 5 497 | R5 605 | (R108) |
| Payment for capital assets | - | - | - | - | - | - |
| Payment for financial assets | - | - | - | - | - | - |
| | R130 274 | - | R7 071 | R137 345 | R137 431 | (R 86) |
| Unauthorised Expenditure | | | | | | (R135 150) |

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Irregular expenditure

The Department incurred irregular expenditure of R40 million as disclosed in note number 25 on page 225 of the Annual Financial Statements.

The Department has trained 7 officials on bid committees through PALAMA. The training is aimed at assisting officials to understand and implement supply chain management prescripts in a proper manner.

Fruitless and wasteful expenditure

The Department incurred fruitless and wasteful expenditure of R3 million as disclosed in disclosure note number 26 on page 226 of the Annual Financial Statements.

The cases of fruitless and wasteful expenditure have been referred to Internal Audit for further investigation in order to determine liability.

Appropriate action is taken through Labour Relations when the investigations are concluded

2.2. SERVICES RENDERED BY THE DEPARTMENT

The services rendered by the Department are discussed in Part 2 of the 2012/13 Annual Report; however, these services can be summarized as follows:

| Programme | Services |
|------------------------------------|---|
| Administration | Provides overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act and other relevant policies. |
| Public Ordinary Schools | Provides ordinary education from Grades 1 to 12 in accordance with the South African Schools Act, (Act 84 of 1996) |
| Independent Schools Education | Provides support to independent schools in accordance with the South African Schools Act, (Act 84 of 1996) |
| Public Special Schools Education | Provides compulsory public education in special schools in accordance with the South African Schools Act, (Act 84 of 1996) and White Paper 6 on inclusive education, Child Justice Bill etc. |
| Further Education and Training | Provides Further Education and Training at public FET colleges in accordance with the Further Education and Training Colleges Act (Act 16 of 2006), inclusive of provisions of the Further Education and Training Colleges Amendment Act, 2010. |
| Adult Basic Education and Training | Provides adult basic education and training (ABET) in accordance with the Adult Basic Education and Training Act (Act 52 of 2000). |
| Early Childhood Development | Provides Early Childhood Education (ECD) at the Grade R and earlier levels in accordance with White Paper 5. |
| Auxiliary and Associated Services | Provides training and support to all education institutions. |

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2.2.1. Tariff policy

The following are tariffs that were charged by the Department after approval by the Provincial Treasury:

| Category | Approved tariffs for 2012/2013 | Proposed tariffs for 2012/2013 | Tariffs for 2011/2012 |
|--|--------------------------------|--------------------------------|-----------------------|
| National Senior Certificate | R55.00 | R55.00 | R46.00 |
| General Education and Training Certificate (GETC) | R55.00 | R55.00 | R46.00 |
| Application for duplicate certificates that were issued to replace previous certificates (Senior Certificates and GETC) | R55.00 | R55.00 | R46.00 |
| Re-issue of statements of symbols/results (Subject Certificate/ Statement) | R55.00 | R55.00 | R46.00 |
| Changes/amendments to certificates (re-issues) | R55.00 | R55.00 | R46.00 |
| Changes, surnames, ID Numbers changed legally | R250.00 | R250.00 | R250.00 |
| Application for replacement (duplicate) certificates - National Senior Certificate (Technical), National Certificate (Vocational), National N Certificate and Subject Statement (subject certificates) | R110.00 | R110.00 | R90.00 |
| National Senior Certificate (Technical), National Certificate (Vocational), National N Certificate and Subject Statement | R110.00 | R110.00 | R90.00 |
| Confirmation document issued prior to the certificate (system generated document) | R20.00 | R20.00 | R15.00 |
| Letter to embassies and authentication of qualifications (work/study abroad) | R25.00 | R25.00 | R20.00 |
| Re-issue statement of results (provincial) | R20.00 | R20.00 | R15.00 |
| Grades 8,9,10,11 and 12 practical certificates | R55.00 | R55.00 | R46.00 |
| Teachers certificates/diplomas | R55.00 | R55.00 | R46.00 |
| Statement of teacher qualifications | R20.00 | R20.00 | R15.00 |
| Verification of qualifications prior to 1992 for government organisations | R20.00 | R20.00 | R15.00 |
| Verification of qualifications prior to 1992 for government organisations | R40.00 | R40.00 | R35.00 |
| Re-marking of scripts | R73.00 | R73.00 | R70.00 |
| Re-checking of scripts | R14.00 | R14.00 | R12.00 |
| Viewing of scripts | R153.00 | R153.00 | R150.00 |

2.2.2. Free Services

The Department did not render any free services during the period under review.

2.2.3. Inventories

The Department has established warehouses in all Districts and Head Office.

The total of inventories on hand at year end is R6 million as per Annexure 7 of the Annual Financial Statements.

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2.3. CAPACITY CONSTRAINTS

The following are the major capacity constraints the Department experienced during the period under review.

2.3.1. Physical Resources and Facilities Management

The Department still had serious capacity constraints in as far as physical resources and facilities management is concerned. The physical resources and facilities management business unit continued to fail to attract staff with qualifications in the building and construction environment.

This has had a major impact on service delivery since the Department is unable to plan and implement infrastructure projects properly.

The Department will continue with the process of appointing a Project Management Unit in order to improve the capacity of the physical resources and facilities management unit to deal with the planning and implementation of infrastructure projects.

The Department has received an allocation of R10 million to appoint technical staff in the physical resources and facilities business unit as part of the infrastructure conditional grant. The recruitment process commenced during the second quarter of the financial year and most of the appointees started working in the fourth quarter of 2012/13. These appointments will also have a positive impact in as far as service delivery is concerned within the infrastructure development portfolio of this Department.

2.3.2. Asset Management

The Department continued to use the services of a private service provider to assist with asset management. A suitably qualified Head of Asset Management was appointed during the financial year under review. The new Head of Asset Management in conjunction with the service provider, is busy with skills transfer to the staff within the Asset Management business unit.



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2.4. UTILIZATION OF DONOR FUNDS

The Department did not receive any donor funding during the 2012/13 financial year.

2.5. TRADING ENTITIES AND PUBLIC ENTITIES

The Department has the Mpumalanga Regional Training Trust (MRTT) as the only public entity that forms part of the Executing Authority's portfolio.

The focus area of the MRTT is the implementation of the Skills Development Act, Act No. 97 of 1988. The main functions of the entity are to:

- Deliver technical, entrepreneurial, management and leadership skills training and,
- Placement of trainees in employment

The funding of the MRTT is as follows:

| 2012/2013 | 2011/2012 | 2010/2011 |
|------------------|------------------|------------------|
| R100.7 million | R61 million | R30 million |

2.6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

The Department made the following transfers during the 2012/13 financial year:

| Non-profit institutions | Adjusted Appropriation R'000 | Actual Transfer R'000 | Reasons for the transfer |
|-------------------------------------|-------------------------------------|------------------------------|---|
| Transfers | | | |
| Mpumalanga Regional Training Trust | 100 741 | 105 915 | Implementation of the Skills Development Act No. 97 of 1998 |
| Total | 100 741 | 105 915 | |
| Subsidies | | | |
| Section 21 and no fee schools | 417 966 | 421 813 | Subsidy to Public Ordinary Schools |
| Independent schools | 12 467 | 12 381 | Subsidy to Independent Schools |
| Special schools | 36 268 | 36 635 | Subsidy to Special Schools |
| FET Colleges | 346 485 | 345 285 | Subsidy to FET Colleges |
| Adult Basic Education and Training | 5 497 | 5 605 | Subsidy to Adult Basic Education Centres |
| Early Childhood Development Centres | 23 413 | 23 692 | Subsidy to Early Childhood Development Centres |
| Total | 842 096 | 846 611 | |

Subsidies were overspent due to unpaid claims emanating from the 2011/12 financial year for public ordinary schools, special schools, adult basic education centres and early childhood development centres.

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2.7. PUBLIC PRIVATE PARTNERSHIP (PPP)

The Department did not enter into any Public Private Partnership (PPP) during the 2012/13 financial year.

2.8. CORPORATE GOVERNANCE ARRANGEMENTS

2.8.1. Audit Committee

The Department has a fully functional audit committee. The committee consists of 6 external members. The committee is effective in that it provides valuable support and oversight to the Department in relation to risk management, governance, internal control specific to financial and performance information.

This committee was functional and has executed its responsibilities as required by the Public Finance Management Act.

2.8.2. Internal Audit Business Unit

The Internal Audit business unit has delivered substantial benefits to the Department by focusing primarily on the system of internal control resulting in better risk management and good governance as well as delivery of set business objectives. It is established in terms of section 38(i) (a)(ii) of the Public Finance Management Act (PFMA) which requires that the Accounting Officer must ensure that the Department has and maintains a system of internal audit under the control and direction of an audit committee.

The Internal Audit function is well supported by the Head of Department and well positioned to fulfil its mandate. In line with best practices, the function reports to the Head of Department for administrative purposes and to the audit committee for functional purposes.

The Internal Audit business unit operated in terms of the internal audit charter, which provides a structured framework for conducting internal audit works. The business unit conducted internal audit in line with the approved Internal Audit Plan for 2012/13, which was drawn up in accordance with the Treasury Regulations Paragraph 3.2.7 and the standards for the professional practice of Internal Audit (SPPIA). The plan and any changes thereto, were approved by the audit committee.

2.8.3. Risk Management

Effective management of risk is essential in the achievement of the Department's goals and objectives. Risk management has remained an integral part of the operation of the Department during the year under review.

The Department has adopted an enterprise-wide approach to risk management which means that each key risk in every business unit of the Department is included in a structured framework and systematic process of risk management.

Risk assessment reviews were conducted and specifically address strategic, operational, human resource, information, communication and technology and financial risks.

Key risk management initiatives undertaken during the year included:

- Identification of the Department's key risks and commencement of a structured risk management process for a number of management areas.
 - Continuation of the implementation of the risks identification during the implementation of the operational plan for the Department
 - Assisted in the investigation of internal examination during year
 - General advisory services to raise risk awareness throughout the Department.
 - Serve in the Examine Management Advisory Forum in all scheduled meetings.
- In addition, a facilitated process of embedding risk management into the day to day activities and management processes within the Department were followed. This includes the following activities:
- Conducting annual strategic risk assessment reviews.
 - Conducting operational risk assessment or re-evaluate key risks for all business units at least annually.
 - Regular review and update of risk registers and program on management action intended to or minimize or reduce the identified risk.
 - Development of contingency plans for high risks.
 - Early identification of emerging risks and of risk reduction or and
 - Monitor and report on key risks affecting the Department, including any or losses.

All identified risks were reported to the Risk Committee and the Audit committee.

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2.8.4. Fraud Prevention Strategy

The Department has approved and adopted a fraud prevention strategy.

The plan was compiled during the year in line with the requirements of the Public Finance Management Act of 1999 (PFMA) and the Treasury Regulations (TR). The main objectives of the plan include:

- Developing a culture of ethical behaviour and instilling zero tolerance to fraud and corruption.
- Sending a clear message to all employees and members of the public who interact with the Department that it is committed in fighting fraud and corruption.
- Improving accountability, efficiency and effective administration within the Department and to deal decisively with act of fraud and corruption.
- Improving the application of system policies, procedures and regulations.
- Encouraging all employees and other stakeholders to strive towards the detection and prevention of fraud and corruption impacting or having the potential to impact on the Department.

An ethics assessment was conducted within the Department to assess the attitude of employees regarding ethical behaviour and understanding on ethical issues.

Several workshops were conducted by Labour Relations and HRD on the Code of Conduct to emphasise the importance of conduct displayed at the workplace in several situations

2.8.5. Process to manage conflict of interest

The Department of Public Service and Administration (DPSA) requires all senior managers (Directors and above) to disclose their financial interest annually and all other levels are required to apply for permission to do remunerative work over and above their normal work. All the senior managers disclosed their financial interest for the 2011/12 financial year by the 30 April 2012.

In addition, the Department requires the disclosure of interest by bid committee members prior to all evaluation and adjudication processes of bids. All the members of the bid committees declared their interests during the meetings. The members of short listing and interviewing panels for appointment of employees also declared their interests during the financial year. Similarly all employees are required to seek permission of the Executing Authority to do additional remunerative work and no such approval was granted by the Executing Authority during the financial year under review. A total of 88 officials were charged with misconduct for being directors in companies doing business with government. Payments were not effected for companies with government officials as directors until settlement agreements were signed between the service providers and the Department.

2.8.6. Implementation of the code of conduct

• Learners

All School Governing Bodies were trained and supported on the development and implementation of a code of conduct for learners. Districts are doing continuous monitoring of the implementation of the code of conduct.

School Governing Bodies were trained on democratic governance with special emphasis on ethos and values in a growing democracy. RCL had been trained on role and responsibilities as per South African School Act, among the issues in which they were trained on is enhancing the implementation of Learner Code of Conduct.

• School Governing Bodies

The Code of Conduct for School Governing Bodies has been distributed to all schools.

All schools were supplied with school based policy pro forma, which guides on the development of all policies as guided by the School Act. A directive had been sent to schools to ensure that such policies are developed and available by the end of March 2013, and districts were directed to assist schools when a need arises. The training of School Governing Bodies has started and is on-going but districts are task to provide support outside the framework of training.

• Educators

Monitoring and support on the implementation of the Code of Professional Ethics is going on. A total of 167 dysfunctional schools were closely monitored and supported by Education Centre managers.

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2.8.7. Safety, Health and Environmental issues

The Department has started a process of strengthening safety at public schools. A total of 1161 School safety committee members were trained on random search and seizure and drug testing during the year under review. As a way of implementing the school safety protocol, 740 schools have been linked to police stations for constant monitoring.

2.8.8. Progress with Financial Management improvements

The Department is continuing with the process of improving the management of finances.

The Department has managed to improve oversight throughout the Department, with regard to spending and budget control through the budget committee initiative, which is a monthly reporting system. This promotes accountability and addresses measures to ensure the achievement of objectives and delivery according to operational plans. The budget advisory committee meeting monitored accruals, commitments, debtors, In Year Monitoring System, etc. while the audit steering committee monitored the implementation of the Auditor General's action plan.

2.8.9. Financial Management

The Department strives to improve the understanding of the standard chart of accounts by both Head Office and District officials. Together with the Provincial Treasury there are numerous initiatives to enhance finance management and improve internal controls. Officials were trained on compilation of financial statements so that there can be proper and accurate reporting both quarterly and annually.

2.8.10. Internal Controls

The Head of Department has the ultimate responsibility for establishing a framework for internal controls designed to effectively provide reasonable assurance against material losses, including appropriate risk management and good corporate governance frameworks and systems.

The Department has established key controls and measures that focus on critical areas identified by line management, facilitated by risk management and assessed and evaluated by the internal auditors. They include approved organizational structures, delegation of authority, quality assurance, and policies and procedures.

These controls are designed to provide a cost effective assurance that the Department's assets are safeguarded and that resources are efficiently managed. Regular internal audits are conducted to timely identify and control weaknesses in the system. Material control weaknesses are reported to appropriate senior management for correction and to the Audit Committee.

2.9. DISCONTINUED ACTIVITIES / ACTIVITIES TO BE DISCONTINUED

There were no activities discontinued in 2012/13 financial year.

2.10. NEW / PROPOSED ACTIVITIES

The Department has commenced with the construction of two new boarding schools at Emakhazeni and Mkhondo Municipalities respectively.

The boarding schools will cater for learners in the rural farming communities since the Department is in the process of closing farm schools.

2.11. INVENTORIES

The Department has established warehouses in all districts and Head Office. See Annexure 7 on page 249 for a reconciliation of the inventory on hand.

