

2019

**Causes of inefficiency in LTSM provision
to learners in Limpopo Department of
Education**

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PROVINCE: LIMPOPO

Summary

What have I discovered in my PER?

I discovered that causes of inefficiencies in LTSM provision resulted from shortages, excesses of books experienced at some schools in the beginning of each academic year due to movement of learners from one school to another. Other causes of shortages are damaged text books, change of subject by learners, curriculum change as well as increase in number of learners (e.g. foreign learners). The National Department of Basic deliver wrong textbooks to schools due to improper consultation to the province. The retrieval strategy of textbooks is also not effective because the department does not have system which will help in producing reliable data which indicates baseline of textbooks available per subject, per grade and per school.

What are my recommendations and why they are important?

Development of effective LTSM Retrieval strategy which will help in showing text books available and needed per subject per grade and per school. Develop a system which will update annually the number of textbooks available and needed per subject per grade per school to avoid repurchasing of what is available. It will also be difficult to Educators who changes text books unnecessarily and start afresh with the new book instead of topping-up. Advise the National department of Basic Education (DBE) to help the province through proper consultation and as per the need to avoid delivery of wrong books.

This document is not for quoting or circulation. It was done as part of the Provincial Treasury training exercise on the spending review methodology and is intended for discussion purposes. Further, there were some data limitations and both the appropriate level of information, and its correctness could not be independently verified.

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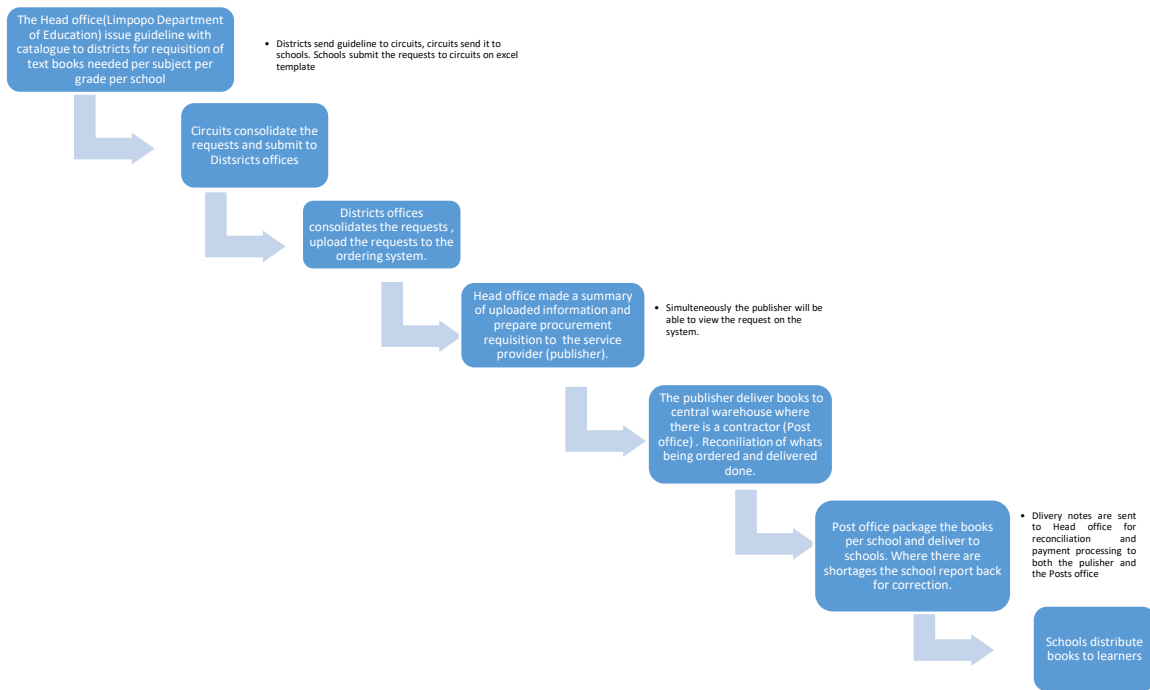
1. Introduction

