

Report of the Portfolio Committee on Higher Education, Science and Innovation on the 2021/22 Second and Third Quarter Performance and Expenditure Reports of the Department of Higher Education and Training, 15 June 2022

The Portfolio Committee on Higher Education, Science and Innovation (“the Committee”), having considered the 2021/22 Second and Third Quarter performance reports of the Department of Higher Education and Training (“the Department”), reports as follows:

1. INTRODUCTION

Section 40 (1) (f) of the Public Finance Management Act (PFMA), 1999 (Act No.1 of 1999) makes provision for the accounting officer of a department to submit all reports, returns, notices and other information to Parliament. The Act also stresses the need for accounting officers to regularly monitor and report on the performance of their departments against the agreed budget for the year.

Section 5 (1) (c) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009) determines that the National Assembly (NA), through its committees, must annually assess the performance of each national department in relation to the expenditure report of the said department published by the National Treasury in terms of section 32 of the PFMA.

The Committee conducts in-year monitoring and assessment of the service delivery and financial performance of the Department towards achieving the performance indicators and targets as set out in the Annual Performance Plan. The quarterly assessments of the Department’s financial and non-financial performance also assist the Committee in its preparation for the annual submission of the budgetary review and recommendation report (BRRR) as determined by section 5 (2) of the Money Bills Amendment Procedures and Related Matters Act, 2009 (Act No. 9 of 2009).

The Committee considered the 2021/22 second and third quarter performance reports of the Department on 4 March 2022.

2. OVERVIEW AND ASSESSMENT OF THE DEPARTMENT’S QUARTERLY EXPENDITURE AND PERFORMANCE

2.1. 2021/22 SECOND-QUARTER PERFORMANCE

2.1.1. Overview of the Second-Quarter Expenditure Report

Table 1: Budget allocation and expenditure for the Second-Quarter of the 2021/22 financial year

R million	Available budget	Q2 Actual Expenditure	Expenditure as % of available budget	Q2 Projected expenditure	Variance from projected expenditure	% Variance from projected expenditure
Administration	504.0	201.3	39.9%	251.8	50.5	20.1%
Planning, Policy and Strategy	230.7	107.2	46.5%	118.0	10.8	9.2%
University Education	81 223.3	63 387.5	78.0%	62 822.3	-565.2	-0.9%
Technical and Vocational Education and Training	13 096.2	5 437.1	41.5%	6 440.7	1 003.6	15.6%
Skills Development	307.9	149.1	48.4%	153.0	3.9	2.6%
Community Education and Training	2 422.0	969.6	40.0%	1 173.2	203.6	17.4%
Sub-total	97 784.0	70 251.8	71.8%	70 959.1	707.2	1.0%
Direct charges	17 812.9	9 233.4	51.8%	8 906.4	-327.6	-3.7%
SETAs	14 250.3	7 386.7	51.8%	7 125.1	-261.6	-3.7%
National Skills Fund	3 562.6	1 846.7	51.8%	1 781.3	-65.4	-3.7%
Total	115 596.9	79 485.3	68.8%	79 865.5	380.2	0.5%

Source: National Treasury, 2021

The 2021/22 budget allocation for the Department of Higher Education and Training amounted to R115,59 billion, comprising R97,78 billion of voted funds and R17,81 billion from direct charges against the National Revenue Fund. Expenditure at the end of the Second-Quarter, excluding direct charges, amounted to R70.25 billion or 71.8 per cent, against the projected quarterly expenditure of R70.95 billion. The Department recorded lower than the projected expenditure of R707.2 million, which was ascribed to underspending on Compensation of Employees across all programmes due to vacant posts where processes of filling vacancies have been affected by COVID-19 restrictions, and transfers and Infrastructure Efficiency Grant subsidies for the Technical, Vocational Education and Training (TVET) colleges.

At the end of the Second-Quarter, the Department spent R4,34 billion or 42.1 per cent on the Compensation of Employees, against the projected expenditure of R5,06 billion, with lower than the projected spending of R721,3 million or 14.3 per cent. Expenditure on goods and services amounted to R183,6 million or 27.6 per cent against the available quarterly projected expenditure of R332,0 million. The underspending on goods and services amounted to R148.4 million or 44.7 per cent of the quarterly projected expenditure.

Spending on transfers and subsidies at the end of the Quarter under review amounted to R65,72 billion or 75.5 per cent against the projected expenditure of R65,55 billion, recording higher than projected spending amounting to R172.2 million or 0.3 per cent. Spending on payments for capital assets amounted to R4.1 million or 22.7 per cent, recording a significant underspending of R9,8 million or 70.0 per cent; against the quarterly projected expenditure of R13.8 million.

The Department had spent R300 000 on COVID-19 personal protection equipment and supplies.