2.12. EVENTS AFTER REPORTING DATE

There were no significant events after the reporting date.

2.13. INFORMATION ON PREDETERMINED OBJECTIVES

The overall performance of the Department can be seen in the program performance as described in part 5 of the Annual Report of the Department.

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2.14. SCOPA RESOLUTIONS (2010/11)

The following are the resolutions taken by SCOPA for 2010/11 financial year and progress report:-

| DESCRIPTION | RESOLUTIONS | PROGRESS |
|---|---|--|
| <p>3.1. IRREGULAR EXPENDITURE (R5 222 000)</p> <p>The Committee noted that the Department had disclosed in note 22 to the financial statements, that it had incurred irregular expenditure to the amount of R5 2220 000 in contravention of Treasury Regulation (TR) 8.3 relating to compensation of employees.</p> | <p>The Department indicated that there was a delay in recovery of money for leave without pay (no work no pay) resulting to from the industrial action undertaken by Labor Unions in August 2010.</p> <p>The Department further indicated that it had since taken disciplinary action against the official who failed to ensure that the deductions were implemented and the money was recovered in April 2011.</p> <p>The committee accepted the explanation and was satisfied that the Department had taken action and recovered the money.</p> | <p>The resolution of the Committee is noted.</p> |
| <p>3.2. IRREGULAR EXPENDITURE (R134 808 000)</p> <p>The committee noted that the Department incurred irregular expenditure to the amount of R134 808 000 due to contravention of the Treasury Regulation 16A9.1 (d) as well as practice note 8 of 2007-08 relating to supply chain management.</p> | | |
| <p>3.2.1. TRANSPORTATION OF MOBILE CLASSROOMS</p> <p>The Department indicated that part of the irregular expenditure relates to the irregular appointment of service providers to transport mobile classrooms from Mataffin schools to other schools within Ehlanzeni District.</p> | <p>The Committee recommends that the House resolves that;</p> <p>(i) The Accounting Officer must verify if all the service providers implicated in the irregular expenditure are not government employees (R134 808 000),</p> | <p>Twenty two (22) companies were verified and it was discovered that five directors in various companies are government employees and the matters have been to Labour Relations for disciplinary action.</p> |
| | <p>(ii) The Accounting Officer must take disciplinary action against the officials of the Department connected with Zamambo Mhlobo Trading for conducting business with the Department and other Departments without authorization.</p> | <p>The employee who is a director in Zamambo Mhlobo Trading was charged with misconduct for performing remunerative work without permission brought before a hearing on 20 February 2012 and given Final Written Warning</p> |

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| DESCRIPTION | RESOLUTIONS | PROGRESS |
|--|---|---|
| 3.2.2. RENTAL OF FORKLIFTS The Department reported that it contravened Treasury Regulation 16A9.1 (d) as well as practice note 8 of 2007-08 relating to supply chain management with regard to alleged rental of forklifts in warehouses. It was alleged that officials wrote a confirmation letter to the bank indicating that Sebenza Motors had a contract with the Department. The Department could not find any records of the bid. | 3.2.2.1 The Committee recommends that the House resolves that; The Accounting Officer must ensure that the cases relating to the irregular rental of forklifts are completed and monies are recovered from those implicated or beneficiaries. | The Employee was charged with misconduct and found guilty and has since been dismissed effectively from 21 November 2012. |
| 3.2.2. REPAIR OF STORM DAMAGED SCHOOLS IN BUSHBUCKRIDGE (R125 847 000) The Department explained that officials failed to ensure that deviation from normal procurement procedures were followed and approved by the Accounting officer for the repair of storm damaged schools in Bushbuckridge during the 2008/09 financial year. There was no approval of the deviation and it was not reported to Treasury and the Auditor General as required. | 3.2.3.1. The Committee recommends that the House resolves that; (i) The Accounting Officer must take disciplinary action against the officials who failed to ensure that the deviation from normal procurement procedures was approved by the Accounting Officer, | The former Head of Department and DDG have since left the employment of the state. They are not employees as defined in section 213 of the Labour Relations Act, 1995 and therefore cannot be subjected to disciplinary action. The employer's disciplinary procedure is subject to Schedule 8 of the LRA (Code of Good Practice: Dismissals) |
| | (ii) The Accounting Officer must take disciplinary action against the officials who failed to ensure that the deviation from normal procurement procedures was reported to Treasury and Auditor General on time, | The former Head of Department and DDG have since left the employment of the state. They are not employees as defined in section 213 of the Labour Relations Act, 1995 and therefore cannot be subjected to disciplinary action. The employer's disciplinary procedure is subject to Schedule 8 of the LRA (Code of Good Practice: Dismissals) |
| | (iii) The Accounting Officer must determine if all service providers utilized were not related to government employees, | 21 companies were verified and it was discovered that there are no government employees in 19 of these companies. The ownership of two companies could not be established since their records do not appear on CIPC and the implementing agent will be requested to assist in identifying the directors of the said two companies. |

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| DESCRIPTION | RESOLUTIONS | PROGRESS |
|--|--|--|
| | (iv) The Accounting Officer must ensure that investigations relating to the repair of storm damage schools in Bushbuckridge are completed. | <p>The Department has requested the Office of the Auditor General to conduct a forensic audit on this matter. The Office of the Auditor General has indicated that they will not be able to embark on a full forensic investigation on this matter due to other competing priorities and the strategic focus of the AG.</p> <p>The Department will explore the possibility of involving the Special Investigative Unit or a private forensic audit company.</p> |
| <p>3.3. NON-COMPLIANCE TO PRACTICE NOTE 7 OF 2009/10 The Committee noted that the Auditor General had reported that the Department made awards to suppliers who did not declare their employment by the state, their connection with persons employed by the state or their relationship with persons involved in the evaluation and/or adjudication of bids as per the requirements of Practice Note 7 of 2009/10.</p> | <p>3.3.1. The Committee recommends that the House resolves that;</p> <p>(i) The Accounting Officer must take disciplinary action against the officials who failed to ensure implementation of the SBD4 forms during the 2010/11 financial year,</p> | <p>Employees were requested to comply with the requirement effectively from 20 October 2011 and have now been trained on how to incorporate SBD4 forms.</p> <p>Further Training on the Code of Conduct was conducted.</p> |
| | <p>The Accounting Officer must verify whether the Department awarded work to entities connected with government employees as a result of the failure to implement the SBD4 forms (practice note 7) during the 2010/11 financial year and submit a report to the Committee,</p> | <p>The Department has awarded work to 77 service providers who failed to declare their interest where suppliers did not submit their declarations (SBD4) of interests with their quotations. A total of 34 employees were working for other government institutions and their employers have already been informed about this so that appropriate action can be taken against the said service providers.</p> <p>43 employees who work for this Department were charged internally and appropriate sanctions were meted out.</p> |

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| DESCRIPTION | RESOLUTIONS | PROGRESS |
|---|--|--|
| <p>3.4. FRUITLESS AND WASTEFUL EXPENDITURE (R16 000) The Committee noted on note 23 to the financial statements that the Department had incurred a fruitless and wasteful expenditure to the amount of R16 000. The expenditure was a result of a bank interest charged on overdraft during April 2010.</p> | <p>3.4.1. The Committee recommends that the House resolves that; The Accounting officer must ensure effective and efficient cash flow management in the Department,</p> | <p>The matter has been thoroughly investigated and the affected officials were not found guilty, however, the Department has implemented efficient and effective cash flow management systems.</p> |
| <p>3.5. PREDETERMINED OBJECTIVES The Committee noted that the Auditor-General had raised that the Performance Information of the Department was deficient in respect of its validity, accuracy and completeness. It was found during the audit that 88% of the reported targets could not be established as the relevant source documentation could not be provided.</p> | <p>3.5.1. The Committee recommends that the House resolves that; (i) The Department must conduct Quarterly reviews of performance information and ensure that it has evidence of performance (Mode of Verification).</p> | <p>The Department has conducted quarterly reviews of performance information and portfolio of evidence is submitted as proof of performance.</p> |
| | <p>The Department must interact with the Auditor-General on quarterly basis regarding performance information</p> | <p>The Department has started interactions with the Auditor General regarding performance information with effect from the 2012/13 financial year.</p> |

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| DESCRIPTION | RESOLUTIONS | PROGRESS |
|---|---|--|
| <p>3.6. REPORT OF THE AUDIT COMMITTEE</p> <p>The Committee noted, in the report of the Audit Committee, that there were various observations existing from the work of the audit committee as mandated by the PFMA, Treasury Regulations and the Audit Committee Charter.</p> <p>The Audit Committee had in the financial year 2010/11 adopted formal terms of references for its operations and the Department indicated that they were reviewed and adopted on 24 February 2010.</p> <p>The Committee noted that during the financial year under review the audit committee raised issues relating to;</p> <ul style="list-style-type: none"> • Risk management strategy • Action plan on Auditor General findings 2008-09, • Fraud prevention plan, • Policies and procedures, • Staff debts, • Management account, • Internal audit operational plan 2009/10, • Annual financial statements, | <p>3.6.1. The Committee recommends that the House resolves that;</p> <p>(ii) The Accounting Officer must ensure that the Department address all issues that were raised as basis of the audit opinion and issues raised by Committees of the Legislature,</p> | <p>Issues as raised in the 2010/11 annual report were consistently reviewed during the year, (a detailed action plan was compiled and tracked regularly).</p> |
| | <p>(iii) The Accounting Officer must ensure that the Department develops and implements a plan to achieve a clean audit by 2014,</p> | <p>Issues as raised in the 2010/11 annual report were consistently reviewed during the year, (a detailed action plan was compiled and tracked regularly. The Department is currently developing a plan to achieve a clean audit in 2014/15 financial year.</p> |
| | <p>(iv) The Accounting Officer must ensure that all issues raised by the Audit Committee are programmed, implemented and accordingly reported.</p> | <p>The Department reports to the Audit Committee on a quarterly basis and all the issues as raised by the Audit Committee are attended to as instructed.</p> |

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

REPORT OF THE ACCOUNTING OFFICER

| DESCRIPTION | RESOLUTIONS | PROGRESS |
|--|-------------|----------|
| <p>The Committee noted the issues raised during the meetings of the audit committee as per the minutes furnished by the Department and the representation made by the Chairperson of the Audit Committee during the SCOPA hearing.</p> <p>The Committee asked whether the Department implemented all the recommendations made by the audit committee. The Accounting officer indicated that the recommendations made by the audit committee were not always implemented due to lack of capacity within the financial management unit.</p> <p>The Committee was satisfied with the commitment and interest shown by the audit committee on fundamental issues affecting the Department and leadership displayed during the SCOPA meetings. It was disappointing to note that the Department had failed the efforts of the audit committee by not implementing its recommendations.</p> <p>The Committee strongly feels that the Department stands to achieve more if it strengthens its capacity towards monitoring that all issues raised by the audit committee are implemented and accordingly reported to it.</p> | | |

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

REPORT OF THE ACCOUNTING OFFICER

2.15. PRIOR MODIFICATION TO AUDIT REPORTS

The Department received an unqualified audit opinion for the 2011/12 financial year from the Auditor-General and therefore there are no matters to report under this item except for those that were reported under SCOPA resolutions

2.16. EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

The Department did not receive any exemption and deviation from the National Treasury, however, authorization was granted by the Provincial Treasury for the Department to:

- Submit the asset register in excel format instead of LOGIS

2.17. INTERIM FINANCIAL STATEMENTS

The Department submitted Interim (Quarterly) Financial Statements for the period ending 30 September 2012, 31 December 2012 and 31 March 2013 respectively.

2.18. PROJECTS IMPLEMENTED BY MPUMALANGA EDUCATION DEVELOPMENT TRUST (MEDT)

An amount of R17 million was paid over to MEDT for the 2012/13 financial year for the construction of Acorns to Oaks High School at Bohlabela District. This is a partnership project between the MDOE, MEDT, Buffelshoek Trust and Vodacom.

2.19. OTHER MATTERS

The Department finalised the trial balance for the 2012/13 financial year on the 18th of April 2013. During the finalisation of the Appropriation Statement for the 2012/13 financial year, it became evident that the Department had overspent its budget on three of its eight programmes by R 135.1million. Unauthorized expenditure of R 71 was recognised prior to the closure of the financial system (BAS) on the 18th of April 2013. Additional Unauthorised Expenditure of R 64.1 million was recognised on the financial system subsequent to the 18th of April 2013, and the provincial treasury as well as the Office of the Auditor General of South Africa was notified of this transaction.

2.20. APPROVAL

The Annual Financial Statements set out on pages 182 until 249 have been approved by the Accounting Officer.

**MOC MHLABANE (MRS)
HEAD OF DEPARTMENT**

DATE: 31/05/2013

**MPUMALANGA DEPARTMENT OF EDUCATION
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REPORT OF THE ACCOUNTING OFFICER

2. ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY

Statement of Responsibility for the Annual Financial Statements for the Year Ended 31 March 2013

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

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

In my opinion, the financial statements fairly reflect the operations of the Department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the Department.

The Department of Education Annual Financial Statements for the year ended 31 March 2013 have been examined by the external auditors and their report is presented on page 176.

The Annual Financial Statements of the Department set out on page 182 to page 249 have been approved.



Mrs. MOC Mhlabane
Accounting Officer
(Department of Education)
(31 May 2013)

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

3. REPORT OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON VOTE NO. 7: DEPARTMENT OF EDUCATION

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Education set out on pages 182 to 236, which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental financial reporting framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Education as at 31 March 2013 and its financial performance and cash flows for the year then ended in accordance with the Departmental financial reporting framework prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matter

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

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

Restatement of corresponding figures

8. As disclosed in notes 13, 14 and 16 to the financial statements, the corresponding figures for 31 March 2012 have been restated as a result of an error discovered during the year ended 31 March 2013 in the financial statements of the Department of Education at, and for the year ended, 31 March 2012.

Additional matter

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

Financial reporting framework

10. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

12. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 15 to 97 of the annual report.
13. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant, as required by the National Treasury's Framework for managing programme performance information.
14. The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
15. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matters

16. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the matters below.

Achievement of planned targets

17. Of the total number of 46 planned targets, only 22 were not fully achieved during the year under review. This means that 48% of the total planned targets were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.

**MPUMALANGA DEPARTMENT OF EDUCATION
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Material adjustments to the annual performance report

18. Material misstatements in the annual performance report were identified during the audit, all of which were corrected by management.

Compliance with laws and regulations

19. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA are as follows:

Annual financial statements, performance report and annual report

20. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) of the PFMA. Material misstatements of current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

21. Contractual obligations and money owed by the department were not settled within 30 days or an agreed period, as required by section 38(1)(f) of the PFMA and Treasury Regulation (TR) 8.2.3.
22. The accounting officer did not take effective steps to prevent unauthorised, irregular as well as fruitless and wasteful expenditure, as per the requirements of section 38(1)(c)(ii) of the PFMA.

Human resource management

23. The accounting officer did not ensure that all leave taken by employees had been recorded accurately and in full, as required by Public Service Regulation (PSR) 1/V/F(b).
24. Employees acted in higher vacant posts for more than 12 months, in contravention of PSR 1/VII/B.5.3.
25. Employees were appointed without properly verifying the claims in their applications, in contravention of PSR 1/VII/D.8.
26. Employees were compensated for overtime work that had not been approved in advance, as required by PSR 1/V/D.2(c).

Procurement and contract management

27. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by TR 16A6.1.
28. Contracts were awarded to bidders who had not submitted a declaration of past supply chain management practices, such as fraud, abuse of SCM systems and non-performance, contrary to TR 16A9.1.
29. Persons in the service of the department who had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by TR 16A8.4 and PSR 3C.
30. Persons in the service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by TR 16A8.4.