Provincial Department of Education has allocated funds towards provision of LTSM for learners in Limpopo Province. Evidence based resource allocation and efficiency in provision of LTSM to learners will assist the province in improving learning and teaching which will result to improvement in grade 12 pass rate. Each learner in each grade is supposed to be provided with stationery pack and a textbook per subject. In the beginning of each academic year there is a challenge that in some schools, learners experience shortage of textbooks whilst in other schools experience excesses due to movement of learners from one school to another. Other causes of shortages are damaged text books, change of subject by learners, curriculum change as well as increase in number of learners (e.g. foreign learners). At the same time the retrieval strategy of textbooks is not effective because the department does not have system which will help in producing reliable data which indicates baseline of textbooks available per subject, per grade and per school. The National Department of Basic Education in support of Provincial Department of Education is also providing certain LTSM to the province, and at some stage they deliver wrong textbooks to schools due to improper consultation. The data is reliable as it was found through consultation with the department's Head Office and the Annual Performance Plan (APP).

7. Policy and institutional information

The Limpopo Department of Education is utilising the national guideline on Learner Teacher Support Material (LTSM) developed by Curriculum section from National Department of Basic Education. This guideline is accompanied by national Catalogue and ordering template for requisition and ordering system. The provincial department constituted LTSM Committee which is responsible for the management of LTSM procurement. The books are being procured on a Top-up basis, i.e. from what is available.

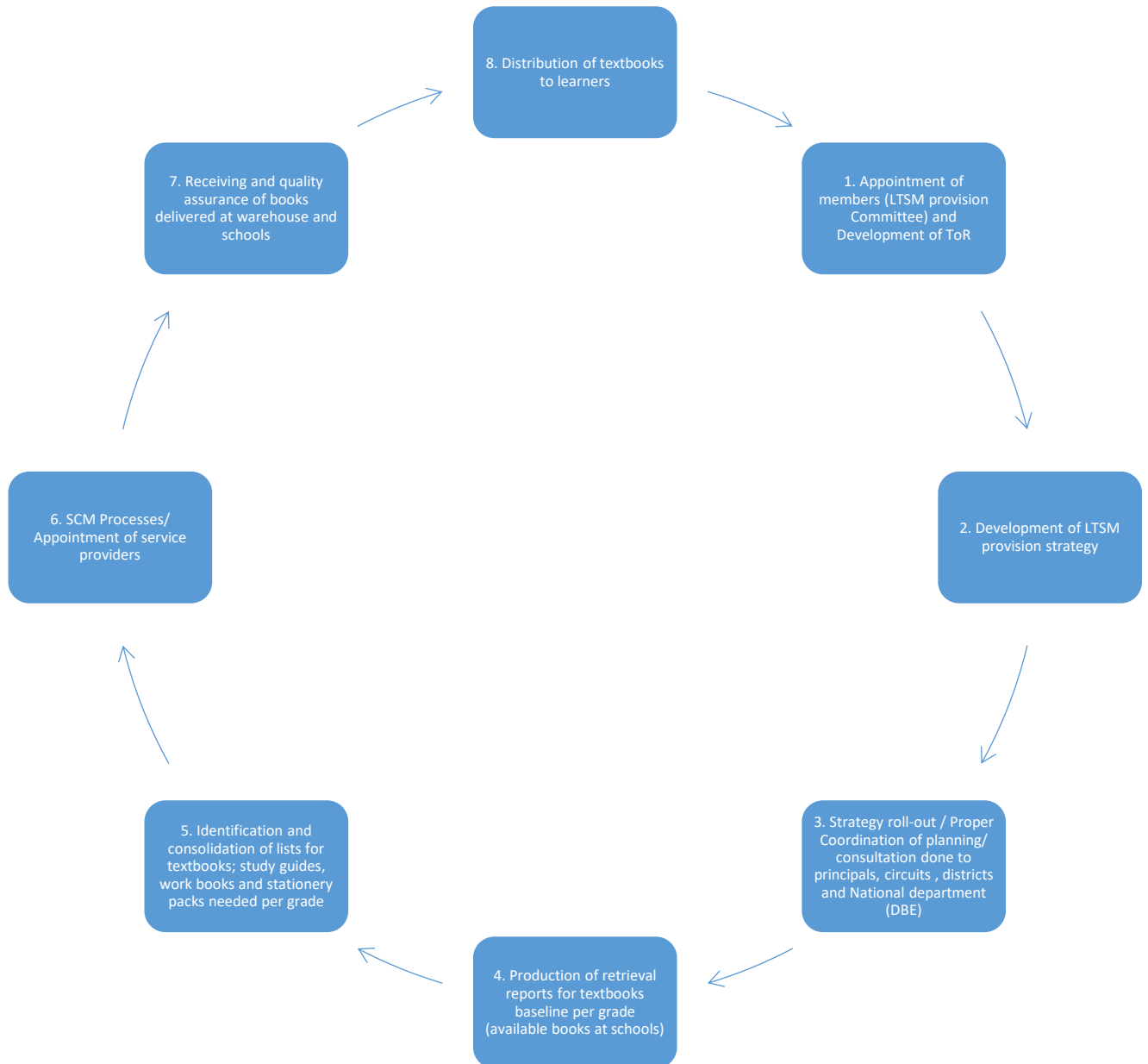
The actual process flow is as per diagram below:



Effectiveness of the system: The system is effective, however the main challenge is with regard to baseline at schools level which determine the number of text books to be procured, given that it is not on the system. That is, a text book shortage in one school can be an excess in another school, and there is no integration between the two schools to set off each other.

8. Programme chain of delivery

The diagram below shows the processes/activities that drive the programme



What are these processes intended achieve?

1. As an output approved LTSM provision strategy will be in place to give guidance on procurement of learning. At the end, Complete correct books per grade should be received by each learner.

2. Complete pack of learning materials per learner results to quality teaching and learning be achieved. This should be seen by increase in percentage of learners passing Tests, Term and Year end examinations.

3. Increase in percentage of learners passing year end examinations means reduction in percentage of progressed learners per grade. This will then further increase the percentage of learners passing National Senior Certificate which will finally result to an impact of improved educational outcomes.

Comment: In terms of the actual achievement over the years the department is not managing to achieve the 80.0% target on Matric pass rate. The trend shows **72.9% in 2014, 65.9% in 2015, 62.5% in 2016, 65.6% in 2017 and 69.5% in 2018.**

9. Expenditure observations

Table 1.: LTSM Directorate spending trend – 2015/16 – 2017/18

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total	2015/2016	2016/2017	CAGR
SD:LTSM	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	-82,9%	6,0%	-57,4%
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	-15,8%	6,0%	-5,5%
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	0,0%	0,0%	0,0%
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	60,0%	6,0%	30,2%
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	5277,7%	6,0%	655,0%
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	-19,4%	6,0%	-7,6%
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	6,2%	6,0%	6,1%
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	5,0%	6,0%	5,5%
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	-13,5%	6,0%	-4,3%
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%

The table above depicts that the overall spending for LTSM has increased by 54.6% from R362.4 million in 2015/16 to R560.3 million in 2016/17 financial year and by 6.0% from R560.3 million in 2016/17 to R593.9 million 2017/18 financial year. **The 2015/16 y-o-y increase was**

mainly on Inventory: Learner & Teach Supp Material (LTSM) as it increased from R338.0 million to R540.7 million. The department reported that reasons for such drastic increase in spending is as a result of competition by service providers during that time when the department was under administration whereby service providers under quoted at very low prices in order to be appointed. The 2016/17 y-o-y increase is 6.0 which is reasonable and acceptable as it's aligned with the CPI. In terms of average growth from 2015/16 to 2017/18 financial year, the spending has increased by 30.2%.

Item Operating Leases for Warehouse reflects a significant growth rate in spending of 5277.7% in 2015/16 y-o-y and 655.0% on average from 2015/16 to 2017/18 financial year. This item is linked to Inventory: Learner & Teach Supp Material (LTSM) and the understanding is that, if there is increase in number of books it means the area of storeroom to store those books should also be big.

The item consumables: Stationery, Printing & office supplies y-o-y growth rate shows a decline of expenditure by 82.9% in 2015/16 y-o-y and 57.4% on average. This item is meant for LTSM (Text books) that are being printed by Government Printing Works and the decline is due to less requests for procurement of printed books.

Contractors decreased by 15.8% y-o-y and 15.8% on average on the same financial year respectively. This item is meant for service providers who were being appointed to transport the procured books to Warehouse and schools. The decline is due to appointment of one service provider the South African Post Office (SAPO). The reason was that SAPO has capacity to do the job as it's their area of work.

The Compensation of employees items (Salaries & wages and Social contributions) increased accordingly by 6.2% and 5.0% in 2015/16 and 6.0% in 2016/17 respectively.