2.1.2. Overview and assessment 2021/22 Second-quarter service delivery performance

For the Quarter under review, the Department had eighteen (18) targets. The targets were shared amongst the four programmes, namely, Administration, Technical and Vocational Education and Training, Skills Development and Community Education and Training. The Department achieved nine (9) or 50 per cent of the 18 targets.

(i) Programme 1: Administration

The purpose of this Programme is to provide strategic leadership, management and support services to the Department. For the Quarter under review, the programme had two planned targets, which one was achieved. The Department achieved an unqualified audit opinion as planned. The target to have 100 per cent of valid invoices received from creditors paid within 30 days was not achieved. The Department missed the target by one per cent (1%), which was attributed to the delays as a result of technical challenges with the LOGIS System.

The programme had spent R201,3 million, against the quarterly projected expenditure of R251,8 million, thus recording a lower than projected spending of R50,5 million or 20,1 per cent. The lower than projected spending was attributed to slow spending on compensation of employees due to unfilled vacant posts, as well as savings on operational costs as a result of COVID-19 restrictions.

(ii) Programme 2: Planning, Policy and Strategy

The purpose of the Programme is to provide strategic direction in the development, implementation and monitoring of Departmental policies and the Human Resource Development Strategy for South Africa. The programme had no planned targets during the quarter under review.

At the end of the Second-Quarter, the programme had spent R107,2 million, against the quarterly projected spending of R118,0 million. The lower than projected spending of R10,8 million or 9.2 per cent was incurred under Compensation of Employees due to unfilled vacant posts.

(iii) Programme 3: University Education

The programme aims to develop and coordinate policy and regulatory frameworks for an effective and efficient university education system and to provide financial and other support to universities, the National Student Financial Aid Scheme and national higher education institutions. The programme had no planned targets during the quarter under review.

The programme's expenditure at the end of the Quarter under review amounted to R63,38 billion, against the quarterly projected expenditure of R62,82 billion. The programme recorded a higher than projected spending amounting to R565,2 million or 0.9 per cent, which was ascribed to funds reprioritised from University subsidies and earmarked grants to cover the student funding shortfall at the National Student Financial Aid Scheme (NSFAS). The National Treasury noted that infrastructure-related transfers to the universities of Mpumalanga and Sol Plaatje planned for the Third-Quarter were brought forward to the Second-Quarter. On the other hand, delayed transfer payments of R938.3 million for university infrastructure projects were mainly due to outstanding progress reports from universities that need to be submitted before these transfers are made.

(iv) Programme 4: Technical and Vocational Education and Training

The purpose of this Programme is to plan, develop, implement, monitor, maintain and evaluate national policy, programmes, assessment practices and systems for TVET. The programme had eleven (11) targets and had achieved seven (7) or 27 per cent of the targets. The Department achieved a target to have a draft progress report on cooperation on agreement with Germany on the SAIVCET work approved by the Deputy Director-General by 30 September 2021. The monitoring report on the conduct, management and administration of TVET college examination and assessment was approved by the Director-General as well as a progress report on the development of TVET colleges infrastructure maintenance plans for 2022/23 relating to all sites if delivery.

Targets that were not achieved included, amongst others;

- Draft concept on three-year enrolment plan with differentiation in programme enrolment circulated to stakeholders for consultation by 30 September 2021. The Department ascribed the reason for deviation to the lack of capacity and further noted that additional capacity will be obtained from other Directorates while awaiting the filling of vacant posts by Human Resources;
- Draft framework and guidelines to accommodate students with disabilities circulated to stakeholders for consultation by 30 September 2021. The guidelines were not circulated and consulted on as planned. It was reported that the Deputy Director-General's approval of the revised framework and Guidelines would be obtained by end of February 2022;
- Examination results per cycle for qualifying students released in 40 days from last date of exams timetable. The non-achievement was ascribed to non-compliance with the reporting standards and guidelines; and
- Draft governance standards for TVET college councils circulated for consultation by 30 September 2021. The non-achievement was ascribed to the non-compliance with the reporting standards and guidelines.

At the end of the Second-Quarter, the programme had spent R5,43 billion, against quarterly projected expenditure of R6,44 billion, recording the lower than projected spending amounting to R1,0 billion or 15.6 per cent. The lower than projected spending was attributed to the continued delay in the implementation of the post-provisioning norms for the TVET colleges due to disagreements with labour unions on the implementation process; the transfer of R357,3 million for TVET infrastructure which was not made as the Minister of Higher Education, Science and Innovation first wanted the Department's infrastructure oversight unit to be established before TVET infrastructure payments can resume. It was reported that the Unit has been established and TVET infrastructure payments were expected to be made in November 2021.