**MPUMALANGA DEPARTMENT OF EDUCATION
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Service delivery

31. The department did not report on conditional grants to the relevant treasury and the national transferring officer, as part of monthly reports on budget information, spending and revenue, in contravention of section 12(2)(a) of DoRA.
32. Quarterly performance reports on conditional grants were not submitted to the relevant provincial treasury, the National Treasury and the transferring national officer, as required by section 12(2)(c) of DoRA.
33. Sufficient appropriate audit evidence could not be obtained to determine whether the cost per meal per learner was at an average of R2,46 in primary or special schools and R3,36 in secondary schools, in contravention of the division of revenue grant framework contained in Gazette No. 34280.
34. The department did not implement measures to monitor the quality of food served at schools, as required by the national schools nutrition programme business plan.
35. Meals were not prepared according to the recommended food specifications and approved menu, in contravention of the division of revenue grant framework contained in Gazette No. 34280.
36. Meals were not served to learners by 10:00, in contravention of the division of revenue grant framework contained in Gazette No. 34280.
37. The department did not adhere to the R720 minimum honorarium per person per month, in line with a food handler to learner ratio of 1:200, as required by the division of revenue grant framework contained in Gazette No. 35399.
38. The department did not complete Sixty per cent of the recapitalisation of technical secondary school processes within the stipulated time frame, resulting in poor service delivery.
39. No processes were in place to monitor the timeous delivery of workbooks to schools.

Internal control

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

Leadership

41. The department did not implement effective human resource management to ensure that adequate and sufficiently skilled resources were in place and that performance was monitored.
42. The accounting officer did not always ensure that ongoing monitoring and supervision were undertaken to enable an assessment of the effectiveness of internal control.
43. The accounting officer did not evaluate whether management had implemented effective internal controls by gaining an understanding of how senior management members had met their responsibilities.

Financial and performance management

44. Management did not implement adequate controls over daily and monthly processing and reconciling of transactions.
45. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.

**MPUMALANGA DEPARTMENT OF EDUCATION
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- 46. Management at the appropriate level did not ensure that compliance with applicable laws and regulations was adequately reviewed and monitored throughout the year.
- 47. Financial information submitted with the financial statements for auditing was not adequately reviewed for accuracy and completeness.

Governance

- 48. The department performed a risk assessment. However, the procedures to respond to these risks were not adequately designed

OTHER REPORTS

PERFORMANCE AUDITS

Performance audit of the adult basic education and training programme

- 49. A performance audit of the adult basic education and training programme was conducted. The audit focused on the economic, efficient and effective use of resources in the programme. The audit is currently in the reporting phase and the findings will be reported in a separate report.

Performance audit on early childhood development – Grade R

- 50. A performance audit of the early childhood development programme was conducted. The audit focused on the economic, efficient and effective use of resources in the programme. The audit is currently in the reporting phase and the findings will be reported in a separate report.

Performance audit on the readiness of government to report on its performance

- 51. A performance audit was conducted on the readiness of government to report on its performance. The focus of the audit was on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The management report on the audit was issued during the year.

Auditor-General

Nelspruit

31 July 2013



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

REPORT OF THE ACCOUNTING OFFICER FOR THE YEAR ENDED 31 MARCH 2013

**CONFIRMATION OF THE ACCURACY AND COMPLETENESS OF THE ANNUAL FINANCIAL
STATEMENTS SUBMITTED**

TO : TREASURY DATE: 31 MAY 2013

CC : AUDITOR GENERAL SOUTH AFRICA

FINANCIAL STATEMENTS FOR THE 2012/2013 FINANCIAL YEAR END

I hereby acknowledge that the Annual Financial Statements of 2012/2013 financial year have been submitted to the Auditor General for auditing in terms of section 40(1) C of the PFMA.

I acknowledge my responsibility for the accuracy of the accounting records and the fair presentation of the Annual Financial Statements and confirm, to the best of my knowledge and belief, the following:

- The Annual Financial Statements have been prepared in accordance with modified cash basis of accounting as prescribed in the Treasury Regulations and the PFMA and relevant guidelines specified/issued by the National Treasury.
- The Annual Financial Statements are complete and accurate.
- All amounts appearing on the Annual Financial Statements have been cast and cross-cast and have been accurately cross referenced.
- The Annual Financial Statements are free from material misstatements, including omissions; and
- Accounting estimates are reasonable in the circumstances.

Yours faithfully,



**MOC MHLABANE (MRS)
HEAD OF DEPARTMENT**

4. ANNUAL FINANCIAL STATEMENTS

DETAIL PER PROGRAMME for the year ended 31 March 2013

| Appropriation per programme | | | | | | | | | |
|-----------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| 2012/13 | | | | | | | | | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1. Programme 1 | | | | | | | | | |
| Administration | | | | | | | | | |
| Current payment | 550 331 | - | 14 525 | 564 856 | 544 822 | 20 034 | 96.5% | 619 040 | 545 750 |
| Transfers and subsidies | 7 955 | - | (4 526) | 3 429 | 3 327 | 102 | 97.0% | 4 449 | 1 791 |
| Payment for capital assets | 11 487 | - | - | 11 487 | 11 007 | 480 | 95.8% | 19 121 | 16 236 |
| 2. Programme 2 | | | | | | | | | |
| Public Ordinary Schools | | | | | | | | | |
| Current payment | 11 399 767 | - | - | 11 399 767 | 11 486 328 | (86 562) | 100.8% | 10 382 068 | 10 402 734 |
| Transfers and subsidies | 463 554 | - | 4 526 | 468 080 | 475 745 | (7 666) | 101.6% | 408 286 | 418 040 |
| Payment for capital assets | 517 468 | - | - | 517 468 | 552 342 | (34 874) | 106.7% | 629 897 | 553 532 |
| 3. Programme 3 | | | | | | | | | |
| Independent Schools | | | | | | | | | |
| Current payment | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 12 467 | - | - | 12 467 | 12 381 | 86 | 99.3% | 11 887 | 11 474 |
| Payment for capital assets | | - | - | - | - | - | - | - | - |
| 4. Programme 4 | | | | | | | | | |
| Public Special Schools | | | | | | | | | |
| Current payment | 177 218 | - | (4 262) | 172 956 | 164 383 | 8 573 | 95.0% | 164 890 | 158 162 |
| Transfers and subsidies | 36 799 | - | - | 36 799 | 37 270 | (471) | 101.3% | 38 619 | 38 140 |
| Payment for capital assets | 57 189 | - | (89) | 57 100 | 54 229 | 2 871 | 95.0% | 51 962 | 47 626 |

MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7

DETAIL PER PROGRAMME for the year ended 31 March 2013

| Appropriation per programme | | | | | | | | | |
|------------------------------|------------------------|-------------------|----------|---------------------|--------------------|-----------------|---|---------------------|--------------------|
| | 2012/13 | | | | | 2011/12 | | | |
| | Adjusted Appropriation | Shifting of Funds | Veriment | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 5. Programme 5 | | | | | | | | | |
| Further Education & Training | | | | | | | | | |
| Current payment | 66 517 | - | - | 66 517 | 68 494 | (1 977) | 103.0% | 9 913 | 9 257 |
| Transfers and subsidies | 447 226 | - | 138 | 447 364 | 451 350 | (3 986) | 100.9% | 388 210 | 383 989 |
| 6. Programme 6 | | | | | | | | | |
| ABET | | | | | | | | | |
| Current payment | 124 648 | - | 7 200 | 131 848 | 131 826 | 22 | 100.0% | 121 901 | 110 771 |
| Transfers and subsidies | 5 626 | - | (129) | 5 497 | 5 605 | (108) | 102.0% | 3 008 | 1 129 |
| Payment for capital assets | - | - | - | - | - | - | - | - | - |
| 7. Programme 7 | | | | | | | | | |
| ECD | | | | | | | | | |
| Current payment | 168 942 | - | (5 005) | 163 937 | 156 382 | 7 555 | 95.4% | 161 868 | 157 161 |
| Transfers and subsidies | 23 441 | - | - | 23 441 | 23 863 | (422) | 101.8% | 17 127 | 119 |
| Payment for capital assets | 28 408 | - | 89 | 28 497 | 28 411 | 86 | 99.7% | 20 101 | 19 865 |
| 8. Programme 8 | | | | | | | | | |
| Auxiliary Services | | | | | | | | | |
| Current payment | 179 288 | - | (12 458) | 166 830 | 141 609 | 25 221 | 84.9% | 141 974 | 141 925 |
| Transfers and subsidies | 5 006 | - | (9) | 4 997 | 4 997 | - | 100.0% | 4 759 | 4 751 |
| Payment for capital assets | - | - | - | - | - | - | - | 184 | 184 |
| Subtotal | 14 283 337 | - | - | 14 283 337 | 14 354 372 | (71 035) | 100.5% | 13 199 264 | 13 022 636 |

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

DETAIL PER PROGRAMME for the year ended 31 March 2013

| 2012/13 | | | | | | | 2011/12 | | |
|--------------------------------------|---------------------------|----------------------|----------|------------------------|-----------------------|-----------------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 11 122 485 | (758) | | 11 121 727 | 11 040 686 | 81 041 | 99.3% | 10 301 962 | 10 235 116 |
| Goods and services | 1 544 226 | 758 | | 1 544 984 | 1 653 160 | (108 176) | 107.0% | 1 299 692 | 1 278 142 |
| Interest and rent on land | - | | | | | | | | 903 |
| Transfers & subsidies | | | | | | | | | |
| Provinces and municipalities | 250 | | | 250 | 148 | 102 | 59.2% | 150 | 60 |
| Departmental agencies and accounts | 10 325 | | | 10 325 | 8 180 | 2 145 | 79.2% | 4 751 | 4 751 |
| Non-profit institutions | 942 837 | | | 942 837 | 951 327 | (8 490) | 100.9% | 827 133 | 823 485 |
| Households | 48 662 | | | 48 662 | 54 882 | (6 220) | 112.8% | 44 311 | 44 302 |
| Payment of capital assets | | | | | | | | | |
| Buildings and other fixed structures | 574 087 | | | 574 087 | 617 267 | (43 180) | 107.5% | 698 298 | 620 071 |
| Machinery and equipment | 40 445 | | | 40 445 | 28 706 | 11 739 | 71.0% | 22 967 | 17 372 |
| Software and other intangible assets | 20 | | | 20 | 16 | 4 | 80.0% | | |
| Total | 14 283 337 | | | 14 283 337 | 14 354 372 | (71 035) | 100.5% | 13 199 161 | 13 024 202 |

| Statutory Appropriation | | | | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| Direct charge against the Provincial Revenue Fund | 2012/13 | | | | | 2011/12 | | | |
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Member of executive committee | 1 657 | | | 1 657 | 1 652 | 5 | 99.7% | 1 566 | 1 566 |
| Total | 1 657 | | | 1 657 | 1 652 | 5 | 100.0% | 1 566 | 1 566 |

| | | |
|--|---------|---------|
| | 2012/13 | 2011/12 |
|--|---------|---------|

DETAIL PER PROGRAMME for the year ended 31 March 2013

| Detail per sub-programme 1 | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|---|------------------------|-------------------|--------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 1.1 Office of the MEC | | | | | | | | | |
| Current payment | 5 040 | | | 5 040 | 4 219 | 821 | 83.7% | 5 090 | 5 930 |
| Transfers and subsidies | 17 | | | 17 | | 17 | | 16 | 0 |
| 1.2 Education Management | | | | | | | | | |
| Current payment | 141 188 | | | 141 188 | 119 615 | 21 573 | 84.7% | 137 583 | 107 021 |
| Transfers and subsidies | 3 710 | | (3 555) | 155 | 155 | | 100.0% | 673 | 551 |
| Payment for capital assets | 3 234 | | | 3 234 | 1 171 | 2 063 | 36.2% | 15 103 | 10 113 |
| 1.3 Corporate Services | | | | | | | | | |
| Current payment | 379 911 | | 14 525 | 394 436 | 397 689 | (3 253) | 100.8% | 435 738 | 415 453 |
| Transfers and subsidies | 4 225 | | (971) | 3 254 | 3 172 | 82 | 97.5% | 3 758 | 1 240 |
| Payment for capital assets | 8 253 | | | 8 253 | 4 794 | 3 459 | 58.1% | 4 018 | 1 264 |
| 1.4 Human Resource Development | | | | | | | | | |
| Current payment | 3 348 | | | 3 348 | 3 130 | 218 | 93.5% | 3 348 | 3 242 |
| 1.5 Education Management Information Systems | | | | | | | | | |
| Current payment | 20 844 | | | 20 844 | 20 169 | 675 | 96.8% | 37 281 | 14 104 |
| Transfers and subsidies | 3 | | | 3 | | 3 | | 2 | 0 |
| Payment for capital assets | | | | | 5 042 | (5 042) | | 0 | 4 859 |
| Total | 569 773 | | 9 999 | 579 772 | 559 156 | 20 616 | 96.4% | 642 610 | 563 777 |

DETAIL PER PROGRAMME for the year ended 31 March 2013
for the year ended 31 March 2013

| 2012/13 | | | | | | | | | 2011/12 | |
|---|---------------------------|----------------------|--------------|------------------------|-----------------------|---------------|---|------------------------|-----------------------|--|
| Programme 1: Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | |
| Current payments | | | | | | | | | | |
| Compensation of employees | 364 701 | (758) | | 363 943 | 343 910 | 20 033 | 94.5% | 339 636 | 322 785 | |
| Goods and services | 185 630 | 758 | 14 525 | 200 913 | 200 873 | 40 | 100.0% | 279 404 | 223 628 | |
| Interest and rent on land | | | | | 39 | (39) | | | 903 | |
| Transfers & subsidies | | | | | | | | | | |
| Provinces and municipalities | 250 | | | 250 | 148 | 102 | 59.2% | 150 | 60 | |
| Households | 7 705 | | (4 526) | 3 179 | 3 179 | | 100.0% | 4 299 | 1 731 | |
| Payment for capital assets | | | | | | | | | | |
| Buildings and other fixed structures | | | | | | | | | | |
| Machinery and equipment | 11 467 | | | 11 467 | 10 991 | 476 | 95.8% | 8 868 | 8 031 | |
| Software and other intangible assets | 20 | | | 20 | 16 | 4 | 80.0% | 10 253 | 8 205 | |
| Total | 569 773 | | 9 999 | 579 772 | 559 156 | 20 616 | 96.4% | 642 610 | 565 343 | |

Please note that the MEC's salary is not included in the details of Programme 1: Administration final appropriation or actual expenditure columns but is shown under the statutory appropriation portion