Table 2.: LTSM (BOOKS only) spending trend – 2015/16 – 2017/18

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total			
INV:LEARN&TEACH SUPP MATE	366 379 631,66	575 101 771,46	592 635 414,58	1 534 116 817,70	57,0%	3,0%	27,2%
INV LEARN SUP:SCHOOL CON MATRL			-	-			
INV LEARN SUP:SCHOOL DURBL M/	8 401 464,98	20 418 038,04	26 049 346,05	54 868 849,07	143,0%	27,6%	76,1%
INV LEARN SUP:SCHOOL STAT	144 581 022,00	150 573 006,22	165 912 983,84	461 067 012,06	4,1%	10,2%	7,1%
INV LEARN SUP:SCHOOL TEXT/PRE	213 397 144,68	404 110 727,20	400 673 084,69	1 018 180 956,57	89,4%	-0,9%	37,0%
Grand Total	366 379 631,66	575 101 771,46	592 635 414,58	1 534 116 817,70	57,0%	3,0%	27,2%

Comment:

Table 3: LTSM spending variance

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total
Variance on LTSM(books only between Table 1 and 2 above	28 324 541,69	34 371 918,40	19 461 770,34	82 158 230,43

When comparing the expenditure for LTSM (books only) in 2015/16 – 2017/18 between Table 1 and Table 2 above there is a variance of R28.3 million, R34.4 million and R19.5 million respectively. The root cause is that in 2017/18 the budget structure has changed and there is no more LTSM directorate. 2017/18 figures reflecting on Table 2 were inflated manually by 6.0% whereas the ones on Table 2 are as per the BAS report.

Budget structure: LTSM directorate has been discontinued and the officials were transferred to Supply Chain Management directorate. This is the reason why there are difficulties in drawing the report. The facilitators team were asked during the workshop to assist in this matter but not successful and the resolution was that I must show this variance challenge on this report.

Table 4: Spending growth projections using Simple Growth Formula (2018/19 -2021/22)

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total	Growth Rates			Growth projections (using simple growth formula)			
					2015/2016	2016/2017	CAGR	2018/19	2019/20	2020/21	2021/22
SD:LTSM	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%	629 566 747,56	667 340 752,41	707 381 197,56	749 824 069,41
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	-82,9%	6,0%	-57,4%	1 236 359,23	1 310 540,78	1 389 173,23	1 472 523,62
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	-15,8%	6,0%	-5,5%	12 173 308,47	12 903 706,98	13 677 929,40	14 498 605,16
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	0,0%	0,0%	0,0%	-	-	-	-
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	60,0%	6,0%	30,2%	607 564 062,90	644 017 906,67	682 658 981,07	723 618 519,94
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	5277,7%	6,0%	655,0%	2 719 070,28	2 882 214,50	3 055 147,37	3 238 456,21
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	-19,4%	6,0%	-7,6%	22 158,61	23 488,12	24 897,41	26 391,25
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	6,2%	6,0%	6,1%	4 824 877,73	5 114 370,39	5 421 232,61	5 746 506,57
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	5,0%	6,0%	5,5%	740 572,61	785 006,97	832 107,39	882 033,83
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	-13,5%	6,0%	-4,3%	286 337,74	303 518,01	321 729,09	341 032,83
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%	629 566 747,56	667 340 752,41	707 381 197,56	749 824 069,41

Table 4 above shows that as an overall, LTSM programme estimates will grow from R593.9 million in 2017/18 to R629.6 million in 2018/19 and to R667.3 million, R707.4 million, R749.8 million over the 2019 MTEF.

Table 5: Spending % Share and Pareto (2015/16 -2017/18)

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total	Percentage Share				Cumulative sum			
					2015/2016	2016/2017	2017/18	Grand Total	2015/2016	2016/2017	2017/18	Grand Total
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	93,3%	96,5%	96,5%	95,7%	93,3%	96,5%	96,5%	95,7%
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	3,6%	1,9%	1,9%	2,3%	96,8%	98,4%	98,4%	98,1%
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	1,1%	0,8%	0,8%	0,8%	98,0%	99,2%	99,2%	98,9%
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	0,0%	0,4%	0,4%	0,3%	98,0%	99,6%	99,6%	99,2%
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	1,8%	0,2%	0,2%	0,6%	99,7%	99,8%	99,8%	99,8%
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	0,2%	0,1%	0,1%	0,1%	99,9%	100,0%	100,0%	99,9%
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	0,1%	0,0%	0,0%	0,1%	100,0%	100,0%	100,0%	100,0%
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	0,0%	0,0%	0,0%	0,0%	100,0%	100,0%	100,0%	100,0%
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	0,0%	0,0%	0,0%	0,0%	100,0%	100,0%	100,0%	100,0%
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	100,0%	100,0%	100,0%	100,0%	200,0%	200,0%	200,0%	200,0%