DETAIL PER PROGRAMME for the year ended 31 March 2013

for the year ended 31 March 2013

| 2012/13 | | | | | | | | | | 2011/12 | |
|--------------------------------|------------------------|-------------------|----------|---------------------|--------------------|-----------|---|---------------------|--------------------|---------|--|
| Detail per sub-programme 2 | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | | |
| 2.1 Public Primary Schools | | | | | | | | | | | |
| Current payment | 6 477 704 | | | 6 477 704 | 6 563 620 | (85 916) | 101.3% | 5 858 316 | 5 793 702 | | |
| Transfers and subsidies | 296 500 | | 4 526 | 301 026 | 290 071 | 10 955 | 96.4% | 265 048 | 265 746 | | |
| Payment for capital assets | 52 807 | (21 000) | | 31 807 | 31 091 | 716 | 97.7% | 91 288 | 52 108 | | |
| 2.2 Public Secondary Schools | | | | | | | | | | | |
| Current payment | 3 877 849 | | | 3 877 849 | 3 864 418 | 13 431 | 99.7% | 3 590 581 | 3 620 236 | | |
| Transfers and subsidies | 140 198 | | | 140 198 | 158 111 | (17 913) | 112.8% | 141 874 | 141 468 | | |
| Payment for capital assets | 34 642 | 21 000 | | 55 642 | 98 674 | (43 032) | 177.3% | (8 662) | 26 446 | | |
| 2.3 Professional Services –POS | | | | | | | | | | | |
| Current payment | 444 874 | | | 444 874 | 468 754 | (23 880) | 105.4% | 408 448 | 443 786 | | |
| Transfers and subsidies | 1 440 | | | 1 440 | 2 205 | (765) | 153.1% | 1 364 | 1 701 | | |
| Payment for capital assets | 252 | | | 252 | 104 | 148 | 41.3% | 165 | 164 | | |
| 2.4 Human Resource Development | | | | | | | | | | | |
| Current payment | 41 108 | | | 41 108 | 39 084 | 2 024 | 95.1% | 43 296 | 41 711 | | |
| 2.5 In School Sports & Culture | | | | | | | | | | | |
| Current payment | 16 455 | | | 16 455 | 15 543 | 912 | 94.5% | 17 113 | 18 313 | | |
| 2.6 Conditional Grants | | | | | | | | | | | |
| Current payment | 541 776 | | | 541 776 | 534 909 | 6 867 | 98.7% | 464 314 | 484 986 | | |
| Transfers and subsidies | 25 416 | | | 25 416 | 25 359 | 57 | 99.8% | 0 | 9 125 | | |
| Payment for capital assets | 429 768 | | | 429 768 | 422 473 | 7 295 | 98.3% | 547 106 | 474 814 | | |
| Total | 12 380 789 | | 4 526 | 12 385 315 | 12 514 416 | (129 101) | 101.0% | 11 420 251 | 11 374 306 | | |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Programme 2: Economic classification | 2012/13 | | | | | | 2011/12 | | |
|---|---------------------------|----------------------|--------------|------------------------|-----------------------|------------------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 10 221 069 | | | 10 221 069 | 10 201 912 | 19 157 | 99.8% | 9 463 917 | 9 435 194 |
| Goods and services | 1 178 698 | | | 1 178 698 | 1 284 418 | (105 720) | 109.0% | 918 151 | 967 540 |
| Transfers & subsidies | | | | | | | | | |
| Departmental Agencies and accounts | 5 328 | | | 5 328 | 3 183 | 2 145 | 59.7% | - | - |
| Non-profit institutions | 417 966 | | | 417 966 | 421 813 | (3 847) | 100.9% | 369 326 | 376 496 |
| Households | 40 260 | | 4 526 | 44 786 | 50 748 | (5 962) | 113.3% | 38 960 | 41 544 |
| Payment of capital assets | | | | | | | | | |
| Buildings and other fixed structures | 495 295 | | | 495 295 | 539 202 | (43 907) | 108.9% | 617 427 | 544 549 |
| Machinery and equipment | 22 173 | | | 22 173 | 13 140 | 9 033 | 59.3% | 12 470 | 8 983 |
| Total | 12 380 789 | - | 4 526 | 12 385 315 | 12 514 416 | (129 101) | 101.0% | 11 420 251 | 11 374 306 |

| Detail per sub-programme 3 | 2012/13 | | | | | | 2011/12 | | |
|----------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 3.1 Primary Phase | | | | | | | | | |
| Transfers and subsidies | 8 368 | 505 | | 8 873 | 8 873 | - | 100.0% | 9 987 | 9 976 |
| 3.2 Secondary Phase | | | | | | | | | |
| Transfers and subsidies | 4 099 | (505) | | 3 594 | 3 508 | 86 | 97.6% | 1 900 | 1 498 |
| Total | 12 467 | - | - | 12 467 | 12 381 | 86 | 99.3% | 11 887 | 11 474 |

DETAIL PER PROGRAMME for the year ended 31 March 2013

| Per Economic classification | Appropriation | Funds | Appropriation | Expenditure | e | appropriation | Appropriation | expenditure |
|--|---------------|----------|---------------|---------------|-----------|---------------|---------------|---------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Transfers and subsidies to: Non-profit institutions | 12 467 | | 12 467 | 12 381 | 86 | 99.3% | 11 887 | 11 474 |
| Total | 12 467 | - | 12 467 | 12 381 | 86 | 99.3% | 11 887 | 11 474 |

| 2012/13 | | | | | | | | | |
|--|------------------------|-------------------|----------------|---------------------|--------------------|---------------|---|---------------------|--------------------|
| Detail per sub-programme 4 | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 4.1 Schools | | | | | | | | | |
| Current payment | 164 669 | | (2 947) | 161 722 | 156 002 | 5 720 | 96.5% | 153 207 | 149 821 |
| Transfers and subsidies | 36 677 | | | 36 677 | 37 270 | (593) | 101.6% | 38 503 | 38 140 |
| Payment for capital assets | 6 687 | | (89) | 6 598 | 4 369 | 2 229 | 66.2% | 6 609 | 2 305 |
| 4.2 Professional Services – PSP | | | | | | | | | |
| Current payment | 11 785 | | (940) | 10 845 | 7 992 | 2 853 | 73.7% | 10 956 | 7 515 |
| Transfers and subsidies | 122 | | | 122 | - | 122 | 100.0% | 116 | 0 |
| Payment for capital assets | 118 | | | 118 | 118 | - | 100.0% | | |
| 4.3 Human Resource Development | | | | | | | | | |
| Current payment | 764 | | (375) | 389 | 389 | - | 100.0% | 727 | 826 |
| 4.5 Conditional Grants | | | | | | | | | |
| Payment for capital assets | 50 384 | | | 50 384 | 49 742 | 642 | 98.7% | 45 353 | 45 321 |
| Total | 271 206 | - | (4 351) | 266 855 | 255 882 | 10 973 | 95.9% | 255 471 | 243 928 |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Programme 4: Per Economic classification | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
|---|-----------------------------------|------------------------------|-----------------|--------------------------------|-------------------------------|-----------------|--|--------------------------------|-------------------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 167 534 | | (2 600) | 164 934 | 156 361 | 8 573 | 94.8% | 153 167 | 147 791 |
| Goods and services | 9 684 | | (1 662) | 8 022 | 8 022 | - | 100.0% | 11 723 | 10 371 |
| Transfers and subsidies to: | | | | | | | | | |
| Non-profit institutions | 36 268 | | | 36 268 | 36 635 | (367) | 101.0% | 37 724 | 37 797 |
| Households | 531 | | | 531 | 635 | (104) | 119.6% | 895 | 343 |
| Payment of capital assets | | | | | | | | | |
| Buildings and other fixed structures | 50 384 | | | 50 384 | 49 742 | 642 | 98.7% | 51 962 | 47 626 |
| Machinery & Equipment | 6 805 | | (89) | 6 716 | 4 487 | 2 229 | 66.8% | | |
| Total | 271 206 | - | (4 351) | 266 855 | 255 882 | 10 973 | 95.9% | 255 471 | 243 928 |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Detail per sub-programme 5 | 2012/13 | | | | | | | 2011/12 | |
|---------------------------------------|------------------------|-------------------|------------|---------------------|--------------------|----------------|---|---------------------|--------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 5.1 Public Institutions | | | | | | | | | |
| Current payment | 9 548 | | | 9 548 | 9 574 | (26) | 100.3% | 9 607 | 9 257 |
| Transfers and subsidies | 1 200 | | 138 | 1 338 | 150 | 1 188 | 11.2% | 5 000 | 6 065 |
| 5.2 Youth Colleges | | | | | | | | | |
| Transfers and subsidies | 100 741 | | | 100 741 | 105 915 | (5 174) | 105.1% | 61 370 | 56 084 |
| 5.3 Human Resource Development | | | | | | | | | |
| Current payment | 56 969 | | | 56 969 | 58 920 | (1 951) | 103.4% | 306 | 0 |
| 5.4 Conditional Grant | | | | | | | | | |
| Transfers and subsidies | 345 285 | | | 345 285 | 345 285 | - | 100.0% | 321 840 | 321 840 |
| Total | 513 743 | - | 138 | 513 881 | 519 844 | (5 963) | 101.2% | 398 123 | 393 246 |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Programme 5: Per Economic classification | 2012/13 | | | | | | 2011/12 | | |
|---|---------------------------|----------------------|------------|------------------------|-----------------------|----------------|--|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 9 381 | | | 9 381 | 8 885 | 496 | 94.7% | 9 607 | 8 731 |
| Goods and services | 57 136 | | | 57 136 | 59 609 | (2 473) | 104.3% | 306 | 526 |
| Transfers and subsidies to: | | | | | | | | | |
| Non-profit institutions | 447 226 | | | 447 226 | 451 200 | (3 974) | 100.9% | 388 210 | 383 424 |
| Households | | | 138 | 138 | 150 | (12) | 108.7% | - | 565 |
| Total | 513 743 | - | 138 | 513 881 | 519 844 | (5 963) | 101.2% | 398 123 | 393 246 |

DETAIL PER PROGRAMME for the year ended 31 March 2013

| 2012/13 | | | | | | | | | | 2011/12 | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|---------|--|
| Detail per sub-programme 6 | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 | | |
| 6.1 Public Centres | | | | | | | | | | | |
| Current payment | 121 507 | | 7 200 | 128 707 | 128 600 | 107 | 99.9% | 118 920 | 108 153 | | |
| Transfers and subsidies | 5 626 | | (129) | 5 497 | 5 605 | (108) | 102.0% | 2 983 | 1 129 | | |
| Payment for capital assets | | | | | | | | | | | |
| 6.2 Professional Services – ABET | | | | | | | | | | | |
| Current payment | 2 641 | | | 2 641 | 2 726 | (85) | 103.2% | 2 481 | 2 227 | | |
| Transfers and subsidies | | | | | | | | 25 | 0 | | |
| 6.3 Human Resource Development | | | | | | | | | | | |
| Current payment | 500 | | | 500 | 500 | | 100.0% | 500 | 391 | | |
| Total | 130 274 | | 7 071 | 137 345 | 137 431 | (86) | 100.1% | 124 909 | 111 900 | | |

| Programme 6: Per Economic classification | 2012/13 | | | | | | 2011/12 | | |
|---|---------------------------|----------------------|----------|------------------------|-----------------------|----------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 119 336 | | 2 600 | 121 936 | 121 929 | 7 | 100.0% | 110 876 | 107 358 |
| Goods and services | 5 312 | | 4 600 | 9 912 | 9 897 | 15 | 99.8% | 11 025 | 3 413 |
| Transfers and subsidies to: | | | | | | | | | |
| Non-profit institutions | 5 497 | | | 5 497 | 5 605 | (108) | 102.0% | 2 885 | 1 129 |
| Households | 129 | | (129) | | | | | 123 | 0 |
| Total | 130 274 | - | 7 071 | 137 345 | 137 431 | (86) | 100.1% | 124 909 | 111 900 |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Detail per sub-programme 7 | 2012/13 | | | | | | 2011/12 | | |
|----------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 7.1 Grade R in Public Schools | | | | | | | | | |
| Current payment | 152 516 | | (134) | 152 382 | 144 605 | 7 777 | 94.9% | 147 292 | 141 171 |
| Transfers and subsidies | - | | | - | 170 | (170) | | - | 119 |
| Payment for capital assets | - | | 89 | 89 | 88 | 1 | 98.9% | | |
| 7.2 Grade R in Community Centres | | | | | | | | | |
| Current payment | | | | | | | | | |
| Transfers and subsidies | 10 800 | | | 10 800 | 11 090 | (290) | 102.7% | 7 200 | 7 409 |
| 7.3 Pre-Grade R | | | | | | | | | |
| Current payments | 13 581 | | (4 801) | 8 780 | 8 780 | - | 100.0% | 12 000 | 116 |
| 7.4 Professional Services - ECD | | | | | | | | | |
| Current payments | 2 331 | | (7) | 2 324 | 2 547 | (223) | 109.6% | 2 072 | 2 315 |
| Transfers and subsidies | 28 | | | 28 | - | 28 | | 26 | |
| Payment for capital assets | | | | | | | | 60 | |
| 7.5 Human Resource Development | | | | | | | | | |
| Current payment | 514 | | (63) | 451 | 450 | 1 | 99.8% | 504 | 394 |
| 7.6 Conditional Grant | | | | | | | | | |
| Transfers and subsidies | 12 613 | | | 12 613 | 12 603 | 10 | 99.9% | 9 901 | 5 756 |
| Payment for capital assets | 28 408 | | | 28 408 | 28 323 | 85 | 99.7% | 20 041 | 19 865 |
| Total | 220 791 | - | (4 916) | 215 875 | 208 656 | 7 219 | 96.7% | 199 096 | 177 145 |

DETAIL PER PROGRAMME for the year ended 31 March 2013

| Programme 7: Per Economic classification | 2012/13 | | | | | | 2011/12 | | |
|---|---------------------------|----------------------|----------|------------------------|-----------------------|----------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 145 071 | | | 145 071 | 137 516 | 7 555 | 94.8% | 133 360 | 132 651 |
| Goods and services | 23 871 | | (5 005) | 18 866 | 18 866 | - | 100.0% | 28 508 | 11 345 |
| Transfers and subsidies to: | | | | | | | | | |
| Non-profit institutions | 23 413 | | | 23 413 | 23 693 | (280) | 101.2% | 17 101 | 13 165 |
| Households | 28 | | | 28 | 170 | (142) | 607.1% | 26 | 119 |
| Payment for capital assets | | | | | | | | | |
| Buildings & other fixed structures | 28 408 | | 89 | 28 408 | 28 323 | 85 | 99.7% | 20 041 | 19 865 |
| Machinery & Equipment | - | | | 89 | 88 | 1 | 98.9% | 60 | 0 |
| Total | 220 791 | - | (4 916) | 215 875 | 208 656 | 7 219 | 96.7% | 199 096 | 177 145 |

| Detail per sub-programme 8 | 2012/13 | | | | | | 2011/12 | | |
|----------------------------|---------------------------|----------------------|----------|------------------------|-----------------------|----------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| 8.1 Payment to SETA | | | | | | | | | |
| Transfers and subsidies | 4 997 | | | 4 997 | 4 997 | - | 100.0% | 4 751 | 4 751 |
| 8.2 External Examination | | | | | | | | | |
| Current payment | 161 392 | | (12 458) | 148 934 | 123 796 | 25 138 | 83.1% | 125 463 | 126 228 |
| Transfers and subsidies | 9 | | (9) | - | - | - | | 8 | 0 |
| Payment for capital assets | | | | | | | | 184 | 0 |
| 8.3 Conditional Grants | | | | | | | | | |
| Current payment | 17 896 | | | 17 896 | 17 813 | 83 | 99.5% | 16 511 | 15 697 |
| Transfers and subsidies | | | | | | | | | |
| Payment for capital assets | | | | | | | | | |
| Total | 184 294 | - | (12 467) | 171 827 | 146 606 | 25 221 | 85.3% | 146 917 | 146 860 |

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DETAIL PER PROGRAMME for the year ended 31 March 2013

| Programme 8: Per Economic classification | 2012/13 | | | | | | 2011/12 | | |
|---|---------------------------|----------------------|-----------------|------------------------|-----------------------|---------------|---|------------------------|-----------------------|
| | Adjusted Appropriation | Shifting of Funds | Virement | Final Appropriation | Actual Expenditure | Variance | Expenditure as % of final appropriation | Final Appropriation | Actual expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 | R'000 |
| Current payments | | | | | | | | | |
| Compensation of employees | 95 393 | | | 95 393 | 70 173 | 25 220 | 73.6% | 91 399 | 80 606 |
| Goods and services | 83 895 | | (12 458) | 71 437 | 71 436 | 1 | 100.0% | 50 575 | 61 319 |
| Transfers and subsidies to: | | | | | | | | | |
| Departmental agencies and accounts | 4 997 | | | 4 997 | 4 997 | - | 100.0% | 4 751 | 4 751 |
| Households | 9 | | (9) | | | | | 8 | 0 |
| Payment for capital assets | | | | | | | | | |
| Machinery & Equipment | | | | | | | | 184 | 184 |
| Total | 184 294 | - | (12 467) | 171 827 | 146 606 | 25 221 | 85.3% | 146 917 | 146 860 |

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NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2013

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

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (B-E) to the Annual Financial Statements.

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

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

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 3.4 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

| 4.1 Per Programme | Appropriation R'000 | Final Expenditure R'000 | Actual Variance R'000 | Variance as a % of Final Appropriation % |
|--------------------------------|--------------------------------|--|--------------------------------------|---|
| Programme 1: Administration | 581 429 | 560 808 | 20 621 | 3.5% |

Not all funded key vacant post at Head, District and Circuit offices could be filled as at 31 March 2013 which has caused an under spending on this programme. The above amounts also include the statutory budget and expenditure of the Member of the Executive Council.

| | | | | |
|---|------------|------------|-----------|--------|
| Programme 2: Public Ordinary Schools | 12 385 315 | 12 514 416 | (129 101) | (1.0%) |
|---|------------|------------|-----------|--------|

Over-expenditure was incurred on this programme due to the fact that accruals from the 2011/12 financial year had to be paid in the 2012/13 financial year. The department overspent mainly on the purchase of learning and teaching support material in primary and secondary public schools. This over expenditure is less than 2%.

| | | | | |
|-------------------------------------|--------|--------|----|------|
| Programme 3: Independent Schools | 12 467 | 12 381 | 86 | 0.7% |
|-------------------------------------|--------|--------|----|------|

Two independent schools submitted their financial statements and claims late and therefore could not be paid before the 31st of March 2013 which resulted into an under expenditure on this programme. This under expenditure is less than 2%.

| | | | | |
|--|---------|---------|--------|------|
| Programme 4: Public Special Schools | 266 855 | 255 882 | 10 973 | 4.1% |
|--|---------|---------|--------|------|

Poor planning and late submission of infrastructure plans to the Department of Public Works, Roads and Transport (DPWRT) had an effect on the spending of infrastructure projects at public special schools which resulted in an under expenditure on this programme.

**MPUMALANGA DEPARTMENT OF EDUCATION
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NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2013

| 4.1 Per Programme (Continued) | Appropriation R'000 | Final Expenditure R'000 | Actual Variance R'000 | Variance as a % of Final Appropriation % |
|---|------------------------|-------------------------------|-----------------------------|---|
| Programme 5: Further Education and Training | 513 881 | 519 844 | (5 963) | (1.2%) |
| Challenges with regard to the payment of bursaries, where insufficient budget allocations were received during the Adjustment Appropriation and accruals from the previous financial year resulted in an over-expenditure on this programme. This over expenditure is less than 2%. | | | | |
| Programme 6: Adult Basic Education and Training | 137 345 | 137 431 | (86) | (0.1%) |
| Less than 2% | | | | |
| Programme 7: Early Childhood Development | 215 875 | 208 656 | 7 219 | 3.3% |
| Challenges with regard to infrastructure projects were being experienced which resulted into an under expenditure on this programme. Poor planning and late submission of infrastructure plans to the DPWRT affected implementation of the Grade R facilities. | | | | |
| Programme 8: Auxiliary and Associated Services | 171 827 | 146 606 | 25 221 | 14.7% |

The department had an under expenditure on this programme due to the fact that only R70 million was paid to examination markers on a budget of R95 million. This saving was caused by the fact that the number of markers appointed for marking of supplementary and ABET level 4 examinations were less than planned and the compensation of markers was based strictly on the time markers spend on marking and excluded lunch breaks which were previous included in the claims as well as a reduction in the use of private transport claims.

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NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2013

| 4.2 Per Economic classification | Final Appropriation R'000 | Expenditure R'000 | Actual Variance R'000 | Variance as a % of Final Appropriation % |
|--|--|---|--------------------------------------|---|
| Current payments | | | | |
| Compensation of employees | 11 123 384 | 11 042 338 | 81 046 | 0.07% |
| Goods and services | 1 544 984 | 1 653 121 | (108 176) | (7.0%) |
| Interest and rent on land | | 39 | (39) | (100%) |
| Transfers and subsidies | | | | |
| Provinces and municipalities | 250 | 148 | 102 | 40.8% |
| Departmental agencies and accounts | 10 325 | 8 180 | 2 145 | 20.7% |
| Non-profit institutions | 942 837 | 951 327 | (8 490) | (0.9%) |
| Households | 48 662 | 54 882 | (6 220) | (12.8%) |
| Payments for capital assets | | | | |
| Buildings and other fixed structures | 574 087 | 617 267 | (43 180) | (7.5%) |
| Machinery and equipment | 40 445 | 28 706 | 11 739 | 29.0% |
| Software and other intangible assets | 20 | 16 | 4 | 20% |
| 4.3 Per Conditional Grant | Final Appropriation R'000 | Actual Expenditure R'000 | Variance R'000 | Variance as a % of Final Appropriation % |
| Hiv/Aids (Life Skills Edu) Grant | 17 896 | 17 813 | 83 | 0.46% |
| Nat School Nutrition Prog Grnt | 506 561 | 447 973 | 58 588 | 11.57% |
| Tech Sec School Recap Gr | 25 678 | 21 980 | 3 698 | 14.40% |
| Dinaledi Schools Grant | 9 802 | 9 787 | 15 | 0.15% |
| Educ Infrastructur Grant | 530 711 | 527 662 | 3 049 | 0.57% |
| Further Edu & Train Col Grant | 345 285 | 345 285 | - | 0% |

MPUMALANGA DEPARTMENT OF EDUCATION
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STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2013

| | Note | 2012/13 R'000 | 011/12 R'000 |
|---|----------|-------------------|-------------------|
| REVENUE | | | |
| Annual appropriation | <u>1</u> | 14 283 337 | 13 199 264 |
| Statutory appropriation | <u>2</u> | 1 657 | 1 566 |
| Departmental revenue | <u>3</u> | 25 911 | 20 930 |
| TOTAL REVENUE | | 14 310 905 | 13 221 760 |
| EXPENDITURE | | | |
| Current expenditure | | | |
| Compensation of employees | <u>4</u> | 11 042 338 | 10 235 116 |
| Goods and services | <u>5</u> | 1 653 121 | 1 278 142 |
| Interest and rent on land | <u>6</u> | 39 | 903 |
| Total current expenditure | | 12 695 498 | 11 514 161 |
| Transfers and subsidies | <u>7</u> | 1 014 537 | 868 979 |
| Transfers and subsidies | | 1 014 537 | 868 979 |
| Expenditure for capital assets | | | |
| Tangible capital assets | <u>8</u> | 645 973 | 637 443 |
| Software and other intangible assets | <u>8</u> | 16 | - |
| Total expenditure for capital assets | | 645 989 | 637 443 |
| TOTAL EXPENDITURE | | 14 356 024 | 13 020 583 |
| SURPLUS FOR THE YEAR | | (44 119) | 197 558 |
| Reconciliation of Net Surplus for the year | | | |
| Voted funds | | (71 030) | 180 247 |
| Annual appropriation | | | |
| Conditional grants | | - | 25 288 |
| Departmental revenue | <u>3</u> | 25 911 | 20 930 |
| SURPLUS/DEFICIT FOR THE YEAR | | (44 119) | 197 558 |

**MPUMALANGA DEPARTMENT OF EDUCATION
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STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2013

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------|--------------------------|
| ASSETS | | | |
| Current assets | | 788 650 | 748 115 |
| Unauthorised expenditure | <u>9.1</u> | 668 194 | 664 980 |
| Fruitless and wasteful expenditure | <u>10.1</u> | - | |
| Cash and cash equivalents | <u>11</u> | 57 039 | 38 744 |
| Receivables | <u>12</u> | 63 417 | 54 391 |
| TOTAL ASSETS | | 788 650 | 758 115 |
| LIABILITIES | | | |
| Current liabilities | | 784 822 | 753 003 |
| Voted funds to be surrendered to the Revenue Fund | <u>13</u> | 769 109 | 742 568 |
| Departmental revenue to be surrendered to the Revenue Fund | <u>14</u> | 2 406 | 2 013 |
| Bank overdraft | <u>15</u> | - | - |
| Payables | <u>16</u> | 13 307 | 8 422 |
| TOTAL LIABILITIES | | 784 822 | 754 531 |
| NET ASSETS | | 3 828 | 5 112 |
| Represented by: | | | |
| Recoverable revenue | | 3 828 | 5 112 |
| TOTAL | | 3 828 | 5 112 |

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STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2013

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|---|------|------------------|------------------|
| Recoverable revenue | | | |
| Opening balance | | 5 112 | 3 357 |
| Transfers: | | (1 284) | 227 |
| Debts revised | | 244 | 227 |
| Debts recovered (included in departmental receipts) | | | - |
| Debts Raised | | (1 528) | 1 528 |
| Closing balance | | 3 828 | 5 112 |
| TOTAL | | 3 828 | 5 112 |

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CASH FLOW STATEMENT for the year ended 31 March 2013

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | 14 310 313 | 13 221 274 |
| Annual appropriated funds received | <u>1.1</u> | 14 283 337 | 13 199 264 |
| Statutory appropriated funds received | <u>2</u> | 1 657 | 1 566 |
| Departmental revenue received | <u>3</u> | 25 319 | 20 444 |
| Net (increase)/decrease in working capital | | (7 355) | (121) |
| Surrendered to Revenue Fund | | (63 097) | (30 147) |
| Current payments | | (12 560 348) | (11 514 161) |
| Transfers and subsidies paid | | (1 014 537) | (868 979) |
| Net cash flow available from operating activities | <u>17</u> | <u>664 976</u> | <u>807 866</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for capital assets | <u>8</u> | (645 989) | (637 443) |
| Proceeds from sale of capital assets | <u>3.3</u> | 592 | 486 |
| Net cash flows from investing activities | | <u>(645 397)</u> | <u>(636 957)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase/(decrease) in net assets | | 1 284 | 227 |
| Net cash flows from financing activities | | <u>1 284</u> | <u>227</u> |
| Net increase/(decrease) in cash and cash equivalents | | 18 295 | 171 136 |
| Cash and cash equivalents at the beginning of the period | | 38 744 | (132 392) |
| Cash and cash equivalents at end of period | <u>18</u> | <u>57 039</u> | <u>38 744</u> |

**MPUMALANGA DEPARTMENT OF EDUCATION
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ACCOUNTING POLICIES for the year ended 31 March 2013

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

The total appropriated funds received during the year are presented in the statement of financial performance. Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

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ACCOUNTING POLICIES for the year ended 31 March 2013

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the National/Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexure to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year)

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

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ACCOUNTING POLICIES for the year ended 31 March 2013

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post-retirement benefits

Employer contribution (i.e. social contributions) is expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.3 Termination benefits

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

3.1.4 Other long-term employee benefits

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

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Interest and rent on land

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

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

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ACCOUNTING POLICIES for the year ended 31 March 2013

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

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

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

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ACCOUNTING POLICIES for the year ended 31 March 2013

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

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

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the FIFO cost formula.

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

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

All assets acquired prior to 1 April 2002 are included in the register at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

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ACCOUNTING POLICIES for the year ended 31 March 2013

4.8.2 Immovable assets

Initial recognition

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

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset”. On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

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

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ACCOUNTING POLICIES for the year ended 31 March 2013

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

8. Related party transactions

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

9. Key management personnel

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

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

MPUMALANGA DEPARTMENT OF EDUCATION
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

1.1 Annual Appropriation

| | Final Appropriation R'000 | Actual Funds Received R'000 | Funds not Requested/ not Received R'000 | Appropriation Received 2011/12 R'000 |
|--|--|--|--|---|
| Programmes | | | | |
| 1: Administration | 579 772 | 579 772 | - | 642 610 |
| 2: Public Ordinary School Education | 12 385 315 | 12 385 315 | - | 11 420 251 |
| 3: Independent School Subsidies | 12 467 | 12 467 | - | 11 887 |
| 4: Public Special School Education | 266 855 | 266 855 | - | 255 471 |
| 5: Further Education and Training | 513 881 | 513 881 | - | 398 123 |
| 6: Adult Basic Education and Training | 137 345 | 137 345 | - | 124 909 |
| 7: Early Childhood Development | 215 875 | 215 875 | - | 199 096 |
| 8: Auxiliary and Associated Services | 171 827 | 171 827 | - | 146 917 |
| Total | 14 283 337 | 14 283 337 | - | 13 199 264 |

1.2 Conditional grants

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|-----------------------|----------------|--------------------------|--------------------------|
| Total grants received | Annex1A | 1 451 546 | 1 415 165 |
| | | 1 451 546 | 1 415 165 |

2. Statutory Appropriation

| | | | |
|--|--|--------------|--------------|
| Member of executive committee/parliamentary officers | | 1 657 | 1 566 |
| Total | | 1 657 | 1 566 |
| Actual Statutory Appropriation received | | 1 657 | 1 566 |

3. Departmental revenue

| | | | |
|---|-----|---------------|---------------|
| Sales of goods and services other than capital assets | 3.1 | 14 185 | 13 116 |
| Interest, dividends and rent on land | 3.2 | 2 800 | 2 617 |
| Sales of capital assets | 3.3 | 592 | 486 |
| Financial transactions in assets and liabilities | 3.4 | 8 334 | 4 711 |
| Total revenue collected | | 25 911 | 20 930 |
| Departmental revenue collected | | 25 911 | 20 930 |

3.1 Sale of goods and services other than capital assets

| | | | |
|--|----------|---------------|---------------|
| Sales of goods and services produced by the department | <u>3</u> | 14 185 | 13 116 |
| Sales by market establishment | | 1 661 | 1 588 |
| Other sales | | 12 525 | 11 528 |
| Total | | 14 185 | 13 116 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

| | | | |
|---|----------|-------------------|-------------------|
| 3.2 Interest, dividends and rent on land | <u>3</u> | | |
| Interest | | 2 800 | 2 617 |
| Total | | 2 800 | 2 617 |
| 3.3 Sale of capital assets | <u>3</u> | | |
| Tangible capital assets | | 592 | 486 |
| Machinery and equipment | | 592 | 486 |
| Total | | 592 | 486 |
| 3.4 Financial transactions in assets and liabilities | | | |
| Receivables | <u>3</u> | 1 095 | 289 |
| Other Receipts including Recoverable Revenue | | 7 239 | 4 422 |
| Total | | 8 334 | 4 711 |
| 4 Compensation of employees | | | |
| 4.1 Salaries and Wages | | | |
| Basic salary | | 8 026 904 | 7 402 965 |
| Performance award | | 40 768 | 42 262 |
| Service Based | | 41 312 | 15 852 |
| Compensative/circumstantial | | 229 021 | 247 253 |
| Periodic payments | | 901 | 10 582 |
| Other non-pensionable allowances | | 1 152 763 | 1 056 164 |
| Total | | 9 491 669 | 8 775 078 |
| 4.2 Social contributions | | | |
| Employer contributions | | | |
| Pension | | 1 018 331 | 943 127 |
| Medical | | 529 566 | 514 176 |
| Bargaining council | | 623 | 631 |
| Official unions and associations | | 2 149 | 2 104 |
| Total | | 1 550 669 | 1 460 038 |
| Total compensation of employees | | 11 042 338 | 10 235 116 |
| Average number of employees | | 46 268 | 44 818 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