In terms of spending % share and ranking of items, more than 90.0% of the expenditure within the programme is under Inv: Learning & Teaching material (books) item at R338.1 million 993.3), R540.7 million (96.5%) and R573.2million (96.5%) in 2015/16 – 2017/18. This is followed by Contractors (Transportation of books) and CoE.

Comment on appropriateness: This is reasonable and commendable because Item Inv: LTSM and Contractors for transportation of text books are the core items on the directorate. These are service delivery items for books.

10. Performance

What is actually being achieved by my programme? How does this compare with what is intended to be achieved?

Table 6: Progressed learners and Pass rate per grade (2016 – 2018)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
# Progressed learners and pass rate per grade in 2016 - 2018																
	2016				2017				2018				Growth between 2016 & 2017	Growth between 2017 & 2018	Growth between 2016 & 2017	Growth between 2017 & 2018
	Progressed		Pass rate		Progressed		Pass rate		Progressed		Pass rate					
	# Learners	Percentage	# Learners	Percentage	# Learners	Percentage	# Learners	Percentage	# Learners	Percentage	# Learners	Percentage	Progressed	Pass rate		
Gr R	1882	2%	122 413	92	860	1%	123 424	93	797	1%	122 035	94	-1%	0%	1	1
Gr 1	2489	2%	139 410	80	1841	1%	143 767	80	2198	2%	139 503	81	-1%	1%	0	1
Gr 2	4327	3%	135 143	76	3511	3%	138 987	75	4090	3%	138 275	76	0%	0%	-1	1
Gr 3	5573	5%	135 574	73	5080	4%	135 806	74	5902	4%	133 774	75	-1%	0%	1	1
Gr 4	6038	5%	138 552	61	6203	5%	144 077	60	6779	5%	142 330	61	0%	0%	-1	1
Gr 5	6455	6%	126 690	64	6498	5%	132 082	63	8081	6%	132 148	64	-1%	1%	-1	1
Gr 6	5781	6%	116 633	65	6087	5%	124 990	64	7523	6%	124 945	66	-1%	1%	-1	2
Gr 7	6779	7%	109 078	60	8772	8%	117 328	60	10943	10%	121 998	61	1%	2%	0	1
Gr 8	21575	21%	114 301	26	32106	29%	125 868	28	39926	35%	123 978	24	8%	6%	2	-4
Gr 9	25143	25%	111 701	27	36700	33%	114 248	26	41424	41%	107 653	27	8%	8%	-1	1
Gr 10	19167	13%	150 804	44	18673	13%	147 828	44	19305	19%	131 229	46	0%	6%	0	2
Gr 11	14223	13%	124 554	55	17485	15%	127 583	57	22043	20%	105 041	52	2%	5%	2	-5
Gr 12	Not available from EMIS															

The Table above shows that from 2016 to 2018 progressed learners were declining at primary schools' level whilst at secondary level it's increasing. **Refer to column N and O.** However, in terms of the pass rate there was a decline from 2016 to 2017 whereas from 2017 to 2018 there is a slight increase in all grades except in grade 8 and 11 whereby there is a decrease of 4% and 5% respectively. **Refer to column P and Q.**

Grade 12 Pass rate (2016 – 2018)

Matric overall pass rate shows a minimal increase from **62.5% in 2016, 65.6% in 2017 and 69.5% in 2018.**

Comment briefly on the indicators you are using to measure performance.

Based on the information highlighted above it is clear that the performance is drastically decreasing from lower to higher grades, that is from 94% in grade R to 52% in grade 12 in 2018 academic year. However, the factors contributed is partly provision of LTMS, but with

other many factors that needs to be considered. In order to be sure that LTSM is part on this issue the department should strengthen LTSM Retrieval strategy so that it can be proofed with quantity in each academic year on how many learners are starting schooling without learning material.

Table 7: Total number of learners registered per grade

	2016	2017	2018	2019
Gr R	128391	132193	129336	126074
Gr 1	146909	148741	150477	147130
Gr 2	147149	143539	145014	146158
Gr 3	142033	143672	141431	141105
Gr 4	143418	147092	149994	150296
Gr 5	128606	133926	137523	139369
Gr 6	116920	123191	129832	131665
Gr 7	109264	115148	121721	128118
Gr 8	126060	124850	133595	139391
Gr 9	124353	121643	120952	124696
Gr 10	182393	163505	155798	153626
Gr 11	138841	135071	134826	124855
Gr 12	112380	100415	98905	98472
Total	1746717	1732986	1749404	1750955

TABLE 8: ACTUAL EXPENDITURE PER LEARNER

Performance measure	2015/16			2016/17			2017/18		
	Actual			Actual		Exp	Actual		
	Planned target	Achievement	Exp Outcome	Planned target	Achievement	Outcome	Planned target	Achievement	Exp Outcome
	No. of learners	No. of learners	R	No. of learners	No. of learners	R	No. of learners	No. of learners	R
Number of learners provided with textbooks and stationery	1 692 052	2 245 818	366 379 632	1 692 052	1 692 052	575 101 771	1 687 731	1 687 731	592 635 415
Actual exp per learner (Exp outcome /Actual achiev)			163			340			351

The Table above shows that LTSM expenditure per targeted learner is R163.00, R340.00 and R351.00 in 2015/16, 2016/17 and 2018/19 financial years. **Refer to Annexure attached for APPs and Annual reports for the three financial years.**

6. Options

Explain a few of the scenarios you have experimented with in your Excel costing model.

This question is very much challenging because provinces are given catalogue with publishers and names of text books. The number of text books to be bought depends on what is available as books are purchased on a Top- up basis. This can only be effective if the Retrieval strategy is effective, of which it is not. That is the only way to can be able to get savings. Therefore, the two options are as follows:

- 6.1. Implementation of effective Retrieval strategy and a system which will show the baseline of text books available.
- 6.2. Implementation of E- Learning whereby each learner will be provided with a Tablet with soft copies of all relevant text books per subject. This is very expensive; however, it can be done through phases not at once.

7. Recommendation

What changes do I suggest? What will the results of these changes be?

The department should:

- 10.1. Develop an effective strategy of LTSM Retrieval which will show the real actual baseline of text books available per grade. This will help in determining the number of text books to be purchased per grade per school.
- 10.2. Develop a system which will update annually the number of textbooks available and needed per grade per school. If excess text books available in school A are the ones that are being needed in school B, the two schools must assist each other to avoid buying what is available, and this will result to savings.
- 10.3. Advise the National department of Basic Education (DBE) to help the province through proper consultation and as per the need. This will help the province by receiving correct text books as per the provincial need. The advice is that, if they want to assist the province, they must first ask how they can help considering the kind and number of

books that the schools want as well as looking at the funding capacity/ gap experienced by the province.

- 10.4. Ensure that the annual increase of LTSM allocation is based on the text books available and needed per grade per school and that all items affected are budgeted accordingly year on year.
- 10.5. Ensure that the developed Retrieval strategy is rolled out to districts and circuits. The same training should be extended to schools.

11. Action

What steps can I take to begin the process of change? List 3 to 5 things you can realistically do immediately.

- 8.1. The department has already been requested to provide information regarding the process, schedule and plan to be implemented in spending the 2019/20 LTSM allocation. Agreed due date is 24th April 2019.
- 8.2. Based on the information to be submitted I will check and compare it with my recommendations and make alignment where there are gaps.
- 8.3. I am also going to request be part of the LTSM committee in order to test if what I recommended is implementable.