5 Goods and services

| | <i>Note</i> | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------|--------------------------|
| Administrative fees | | 3 102 | 687 |
| Advertising | | 5 009 | 4 855 |
| Assets less than R5,000 | <u>5.1</u> | 19 522 | 7 148 |
| Bursaries (employees) | | 58 923 | 7 193 |
| Catering | | 16 232 | 25 341 |
| Communication | | 3 404 | 30 949 |
| Computer services | <u>5.2</u> | 47 628 | 15 459 |
| Consultants, contractors and agency/outsourced services | <u>5.3</u> | 503 886 | 395 736 |
| Audit cost – external | <u>5.4</u> | 9 722 | 6 243 |
| Fleet services | | 16 461 | 14 281 |
| Inventory | <u>5.5</u> | 603 342 | 355 847 |
| Operating leases | | 127 614 | 118 664 |
| Owned and leasehold property expenditure | <u>5.6</u> | - | - |
| Transport provided as part of the departmental activities | | - | - |
| Travel and subsistence | <u>5.7</u> | 109 743 | 99 526 |
| Venues and facilities | | 18 621 | 28 250 |
| Training and staff development | | 59 583 | 55 231 |
| Other operating expenditure | <u>5.8</u> | 50 329 | 112 732 |
| Total | | 1 653 121 | 1 278 142 |
| 5.1 Assets less than R5 000 | <u>5</u> | | |
| Tangible assets | | 19 522 | 7 148 |
| Machinery and equipment | | 19 516 | 7 148 |
| Transport assets | | 6 | - |
| Total | | 19 522 | 7 148 |
| 5.2 Computer services | <u>5</u> | | |
| SITA computer services | | 13 028 | 7 454 |
| External computer service providers | | 34 600 | 8 005 |
| Total | | 47 628 | 15 459 |
| 5.3 Consultants, contractors and agency/outsourced services | <u>5</u> | | |
| Infrastructure and planning | | 31 840 | - |
| Legal costs | | 2 563 | 1 743 |
| Contractors | | 24 393 | 34 386 |
| Agency and support/outsourced services | | 445 090 | 359 607 |
| Total | | 503 886 | 395 736 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|---|-------------|--------------------------|--------------------------|
| 5.4 Audit cost – External | | | |
| Regularity audits | <u>5</u> | 9 722 | 6 243 |
| Total | | <u>9 722</u> | <u>6 243</u> |
| 5.5 Inventory | | | |
| Learning and teaching support material | <u>5</u> | 524 179 | 298 008 |
| Food and food supplies | | 1 543 | 186 |
| Fuel, oil and gas | | 12 271 | 14 122 |
| Other consumable materials | | 4 697 | 1 069 |
| Maintenance material | | 7 199 | 2 164 |
| Stationery and printing | | 53 453 | 40 298 |
| Total | | <u>603 342</u> | <u>355 847</u> |
| 5.6 Owned and leasehold property expenditure | <u>5</u> | | |
| Municipal services | | - | - |
| Total | | <u>-</u> | <u>-</u> |
| 5.7 Travel and subsistence | | | |
| Local | <u>5</u> | 109 704 | 99 526 |
| Foreign | | 39 | 23 |
| Total | | <u>109 743</u> | <u>99 526</u> |
| 5.8 Other operating expenditure | | | |
| Professional bodies, membership and subscription fees | <u>5</u> | 7 906 | 40 777 |
| Resettlement costs | | 1 313 | 703 |
| Other | | 41 110 | 71 252 |
| Total | | <u>50 329</u> | <u>112 732</u> |
| 6 Interest and rent on Land | | | |
| | | 2012/13 R'000 | 2011/12 R'000 |
| Interest paid | | 39 | 903 |
| Total | | <u>39</u> | <u>903</u> |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

7 Transfers and subsidies

| | | | |
|------------------------------------|-----------------|------------------|----------------|
| Provinces and municipalities | <i>Annex 1B</i> | 3 332 | 60 |
| Departmental agencies and accounts | <i>Annex 1C</i> | 4 997 | 4 751 |
| Non-profit institutions | <i>Annex 1D</i> | 951 326 | 823 485 |
| Households | <i>Annex 1E</i> | 54 882 | 40 683 |
| Total | | 1 014 537 | 868 979 |

8 Expenditure for capital assets

| | | | |
|--------------------------------------|------------|----------------|----------------|
| Tangible assets | | 645 973 | 637 443 |
| Buildings and other fixed structures | <u>8.1</u> | 569 530 | 620 070 |
| Machinery and equipment | <u>8.1</u> | 76 443 | 17 373 |

8.1 Software and other intangible assets

| | | | |
|---------------------------------|--|----------------|----------------|
| Mastheads and publishing titles | | 16 | - |
| Total | | 645 989 | 637 443 |

8.2 Analysis of funds utilised to acquire capital assets – 2012/13

| | Voted funds R'000 | Aid assistance R'000 | Total R'000 |
|---|------------------------------|---------------------------------|------------------------|
| Tangible assets | 645 973 | - | 645 972 |
| Buildings and other fixed structures | 569 530 | - | 569 530 |
| Machinery and equipment | 76 443 | - | 76 443 |
| Software and other intangible assets | | | |
| Computer software | 16 | - | 16 |
| Total | 645 989 | - | 645 989 |

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**8.3 Analysis of funds utilised to acquire capital assets –
2011/12**

| | Voted funds R'000 | Aid assistance R'000 | Total R'000 |
|--------------------------------------|------------------------------|---------------------------------|------------------------|
| Tangible assets | 637 443 | - | 637 443 |
| Buildings and other fixed structures | 620 070 | - | 620 070 |
| Machinery and equipment | 17 373 | - | 17 373 |
| Total assets acquired | 637 443 | - | 637 443 |

9 Unauthorised expenditure

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------|--------------------------|
| 9.1 Reconciliation of unauthorised expenditure | | | |
| Opening balance | | 664 980 | 664 980 |
| Unauthorised expenditure – discovered in the current year | | 135 150 | - |
| Less: Amounts approved by Parliament/Legislature with funding | | (131 936) | - |
| Less: Amounts approved by Parliament/Legislature without funding | | | - |
| Current | | | - |
| Capital | | | - |
| Transfers and subsidies | | | - |
| Less: Amounts transferred to receivables for recovery | | | - |
| Unauthorised expenditure awaiting authorisation | | 668 194 | 664 980 |
| Analysis of awaiting condoning per economic classification | | | |
| Current | | 668 194 | 664 980 |
| Capital | | | - |
| Transfers and subsidies | | | - |
| Total | | 668 194 | 664 980 |
| 9.2 Analysis of unauthorised expenditure | | | |
| Unauthorised expenditure relating to overspending of the vote or a main division within the vote | | 668 194 | 664 980 |
| Total | | 668 194 | 664 980 |

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9.2 Details of unauthorised expenditure – current year**2012/2013**

| Incident | Disciplinary steps taken/criminal proceedings | R'000 |
|---|--|--------------|
| <p>The Department incurred over expenditure of R71 million on the total budget and in particular Programme 2: Public Ordinary Schools due to the fact that accruals from the 2011/12 financial year had to be paid in the 2012/13 financial year. The Provincial Treasury tabled a Finance Bill in 2012 which included an allocation of R131.9 million to the Department of Education for the clearing of unauthorized expenditure.</p> <p>The Department used the cash received in addition to its budget baseline to pay for its accruals. Whilst this cash assisted the Department in the clearing accruals however without the amount being appropriated has resulted in overspending of the baseline as the BAS system recognize that this is in excess of what has been appropriated.</p> | None | 135 150 |

10 Fruitless and wasteful expenditure

| | Note | 2012/13 R'000 | 2011/12 R'000 |
|---|-------------|--------------------------|--------------------------|
| 10.1 Reconciliation of fruitless and wasteful expenditure | | | |
| Opening balance | | - | 62 |
| Less: Amounts condoned | | - | - |
| Current | | - | - |
| Capital | | - | - |
| Less: Amounts transferred to receivables for recovery | | - | (62) |
| Fruitless and wasteful expenditure written off as per approval | | - | - |
| Analysis of awaiting condonement per economic classification | | | |
| Current | | - | - |
| Total | | - | - |

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| 11 Cash and Cash Equivalents | Note | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------|--------------------------|
| Consolidated Paymaster General account | | 58 875 | 38 000 |
| Disbursements | | (1 836) | 744 |
| Total | | 57 039 | 38 744 |

12 Receivables

| | Note | Less than one year R'000 | One to three years R'000 | Older than three years R'000 | Total R'000 | Total R'000 |
|-------------------------|----------------------------------|---|---|---|------------------------|------------------------|
| Claims recoverable | <u>12.1</u> <i>Annex</i> 3 | 2 102 | 1 119 | - | 3 221 | 1 373 |
| Recoverable expenditure | <u>12.2</u> | - | - | - | - | - |
| Staff debt | <u>12.3</u> | 10 587 | 17 296 | 27 503 | 59 207 | 51 670 |
| Other debtors | <u>12.4</u> | 3 821 | 989 | - | 989 | 1 348 |
| Total | | 16 510 | 19 404 | 27 503 | 63 417 | 54 391 |

| 12.1 Claims recoverable | Note | 2012/13 R'000 | 2011/12 R'000 |
|--------------------------------|-------------|--------------------------|--------------------------|
| National departments | <u>12</u> | 58 | - |
| Provincial departments | | 3 061 | 1 373 |
| Universities and FET's | | 102 | - |
| Total | | 3 221 | 1 373 |

12.2 Recoverable expenditure (disallowance accounts)

| | | | |
|-----------------|-----------|----------|----------|
| Salary Tax debt | <u>12</u> | - | - |
| Total | | - | - |

12.3 Staff debt

| | | | |
|--|-----------|---------------|---------------|
| | <u>12</u> | | |
| Employees | | 4 885 | 6 318 |
| Ex-Employees | | 39 878 | 33 418 |
| Other Debts | | 14 129 | 11 934 |
| Recoveries (Irregular Expenditure and Fruitless Expenditure) | | 315 | |
| Total | | 59 207 | 51 670 |

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| 12.4 Other debtors | <u>12</u> | 2012/13 | 2011/12 |
|--|-----------|-------------------|---------------------|
| | | R'000 | R'000 |
| Sal: Bargaining council | | 1 | - |
| Sal: Reversal control | | - | 556 |
| Sal: Tax debt | | 931 | 792 |
| Recoveries (Irregular Expenditure and Fruitless Expenditure) | | 57 | |
| Total | | <u>989</u> | <u>1 348</u> |

13 Voted funds to be surrendered to the Revenue Fund

| | | |
|--|-----------------------|-----------------------|
| Opening balance | 742 568 | 571 361 |
| Transfer from statement of financial performance | (71 030) | 180 247 |
| Add: Unauthorised expenditure | 135 150 | - |
| Paid during the year | (37 579) | (9 040) |
| Closing balance | <u>769 109</u> | <u>742 568</u> |

The comparative opening balance was restated to correct a prior period error of R 1 528 000.00. The Exchequer balance as at 31 March 2013 is R 769 109.

14 Departmental revenue to be surrendered to the Revenue Fund

| | | |
|--|---------------------|---------------------|
| Opening balance | 2 013 | 2 190 |
| Transfer from Statement of Financial Performance | 25 911 | 20 930 |
| Paid during the year | (25 518) | (21 107) |
| Closing balance | <u>2 406</u> | <u>2 013</u> |

The amount paid during the year of R 25 518 has been adjusted to reflect the effects of a correction of the comparative opening balance.

15 Bank overdraft

| | | |
|--|----------|----------|
| Consolidated Paymaster General Account | - | - |
| | <u>-</u> | <u>-</u> |

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16 Payables – current

| | <i>Note</i> | 2012/13 R'000 | 2011/12 R'000 |
|-------------------|-------------|--------------------------|--------------------------|
| Description | | | |
| Clearing accounts | <u>16.1</u> | 763 | 887 |
| Other payables | <u>16.2</u> | 12 544 | 7 535 |
| Total | | <u>13 307</u> | <u>8 422</u> |

Prior year comparatives were adjusted to correct "Other Payables" which were incorrectly recorded as "Advances Received"

16.1 Clearing accounts16

| | | |
|---------------------------|-------------------|-------------------|
| Sal: Disallowance account | 4 | - |
| Housing: Loan Guarantees | - | 558 |
| Sal: Pension fund | 11 | (64) |
| Sal: Garnishee order | 8 | 11 |
| Sal: Income tax | 739 | 395 |
| Sal: Medical aid | - | (13) |
| Sal: Deduction | 1 | - |
| Total | <u>763</u> | <u>887</u> |

16.2 Other payables

| | | |
|---|-------|-------|
| Claims recoverable National Departments | - | 132 |
| Sal: Pension debt | 1 467 | 1 522 |
| Sal: Reversal control account | 167 | 5 501 |
| Housing loan state guarantees | 489 | 380 |
| Disallowance miscellaneous | 2 476 | |
| ACB Recalls | 4 195 | |
| Underpayments of Employees | 3 753 | |

| | | |
|--------------|----------------------|---------------------|
| Total | <u>12 544</u> | <u>7 535</u> |
|--------------|----------------------|---------------------|

Prior year comparatives were adjusted to correct "Other Payables" which were incorrectly recorded as "Advances Received"

MPUMALANGA DEPARTMENT OF EDUCATION
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

17 Net cash flow available from operating activities

| | <i>Note</i> | 2012/13 R'000 | 2011/12 R'000 |
|--|-------------|--------------------------------|--------------------------------|
| Net surplus/(deficit) as per Statement of Financial Performance | | (45 119) | 201 177 |
| Add back non cash/cash movements not deemed operating activities | | 710 095 | 606 689 |
| (Increase)/decrease in receivables – current | | (9 026) | (5 372) |
| (Increase)/decrease in other current assets | | 131 936 | 62 |
| Increase/(decrease) in payables – current | | 4 888 | 5 189 |
| Proceeds from sale of capital assets | <u>3.3</u> | (592) | (486) |
| Expenditure on capital assets | <u>8.1</u> | 645 989 | 637 443 |
| Surrenders to Revenue Fund | | (63 097) | (30 147) |
| Net cash flow generated by operating activities | | <u>664 976</u> | <u>807 866</u> |

18 Reconciliation of cash and cash equivalents for cash flow purposes

| | | |
|--|----------------------|----------------------|
| Consolidated Paymaster General account | 58 875 | 38 000 |
| Disbursements | (1 836) | 744 |
| Total | <u>57 039</u> | <u>38 744</u> |