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ANNEXURES

Annexure 1: Logframe

Table A 1: Logframe

Causes of Inefficiency in provision of Learner Teacher Support Material (LTSM) to Learners in Limpopo Department of Education
Prepared by: SIALA TM
Designation: Deputy Director: Budget Management
Date : 26 March 2019
Version No: 01

IMPACT		Improved educational outcomes				
Indicator	% of learners passing their National Senior Certificate					
Frequency	Annual					
Source of data	Education Management Information Systems					
INTERMEDIATE OUTCOME		Improved pass rate in all grades				
Indicator	% of progressed learners per Grade					
Frequency	Annually					
Source of data	Education Management Information Systems					
IMMEDIATE OUTCOME		Quality teaching and learning				
Indicator	% of learners passing tests and Quarterly or end Term examinations					
Frequency	Quarterly					
Source of data	Schools/ Circuits/ Districts					
FINAL OUTPUT		Approved LTSM provision strategy	Correct books received (textbooks; study guides and stationery packs)			
Indicator			Number of learners not provided with textbooks; study guides and stationery packs			
Frequency			Annually			
Source of data			School inspection			
INTERMEDIATE OUTPUTS						
Indicator						
Frequency						
Source of data						
ACTIVITIES		SCM Processes/ Appointment of service providers	Receiving and quality assurance of books delivered at warehouse and schools	Distribution of textbooks to learners		
Indicator		Appointed service providers	Signed delivery notes			
Frequency		Once	When there is delivery	Annually		
Source of data		SCMs office	SCMs office	Schools		
ACTIVITIES		Appointment of members (LTSM provision Committee) and Development of ToR	Development of LTSM provision strategy	Strategy roll-out / Proper Coordination of planning/ consultation done to principals, circuits , districts and National department (DBE)	Production of retrieval reports for textbooks baseline per grade (available books at schools)	Identification and consolidation of lists for textbooks; study guides and stationery packs needed per grade
Indicator		Appointment letters of members (LTSM provision Committee) and ToR	LTSM provision strategy	Minutes of the planning meetings principals, circuits , districts and National department (DBE)	Retrieval reports	Complete lists of textbooks, study guides and stationery packs needed per grade
Frequency		Once before beginning of financial year	Once before beginning of financial year	Once before beginning of financial year	Once before beginning of financial year	Once before beginning of financial year
Source of data		CFO's office	CFO's office	CFO's office	Districts/ EMS	Districts/ EMS
INPUTS		Learners registered per Grade, school, circuit and district	Retrieval reports on baseline for textbooks available per Grade, school, circuit and district	National Gazette for Rate per learner; APP	Budget	Warehouse
Performance Indicator		Number of learners registered per Grade, school, circuit and district	Number of textbooks available as per Retrieval reports per Grade, school, circuit and district	Costed budget as per rate per learner; Achieved targets as per APP	Allocated budget	Lease: Building agreement/ Contract
Programme elements		Development of LTSM Committee ToR and LTSM provision strategy	Retrieval of text books & study guides available and identification & consolidation of lists of books needed	Distribution of books to learners	Teaching and learning	
Responsibility		CFO	DD: LTSM	Principals	Educators and learners	

Annexure 2: Expenditure Tables

Table A 2.1.: LTSM spending trend and Projections: 2015/16 – 2021/22

Row Labels					Growth Rates			Growth projections (using simple growth formula)			
	2015/2016	2016/2017	2017/2018	Grand Total	2015/2016	2016/2017	CAGR	2018/19	2019/20	2020/21	2021/22
SD:LTSM	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%	629 566 747,56	667 340 752,41	707 381 197,56	749 824 069,41
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	-82,9%	6,0%	-57,4%	1 236 359,23	1 310 540,78	1 389 173,23	1 472 523,62
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	-15,8%	6,0%	-5,5%	12 173 308,47	12 903 706,98	13 677 929,40	14 498 605,16
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	0,0%	0,0%	0,0%	-	-	-	-
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	60,0%	6,0%	30,2%	607 564 062,90	644 017 906,67	682 658 981,07	723 618 519,94
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	5277,7%	6,0%	655,0%	2 719 070,28	2 882 214,50	3 055 147,37	3 238 456,21
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	-19,4%	6,0%	-7,6%	22 158,61	23 488,12	24 897,41	26 391,25
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	6,2%	6,0%	6,1%	4 824 877,73	5 114 370,39	5 421 232,61	5 746 506,57
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	5,0%	6,0%	5,5%	740 572,61	785 006,97	832 107,39	882 033,83
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	-13,5%	6,0%	-4,3%	286 337,74	303 518,01	321 729,09	341 032,83
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	54,6%	6,0%	28,0%	629 566 747,56	667 340 752,41	707 381 197,56	749 824 069,41
Row Labels	2015/2016	2016/2017	2017/2018	Grand Total							
INV:LEARN&TEACH SUPP MATE	366 379 631,66	575 101 771,46	592 635 414,58	1 534 116 817,70	57,0%	3,0%	27,2%	610 703 621,59	629 322 690,22	648 509 415,09	668 281 102,83
INV LEARN SUP:SCHOOL CON MATRL	-	-	-	-							
INV LEARN SUP:SCHOOL DURBL M/	8 401 464,98	20 418 038,04	26 049 346,05	54 868 849,07	143,0%	27,6%	76,1%	33 233 772,43	42 399 668,22	54 093 523,95	69 012 552,61
INV LEARN SUP:SCHOOL STAT	144 581 022,00	150 573 006,22	165 912 983,84	461 067 012,06	4,1%	10,2%	7,1%	182 815 757,60	201 440 541,03	221 962 767,88	244 575 744,65
INV LEARN SUP:SCHOOL TEXT/PRE	213 397 144,68	404 110 727,20	400 673 084,69	1 018 180 956,57	89,4%	-0,9%	37,0%	397 264 685,12	393 885 279,73	390 534 621,88	387 212 467,01
Grand Total	366 379 631,66	575 101 771,46	592 635 414,58	1 534 116 817,70	57,0%	3,0%	27,2%	610 703 621,59	629 322 690,22	648 509 415,09	668 281 102,83

Table A 2.2.: LTSM spending % Share and Cumulative sum: 2015/16 – 2017/18

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total	Percentage Share				Cumulative sum			
					2015/2016	2016/2017	2017/18	Grand Total	2015/2016	2016/2017	2017/18	Grand Total
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	93,3%	96,5%	96,5%	95,7%	93,3%	96,5%	96,5%	95,7%
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	3,6%	1,9%	1,9%	2,3%	96,8%	98,4%	98,4%	98,1%
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	1,1%	0,8%	0,8%	0,8%	98,0%	99,2%	99,2%	98,9%
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	0,0%	0,4%	0,4%	0,3%	98,0%	99,6%	99,6%	99,2%
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	1,8%	0,2%	0,2%	0,6%	99,7%	99,8%	99,8%	99,8%
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	0,2%	0,1%	0,1%	0,1%	99,9%	100,0%	100,0%	99,9%
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	0,1%	0,0%	0,0%	0,1%	100,0%	100,0%	100,0%	100,0%
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	0,0%	0,0%	0,0%	0,0%	100,0%	100,0%	100,0%	100,0%
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	0,0%	0,0%	0,0%	0,0%	100,0%	100,0%	100,0%	100,0%
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04	100,0%	100,0%	100,0%	100,0%	200,0%	200,0%	200,0%	200,0%

Table A 2.3.: LTSM Expenditure Ranking– 2015/16 – 2021/22

Row Labels	2015/2016	2016/2017	2017/2018	Grand Total	Ranking			
					2015/2016	2016/2017	2017/18	Grand Total
INV:LEARN&TEACH SUPP MATE	338 055 089,97	540 729 853,06	573 173 644,24	1 451 958 587,27	1	1	1	1
CONTRACTORS	12 872 571,89	10 834 201,20	11 484 253,27	35 191 026,36	2	2	2	2
SALARIES AND WAGES	4 042 555,24	4 294 124,00	4 551 771,44	12 888 450,68	4	3	3	3
OPERATING LEASES	45 000,00	2 419 962,87	2 565 160,64	5 030 123,51	7	4	4	5
CONS:STA,PRINT&OFF SUP	6 434 198,10	1 100 355,31	1 166 376,63	8 700 930,04	3	5	5	4
SOCIAL CONTRIBUTIONS	627 882,62	659 106,99	698 653,41	1 985 643,02	5	6	6	6
TRAVEL AND SUBSISTENCE	294 667,84	254 839,57	270 129,94	819 637,35	6	7	7	7
OPERATING PAYMENTS	24 469,38	19 721,08	20 904,34	65 094,80	8	8	8	8
H/H:EMPLOYEE SOCIAL BENEFITS	-	-	-	-	9	9	9	9
Grand Total	362 396 435,04	560 312 164,08	593 930 893,92	1 516 639 493,04				

This document is not for quoting or circulation. It was done as part of the Provincial Treasury training exercise on the spending review methodology and is intended for discussion purposes. Further, there were some data limitations and both the appropriate level of information, and its correctness could not be independently verified.