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| | | | 2012/13 | 2011/12 |
|-----------|---|----------------|------------------|----------------|
| | | | R'000 | R'000 |
| 19 | Contingent liabilities | | | |
| | Liable to | Nature | | |
| | Housing loan guarantees | Employees | Annex 2A 3 011 | 4 523 |
| | Claims against the department | | Annex 2B 73 344 | 44 339 |
| | Intergovernmental payables (unconfirmed balances) | | Annex 4 121 | - |
| | Other | | Annex 2B 85 000 | |
| | Total | | 161 467 | 48 862 |
| 20 | Commitments | | | |
| | Current expenditure | | | |
| | Approved and contracted | | 141 997 | 76 034 |
| | Approved but not yet contracted | | - | - |
| | | | 141 997 | 76 034 |
| | Capital expenditure (including transfers) | | | |
| | Approved and contracted | | 1 094 592 | 502 605 |
| | Approved but not yet contracted | | - | - |
| | | | 1 094 592 | 502 605 |
| | Total Commitments | | 1 236 589 | 578 639 |
| 21 | Accruals | | | |
| | | | 2012/13 | 2011/12 |
| | | | R'000 | R'000 |
| | Listed by economic classification | | | |
| | | 30 Days | 30+ Days | Total |
| | Goods and services | 52 694 | 6 916 | 59 610 |
| | Transfers and subsidies | - | - | - |
| | Capital assets | 36 724 | 320 | 37 044 |
| | Total | 89 418 | 7 236 | 96 654 |
| | Accruals | | | |
| | Listed by programme level | | | |
| | Programme 1: Administration | | 17 166 | 67 536 |
| | Programme 2: Public Ordinary Public Schools | | 71 828 | 274 654 |
| | Programme 3: Independent Schools | | - | 37 |
| | Programme 4: Public Special Schools | | - | 13 |
| | Programme 5: Further Education and Training | | - | 5 243 |
| | Programme 6: Adult Basic Education | | 25 | 58 |
| | Programme 7: Early Childhood Development | | - | 20 |
| | Programme 8: Auxiliary and Associated Services | | 2 636 | 3 250 |
| | Total | | 96 654 | 350 811 |

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

22 Inter-Government payables

| | <i>Note</i> | 2012/13 R'000 | 2011/12 R'000 |
|-------------------------------------|----------------|--------------------------|--------------------------|
| Confirmed balances with departments | <i>Annex 4</i> | 410 | 241 |
| Total | | 410 | 241 |

23 Employee benefits

| | | |
|---|------------------|------------------|
| Leave entitlement | 123 958 | 107 969 |
| Thirteenth cheque | 348 353 | 326 120 |
| Performance awards | 23 003 | 22 570 |
| Capped leave commitments | 1 434 287 | 1 404 735 |
| Performance awards (Other Qualification Bonus) | 28 100 | 30 131 |
| Long Service Awards (30years-cash awards) | 28 385 | 2 914 |
| Total | 1 985 726 | 1 894 439 |

24 Lease commitments

**2012/13
R'000**

24.1 Operating leases expenditure

| | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|-------------|---|--|----------------|
| Not later than 1 year | - | 23 851 | 11 890 | 35 727 |
| Later than one year and not later than 5 years | - | 62 635 | 11 217 | 78 154 |
| Later than 5 years | - | 48 006 | - | 48 006 |
| Total lease commitments | - | 134 492 | 23 107 | 161 887 |

| 2011/12 | Land | Buildings and other fixed structures | Machinery and equipment | Total |
|---|-------------|---|--|----------------|
| Not later than 1 year | - | 14 157 | | 14 157 |
| Later than 1 year and not later than 5 years | - | 56 725 | 5 190 | 61 915 |
| Later than five years | - | 32 787 | - | 32 787 |
| Total lease commitments | - | 103 669 | 5 190 | 108 859 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

25 Irregular expenditure

| | <i>Note</i> | 2012/13 R'000 | 2011/12 R'000 |
|---|-------------|--------------------------|--------------------------|
| 25.1 Reconciliation of irregular expenditure | | | |
| Opening balance | | 212 016 | 140 028 |
| Add: Irregular expenditure – relating to current year | | 39 957 | 71 988 |
| Less: Amounts condoned | | (26 861) | - |
| Irregular expenditure awaiting condoning | | 225 112 | 212 016 |

Analysis of awaiting condoning per age classification

| | | |
|--------------|----------------|----------------|
| Current year | 39 957 | 71 988 |
| Prior years | 185 155 | 140 028 |
| Total | 225 112 | 212 016 |

25.2 Details of irregular expenditure not condoned

| Incident | 2012/13 R'000 |
|-----------------|--------------------------|
|-----------------|--------------------------|

Irregular expenditure incurred as the result of contracts awarded in contravention of Supply Chain Management processes

38 449

Debts Created, resulted from contravention of PFMA and Treasury Regulations

1 393

Payment of Overtime Prior to the Approval of the Executive Authority

115

Incident

**2011/12
R'000**

Irregular expenditure incurred as the result of contracts awarded in contravention of Supply Chain Management processes

71 988

The department is investigating possible instances of irregular expenditure which has not been included in the amount disclosed above. The full extent of irregularity would only be known at the conclusion of these investigations. The amount disclosed above may change based on the outcome of these investigations.

Irregular Expenditure incurred in 2012/13 financial year amounting to R 39 957 has since been referred to the Labour division for investigation. Cases of Irregular Expenditure from the previous year amounting to R 26 861 have been finalised during the financial year.

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

26 Fruitless and wasteful expenditure**26.1 Reconciliation of fruitless and wasteful expenditure**

| | 2012/13 | 2011/12 |
|---|----------------|----------------|
| | R'000 | R'000 |
| Opening balance | 1 433 | 175 |
| Fruitless and wasteful expenditure – relating to the current year | 2 993 | 1 258 |
| Fruitless and wasteful expenditure awaiting condoning | 4 426 | 1 433 |

26.2 Analysis of current year's fruitless and wasteful expenditure

| | | |
|--------------|--------------|--------------|
| Current | 91 | 1 258 |
| Capital | 2 902 | - |
| Total | 2 993 | 1 258 |

Analysis of current year's Fruitless expenditure**2012/13**

| Incident | Disciplinary steps taken | R'000 |
|--|--|--------------|
| Interest Charged of Telkom & Eskom | Incident has been reported to the Labour division for disciplinary proceedings. | 27 |
| Demolishing at Khunjuliwe Sec. School | Incident has been reported to the Labour division for disciplinary proceedings. | 1 300 |
| Spent on a project at Buhlebemfundo Primary | Incident has been reported to the Labour division for disciplinary proceedings. | 1 551 |
| Interest charged for late payment for a project at Mpisane Primary School | Incident has been reported to the Labour division for disciplinary proceedings. | 20 |
| Rates paid on Vacant/ Unutilised Sites not transferred to Department of Public Works Roads and Transport | Incident has been reported to the Labour division for disciplinary proceedings. | 39 |
| Interest paid to Government Pension Administration Agency | Incidents have been reported to the Labour Division for disciplinary proceedings | 5 |
| Debt created, resulted from Overpayment to Mathatha General Trading | Amount to be recovered after year-end from Supplier | 51 |
| Total | | 2 993 |

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27 Related party transactions

| | 2012/13 | 2011/12 |
|---|----------------|----------------|
| | R'000 | R'000 |
| Payments made | | |
| Goods and services (Department Public Works Roads & Transport) | 7 452 | 6 073 |
| (The Department occupies building from procured by the Mpumalanga Department of Public Works, Roads & Transport plus Goods and Services procured from MRTT) | | |
| Total | 7 452 | 6 073 |

28 Key management personnel

| | | 2012/13 | 2011/12 |
|--|---|----------------|----------------|
| | | R'000 | R'000 |
| Political office bearers | 1 | 1 652 | 1 566 |
| Officials: | | | |
| Level 15 to 16 | 4 | 4 885 | 4 651 |
| Level 14 (incl. CFO if at a lower level) | 4 | 3 595 | 3 370 |
| Family members of key management personnel | 9 | 3 092 | 2 043 |
| Total | | 13 224 | 11 630 |

One level 13 manager acted in a level 14 manager post, and received acting allowances of R 147 thousand (Total salary package including acting allowance is R 892 thousand) Period acted is 2012/04/01 to 2013/03/31.

29 Provisions

Potential irrecoverable debts

| | | |
|---------------|--------------|--------------|
| Staff debtors | 3 767 | 3 766 |
| Total | 3 767 | 3 766 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

30 Movable Tangible Capital Assets

30.1 Movement

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Opening balance R'000 | Current Year adjustments to prior year balances R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|--|--------------------------------------|--|----------------------------|----------------------------|--------------------------------------|
| MACHINERY AND EQUIPMENT | | | | | |
| Transport assets | 30 165 | 3 450 | 5 603 | (2 927) | 36 291 |
| Computer equipment | 30 019 | 572 | 16 290 | (8 744) | 38 137 |
| Furniture and office equipment | 17 326 | 144 | 1 411 | (1 047) | 17 834 |
| Other machinery and equipment | 3 952 | 22 | 4 669 | (4 955) | 3 688 |
| Mobile classrooms | 24 970 | - | 47 737 | - | 72 707 |
| TOTAL MOVABLE TANGIBLE CAPITAL ASSETS | 106 432 | 4 188 | 75 710 | (17 673) | 168 657 |

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ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Cash | Non-cash | (Capital Work in Progress current costs and finance lease payments) | Received current, not paid (Paid current year, received prior year) R'000 | Total |
|---|---------------|----------|--|--|---------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | | | | | |
| Transport assets | 5 603 | | | - | 5 603 |
| Computer equipment | 16 338 | | | (48) | 16 290 |
| Furniture and office equipment | 1 589 | | | (178) | 1 411 |
| Other machinery and equipment | 5 176 | | | (507) | 4 668 |
| Mobile classrooms | 47 737 | | | - | 47 737 |
| TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS | 76 443 | | | (733) | 75 710 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

30.3 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash Received Actual |
|--|----------------------|--|------------------------|-----------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | | | | |
| Transport assets | (2 927) | - | (2 927) | 592 |
| Computer equipment | - | (8 744) | (8 744) | - |
| Furniture and office equipment | - | (1 047) | (1 047) | - |
| Other machinery and equipment | - | (4 955) | (4 955) | - |
| Mobile Classrooms | - | - | - | - |
| TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS | (2 927) | (14 746) | (17 673) | 592 |

30.4 Movement for 2011/12

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Opening balance | Additions | Disposals | Closing balance |
|--------------------------------------|------------------------|------------------|------------------|------------------------|
| | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | | | | |
| Transport assets | 30 722 | 886 | (1 443) | 30 165 |
| Computer equipment | 28 350 | 5 796 | (4 127) | 30 019 |
| Furniture and office equipment | 16 928 | 1 334 | (936) | 17 326 |
| Other machinery and equipment | 3 592 | 788 | (428) | 3 952 |
| | 5 986 | 18 984 | - | 24 970 |
| TOTAL MOVABLE TANGIBLE ASSETS | 85 578 | 27 788 | (6 934) | 106 432 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

30.5 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2013

| | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|---|--|--------------------------------------|--|--|------------------------|
| Opening balance | 45 | - | 50 864 | - | 50 909 |
| Current Year Adjustments to Prior Year Balances | - | - | 1 793 | - | 1 793 |
| Additions | - | - | 17 558 | - | 17 558 |
| Disposals | - | - | (18 801) | - | (18 801) |
| TOTAL | 45 | - | 51 414 | - | 51 459 |

| Intangible assets | Heritage assets | Machinery and equipment | Biological assets | Total |
|------------------------------|----------------------------|--|------------------------------|--------------|
| - | - | 44 506 | - | 44 506 |

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2012

| | Intangible assets R'000 | Heritage assets R'000 | Machinery and equipment R'000 | Biological assets R'000 | Total R'000 |
|--------------------------|--|--------------------------------------|--|--|------------------------|
| Opening balance | 45 | - | 49 813 | - | (49 858) |
| Current year adjustments | - | - | - | - | - |
| Additions | - | - | 10 052 | - | (10 052) |
| Disposals | - | - | (9 001) | - | (9 001) |
| TOTAL | 45 | - | 50 864 | - | 50 909 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

31 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Openin g balance R'000 | Current year adjust- ments to prior year balances R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|------------------------------------|---------------------------------|---|--------------------|--------------------|--------------------------|
| COMPUTER SOFTWARE | 7 279 | (395) | 16 | (6 604) | 296 |
| TOTAL INTANGIBLE CAPITAL ASSETS | 7 279 | (395) | 16 | (6 604) | 296 |

31.1 Movement for 2011/12

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Openin g balance R'000 | Current year adjust- ments to prior year balances R'000 | Additions R'000 | Disposals R'000 | Closing Balance R'000 |
|------------------------------------|---------------------------------|---|--------------------|--------------------|--------------------------|
| COMPUTER SOFTWARE | 7 279 | - | - | - | 7 279 |
| OTHER INTANGIBLES | | | | | |
| TOTAL INTANGIBLE CAPITAL ASSETS | 7 279 | - | - | - | 7 279 |

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

32 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Opening balance | Cur Year Adjust- ments to prior year balances | Addition s | Disposal s | Closing Balance |
|--|--------------------|---|---------------|---------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| BUILDINGS AND OTHER FIXED STRUCTURES | - | - | 209 809 | 209 809 | - |
| Dwellings | - | - | - | - | - |
| Non-residential buildings | - | - | 209 809 | (209 809) | - |
| Other fixed structures | - | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | - | - | 209 809 | (209 809) | - |

MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

32 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Opening balance | Cur Year Adjust- ments to prior year balances | Addition s | Disposal s | Closing Balance |
|--|--------------------|---|---------------|---------------|--------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| BUILDINGS AND OTHER FIXED STRUCTURES | - | - | 209 809 | 209 809 | - |
| Dwellings | - | - | - | - | - |
| Non-residential buildings | - | - | 209 809 | (209 809) | - |
| Other fixed structures | - | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | - | - | 209 809 | (209 809) | - |

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

32.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Cash | Non-cash | (Capital Work in Progress current costs and finance lease payments) | Received current, not paid (Paid current year, received prior year) | Total |
|---|----------------|----------|---|---|----------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| BUILDING AND OTHER FIXED STRUCTURES | 569 530 | - | (359 721) | - | 209 809 |
| Non-residential buildings | 569 530 | - | (359 721) | - | 209 809 |
| TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS | 569 530 | - | (359 721) | - | 209 809 |

Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

| | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash Received Actual |
|--|---------------|---------------------------------------|------------------|----------------------|
| | R'000 | R'000 | R'000 | R'000 |
| MACHINERY AND EQUIPMENT | - | 209 809 | 209 809 | - |
| Non-residential buildings | - | (209 809) | (209 809) | - |
| TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS | - | (209 809) | (209 809) | - |

**MPUMALANGA DEPARTMENT OF EDUCATION
VOTE 7**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

32.2 Movement for 2011/12

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

| | Opening balance R'000 | Additions R'000 | Disposals R'000 | Closing balance R'000 |
|---|-----------------------------|--------------------|--------------------|--------------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | - | 34 150 | (34 150) | - |
| Dwellings | - | 34 150 | (34 150) | - |
| TOTAL IMMOVABLE TANGIBLE ASSETS | - | 34 150 | (34 150) | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS RECEIVED

| DEPARTMENT OF EDUCATION | GRANT ALLOCATION | | | | SPENT | | | 2011/12 | |
|----------------------------|--|---------------|---------------------|----------------------|--------------------|-------------------------------------|----------------------------------|--|-------------------------------|
| | Division of Revenue Provincial Grants | Roll Over | DORA Adjustments | Other Adjustments | Total Available | Amount received by department | Amount spent by department | % of available funds spent by department | Division of Revenue Act |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | % | R'000 |
| HIV/AIDS | 17 416 | 480 | - | - | 17 896 | 17 896 | 17 813 | 100% | 16 511 |
| NSNP | 474 560 | 32 001 | - | - | 506 561 | 506 561 | 498 387 | 98% | 447 973 |
| INFRASTRUCTURE | 530 711 | - | - | - | 530 711 | 530 711 | 527 662 | 99% | 586 584 |
| FET RECAPITALIZATION | 342 696 | - | 2 589 | - | 345 285 | 345 285 | 345 285 | 100% | 321 840 |
| TECHNICAL SEC SCH | | | | | | | | | |
| RECAP GRANT | 25 678 | - | - | - | 25 678 | 25 678 | 21 980 | 86% | 21 780 |
| DINALEDI SCHOOLS GRANT | | | | | | | | | |
| FLOOD DAMAGES GRANT | 9 172 | 630 | - | - | 9 802 | 9 802 | 9 787 | 100% | 6 440 |
| EPWP INCENTIVE | - | - | - | - | - | - | - | - | 3 600 |
| INFRASTRUCTURE GRANT | | | | | | | | | |
| EPWP SOCIAL SECTOR | - | - | 3 000 | - | 3 000 | 3 000 | 2 990 | 100% | 536 |
| INCENTIVE GRANT | - | - | 12 613 | - | 12 613 | 12 613 | 12 603 | 100% | 9 901 |
| TOTAL | 1 400 233 | 33 111 | 18 202 | - | 1 451 546 | 1 451 546 | 1 436 507 | | 1 415 165 |
| | | | | | | | | | 1 377 586 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 1B

STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

| MUNICIPALITY | GRANT ALLOCATION | | | | TRANSFERS | |
|--------------|------------------|-----------|-------------|-----------------|-----------------|----------------------------------|
| | Amount | Roll Over | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % |
| Unallocated | 3 332 | - | - | 3 332 | 3 332 | 100% |
| Total | 3 332 | - | - | 3 332 | 3 332 | 100% |

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| DEPARTMENT/ AGENCY/ ACCOUNT | TRANSFER ALLOCATION | | | | TRANSFER | | 2011/12 |
|-----------------------------|----------------------------|-----------|-------------|-----------------|-----------------|----------------------------------|--------------|
| | Adjusted Appropriation Act | Roll Over | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | |
| ETDP SETA | - | - | - | - | 4 997 | - | 4 751 |
| Total | - | - | - | - | 4 997 | - | 4 751 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 1D

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

| NON-PROFIT INSTITUTIONS | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2011/12 |
|------------------------------------|--|--------------------|----------------------|-----------------------------|-----------------------------|--|-------------------------------|
| | Adjusted Appropriation Act R'000 | Roll over R'000 | Adjustments R'000 | Total Available R'000 | Actual Transfer R'000 | % of Available funds Transferred % | Appropriation Act R'000 |
| | | | | | | | |
| | | | | | | | |
| Transfers | | | | | | | |
| Mpumalanga Regional Training Trust | 100 741 | | | 100 741 | 105 915 | 105% | 56 084 |
| | 100 741 | - | - | 100 741 | 105 915 | | 56 084 |
| Subsidies | | | | | | | |
| Section 21 Schools | 417 966 | | | 417 966 | 421 813 | 101% | 376 596 |
| Independent Schools | 12 467 | | | 12 467 | 12 381 | 99% | 11 747 |
| Special Schools | 36 268 | | | 36 268 | 36 635 | 101% | 37 797 |
| Further Education And Training | 346 485 | | | 346 485 | 345 285 | 100% | 327 340 |
| Adult Basic Education and Training | 5 497 | | | 5 497 | 5 605 | 102% | 1 129 |
| Early Childhood Development | 23 413 | | | 23 413 | 23 692 | 101% | 13 165 |
| | 842 096 | | | 842 096 | 846 611 | | 767 774 |
| Total | 942 837 | - | - | 942 837 | 952 526 | | 823 858 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

| HOUSEHOLDS | TRANSFER ALLOCATION | | | | EXPENDITURE | | 2011/12 |
|---------------------------|----------------------------|-----------|-------------|-----------------|-----------------|----------------------------------|---------------|
| | Adjusted Appropriation Act | Roll Over | Adjustments | Total Available | Actual Transfer | % of Available funds Transferred | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | % | |
| Transfers | | | | | | | |
| House Hold Social Benefit | 48 662 | - | - | 48 662 | 54 882 | 113% | 40 683 |
| Total | 48 662 | - | - | 48 662 | 54 882 | 113% | 40 683 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2013 – LOCAL

| Guarantor institution | Guarantee in respect of Housing | Original guaranteed capital amount R'000 | Opening balance 1 April 2013 R'000 | Guarantees draw downs during the year R'000 | Guarantees repayments/cancelled/reduced/released during the year R'000 | Revaluations R'000 | Closing balance 31 MARCH 2013 R'000 | Guaranteed interest for year ended 31 MARCH 2013 R'000 | Realised losses not recoverable i.e. claims paid out R'000 |
|----------------------------|---------------------------------|---|---------------------------------------|--|---|-----------------------|--|---|---|
| Standard Bank of SA Ltd | Housing | - | 1 103 | 15 | 607 | - | 511 | - | - |
| Nedbank Ltd | Housing | - | 539 | - | 58 | - | 481 | - | - |
| First National Bank | Housing | - | 246 | 59 | 150 | - | 155 | - | - |
| ABSA | Housing | - | 446 | 86 | 248 | - | 284 | - | - |
| Company Unique Finance | Housing | - | 393 | 22 | 117 | - | 298 | - | - |
| Old Mutual Finance Limited | Housing | - | 89 | - | 89 | - | - | - | - |
| Peoples Bank Limited | Housing | - | 84 | - | 25 | - | 59 | - | - |
| First Rand Bank | Housing | - | 901 | - | 24 | - | 877 | - | - |
| Old Mutual Bank (Nedbank) | Housing | - | 22 | 10 | 32 | - | - | - | - |
| Mpumalanga Housing Fin. | Housing | - | 59 | - | 59 | - | - | - | - |
| Northern Province | Housing | - | - | - | - | - | - | - | - |
| Development | Housing | - | 584 | - | 238 | - | 346 | - | - |
| NHFC Masikheni | Housing | - | 59 | - | 59 | - | - | - | - |
| Total | | - | 4 525 | 192 | 1706 | - | 3 011 | - | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

| Nature of Liability | Opening Balance 01/04/2012 | Liabilities incurred during the year | Liabilities paid/cancelled/reduced during the year | Liabilities recoverable (Provide details hereunder) | Closing Balance 31/03/2013 |
|--------------------------------------|----------------------------------|---|--|--|----------------------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| Claims against the department | | | | | |
| H KLEYNHANS | 286 | - | - | (286) | - |
| NEW HEIGHTS 1448 CC t/a VUKA SE | 939 | - | - | - | 939 |
| ZACHARIA MALOMA | 2 000 | - | - | - | 2 000 |
| MEDIA WORKS | 28 | - | - | - | 28 |
| MJ NKOSI | 2 843 | - | - | - | 2 843 |
| O SKOSANA O.B.O SOLOMAON SKOSANA | 500 | - | - | - | 500 |
| TECHNOLGIES ACCEPTENCE (PTY) LTD | 91 | - | - | - | 91 |
| NKADIMENG KA | 569 | - | - | - | 569 |
| BJJ FOURIE | 26 | - | - | (26) | - |
| SMANGALISO NKOSI | 3 000 | - | - | - | 3 000 |
| DS VILAKAZI | 63 | - | - | - | 63 |
| THOKOZANE HLATSHWAYO | 1 000 | - | - | - | 1 000 |
| DHUKHI RT | 3 300 | - | - | - | 3 300 |
| UMHLOZI TRADING | 60 | - | (33) | (27) | - |
| MAPUTLE AND 3 OTHERS | 10 000 | - | - | - | 10 000 |
| VN SWAM | 1 406 | - | - | - | 1 406 |
| JR MONDLANE | 187 | - | - | - | 187 |
| JM BROODRYK | 2 105 | - | (1 355) | (750) | - |
| BITA BYTE PUBLISHING | 183 | - | - | - | 183 |
| LE PARADISE | 8 | - | - | - | 8 |
| MALAZA CONSTRUCTION | 63 | - | (63) | - | - |
| NEKLAS SHAKWANE CONSTRUCTION | 44 | - | (44) | - | - |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

| Nature of Liability | Opening Balance 01/04/2012 | Liabilities incurred during the year | Liabilities paid/cancelled/ reduced during the year | Liabilities recoverable (Provide details hereunder) | Closing Balance 31/03/2013 |
|---------------------------------|----------------------------------|---|--|---|----------------------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 |
| B NKOSI | 10 | - | - | - | 10 |
| ZACHARIA MALOMA | 74 | - | - | - | 74 |
| MPUMALANGA COPIERS | 66 | - | - | - | 66 |
| LOUIS P ERASMUS | 100 | - | (40) | (60) | - |
| SABENZA MOTORS CC | 328 | - | - | - | 328 |
| T&C CIVILS | 332 | - | - | - | 332 |
| MVUDI PARK TRADING | 853 | - | - | - | 853 |
| MRS FOUCHE O.B.O J.L FOUCHE | 610 | - | - | - | 610 |
| TC MAHLANGU | 100 | - | - | (100) | - |
| KARINA BOERDERY CC | 342 | - | - | (342) | - |
| AFRICAN GAZA CHURCH | 78 | - | - | - | 78 |
| FP MBUYANE | 29 | - | - | - | 29 |
| ROSE N SKOSANA | 6 000 | - | - | - | 6 000 |
| UKHOZI INFORMATION TECHNOLOGIES | 6 423 | - | - | - | 6 423 |
| UNITED STATIONS PTY LTD | 32 | - | - | (32) | - |
| REGENT INSURANCE COMPANY | 24 | - | - | (24) | - |
| CHEROL ELLEN MBATHA | - | 290 | - | - | 290 |
| TEVIN AND BONGANI | - | 402 | - | - | 402 |
| A DE WET STANDER | - | 52 | - | - | 52 |
| AURECON | - | 19 000 | - | - | 19 000 |
| SIBANYONI JZ OBO SIBANYONI S | - | 620 | - | - | 620 |
| MTK COPORATE SOLUTIONS | - | 163 | - | - | 163 |
| ANNA MARIE VILJOEN | - | 2 260 | - | - | 2 260 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
|-----------------------------|---------------|----------------|----------------|----------------|-------|----------------|
| THABANE EZEKIEL MAJA | - | 20 | - | - | - | 20 |
| BALISABELA UNQEDO TRADINGCC | - | 420 | - | - | - | 420 |
| MHLUZI BUSINESS ENTERPRISE | - | 16 | - | - | - | 16 |
| RB MASHEGO | - | 600 | - | - | - | 600 |
| ROBERT BRUCE TREFRY | - | 175 | - | - | - | 175 |
| LUSENGA DA | - | 7 750 | - | - | - | 7 750 |
| EXAM MARKERS CLAIMS | - | 85 000 | - | - | - | 85 000 |
| J KRUGER | - | 656 | - | - | - | 656 |
| | 44 102 | 117 425 | (1 535) | (1 647) | | 158 344 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

**ANNEXURE 3
CLAIMS RECOVERABLE**

| Government Entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|---|-------------------------------|------------|---------------------------------|--------------|--------------|--------------|
| | 31/03/2013 | 31/03/2012 | 31/03/2013 | 31/03/2012 | 31/03/2013 | 31/03/2012 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Department | | | | | | |
| Mpumalanga Department of Safety, Security & Liaison | 11 | 11 | - | - | 11 | 11 |
| National Justice & Constitutional Development | 6 | - | - | - | 6 | - |
| Limpopo Department of Education | - | - | 48 | 70 | 48 | 70 |
| Mpumalanga Office of the Premier | - | - | 93 | - | 93 | - |
| Department of Corporate Governance (National) | - | - | - | - | - | - |
| Kwazulu Natal Department of Education | - | - | 407 | - | 407 | - |
| Gauteng Department of Education | 470 | - | 907 | 80 | 1 377 | 80 |
| National Department of Home Affairs | 8 | - | - | 8 | 8 | 8 |
| Provincial Treasury | - | - | 833 | 833 | 833 | 833 |
| Limpopo Health | - | - | - | 30 | - | 30 |
| South African Police Service | 16 | - | - | - | 16 | - |
| Department of Defence (National) | - | - | - | 11 | - | 11 |
| Mpumalanga (Nkangala FET) | 21 | - | 36 | - | 57 | - |
| Mpumalanga (Ehlanzeni FET) | - | - | 45 | - | 45 | - |
| National Department of Public Works | - | - | 9 | - | 9 | - |
| National Department of Correctional Services | 19 | - | - | - | 19 | - |
| Mpumalanga Department of Health | 23 | 123 | 21 | - | 44 | 123 |
| Mpumalanga Department of Social Development | - | 20 | 21 | - | 21 | 20 |
| Department of Agriculture, Forestry & Fisheries | - | - | - | 10 | - | 10 |
| Mpumalanga DARDLA | - | 68 | 197 | - | 197 | 68 |
| Mpumalanga Human Settlement | - | - | - | 102 | - | 102 |
| Mpumalanga COGTA | 7 | - | 11 | 7 | 18 | 7 |
| Gauteng Department of Health | - | - | 12 | - | 12 | - |
| Western Cape Education | - | - | 30 | - | - | - |
| Total | 581 | 222 | 2 640 | 1 181 | 3 221 | 1 403 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

| Government Entity | Confirmed balance outstanding | | Unconfirmed balance outstanding | | Total | |
|--|-------------------------------|------------|---------------------------------|------------|------------|------------|
| | 31/03/2013 | 31/03/2012 | 31/03/2013 | 31/03/2012 | 31/03/2013 | 31/03/2012 |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Departments | | | | | | |
| CURRENT | | | | | | |
| Kwazulu Natal Department of Education | 386 | 65 | - | - | 386 | 65 |
| Mpumalanga Social Development | 15 | - | - | - | 15 | - |
| Eastern Cape Department of Education | - | - | - | - | - | - |
| Gauteng Department of Finance | - | - | - | - | - | - |
| South African police Services (SAPS) | - | 82 | - | - | - | 82 |
| North West Education Department | - | 52 | - | - | - | 52 |
| Mpumalanga Department of Health | - | 17 | - | - | - | 17 |
| Mpumalanga DARDLA | - | 25 | - | - | - | 25 |
| National Department of Energy | 9 | - | - | - | 9 | - |
| National Department of Higher Education and Training | - | - | 35 | - | 35 | - |
| Gauteng Department of Education | - | - | 86 | - | 86 | - |
| Total | 410 | 241 | 121 | - | 531 | 241 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 5

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

| NATURE OF GIFTS, DONATIONS OR SPONSORSHIP | 2012/13 | 2011/12 |
|---|------------|------------|
| | R'000 | R'000 |
| Paid in cash | | |
| Subtotal | - | 99 |
| Total | 99 | 99 |
| Made in cash | | |
| Subtotal | 50 | 50 |
| Total | 149 | 149 |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 6

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2013

| | Opening balance R'000 | Current Year Capital WIP R'000 | Completed Assets R'000 | Total |
|--|-----------------------------|--------------------------------------|------------------------------|------------------|
| BUILDINGS AND OTHER FIXED STRUCTURES | 569 530 | (359 721) | | (209 809) |
| Dwellings | | - | - | - |
| Non-residential buildings | 569 530 | (359 721) | - | (209 809) |
| Other fixed structures | - | - | - | - |
| TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS | 569 530 | (359 721) | | (209 809) |

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2013

ANNEXURE 7

INVENTORY

| Inventory | Note | 2012/13 Quantity | 2012/13 R'000 | 2011/12 R'000 |
|---|------|---------------------|------------------|------------------|
| | | | | |
| Opening balance | | 13 978 | 607 | - |
| Add/(Less): Adjustments to prior year balance | | 29 509 | 2 485 | 17 154 |
| Add: Additions/Purchases - Non-cash | | 106 418 | 603 342 | 345 |
| Add: Additions - Cash | | 2 464 | 24 935 | - |
| (Less): Disposals | | - | - | (16 832) |
| (Less): Issues | | (128 902) | (634 744) | (60) |
| Add/(Less): Adjustments | | (8) | 9 770 | - |
| Closing balance | | 23 459 | 6 395 | 607 |

Notes

[illegible]

[illegible]

Notes

[illegible]

[illegible]

Notes

[illegible]

[illegible]

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