(v) Programme 5: Skills Development

The purpose of the Programme is to promote and monitor the National Skills Development Strategy (NSDS III) and to develop a skills development policy and regulatory framework for an effective skills development system. The programme had two planned targets for the Quarter under review. Both the targets were achieved as planned. The DG approved the report on the implementation of the National Skills Development Strategy (NSDS) by the Sector Education and Training Authorities (SETAs). The programme achieved a 34-days average lead time from qualifying trade test applications received until trade the test is conducted.

The programme has spent R149,1 million, against the quarterly available budget of R153.0 million, recording a lower than projected spending amounting to R3,9 million or 2.6 per cent.

(vi) Programme 6: Community Education and Training

The purpose of this Programme is to plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training. For the 2021/22 Second-Quarter, the programme had three targets, of which two (2) were achieved. A submission and report on the implementation of teaching and learning improvement plans at CET colleges was approved by the DG by 30 September 2021 and the draft governance standards and regulations for the CET college councils were approved by the DG on 30 September 2021.

The programme had spent R969,6 million, against the quarterly projected expenditure of R1,17 billion, recording a lower than projected expenditure amounting to R203,6 million or 17,4 per cent. The underspending was due to unfilled vacant posts, as well as claims for CET examiners and lecturers that were not processed as the claims did not have all the necessary information.

2.2. 2021/22 THIRD-QUARTER PERFORMANCE

2.2.1. Overview of the 2021/22 Third-Quarter Expenditure Report

Table 2: Budget allocation and expenditure for the Third-Quarter of the 2021/22 financial year

R million	Available budget	Q3 Actual expenditure	Expenditure as % of available budget	Q3 Projected expenditure	Variance from projected expenditure	% variance from projected spending
Administration	463.6	311.9	67.3%	324.2	12.3	3.8%
Planning, Policy and Strategy	239.8	161.3	67.3%	172.2	10.9	6.3%
University Education	81 925.2	80 335.1	98.1%	80 599.5	264.4	0.3%
Technical and Vocational Education and Training	12 440.8	8 326.0	66.9%	8 632.7	306.8	3.6%
Skills Development	450.0	221.2	49.1%	243.8	22.7	9.3%
Community Education and Training	2 369.5	1 593.0	67.2%	1 620.3	27.3	1.7%
Sub-total	97 889.0	90 948.4	92.9%	91 592.7	644.3	0.7%
Direct charges	18 932.8	13 925.4	73.6%	14 052.8	127.4	0.9%
SETAs	15 146.2	11 454.3	75.6%	11 430.2	-24.1	-0.2%
National Skills Fund	3 786.6	2 471.2	65.3%	2 622.6	151.5	5.8%
Total	116 821.8	104 873.9	89.8%	105 645.5	771.7	0.7%

Source: National Treasury, 2022

The Department's adjusted budget for the 2021/22 financial year, amounted to R116,82 billion, inclusive of R18,93 billion of direct charges against the National Revenue Fund. For the 2021/22 Third-Quarter, the projected expenditure was R105,64 billion, comprising of R91,59 billion of voted funds and R14,05 billion of direct charges. The Third-Quarter expenditure, excluding direct charges, amounted to R90,94 billion, recording lower than projected expenditure amounting to R644,3 or 0,7%. The lower than the projected spending was attributed to the delays in the transfer of earmarked grants under the University Education Programme and compensation of employees in programmes 4: TVET and 6: CET.

Spending on Compensation of Employees during the Quarter under review amounted to R6,74 million, against the quarterly projected expenditure amounting to R7,14 billion. The underspending on Compensation of Employees for the Quarter amounted to R405,0 million or 5.7 per cent. Spending on goods and services amounted to R344,3 million, with an underspending of R49,3 million against the projected budget of R393,5 million. Expenditure on transfers and subsidies amounted to R83,84 billion against the budget of R84,04 billion, with a lower than projected spending of R198,0 million or 0.2 per cent. An amount of R15,5 million was spent on payments for capital assets against the budget of R7,5 million. This translated into a higher than projected spending by R8,0 million.

The Department had spent R300 000 on COVID-19 personal protection equipment and supplies.

2.2.2. Overview and assessment 2021/22 Third-quarter service delivery performance

For the quarter under review, the Department had sixteen (16) targets. The targets were shared among the four programmes, namely, Administration, University Education, Technical and Vocational Education and Training and Skills Development. The Department achieved three (3) or 19 per cent of the 16 targets.

(i) Programme 1: Administration

The purpose of this programme is to provide strategic leadership, management and support services to the Department. The programme one target, to have 100 per cent of valid invoices received from

creditors paid within 30 days. The target was not achieved due to delays as a result of technical challenges with the LOGIS system.

At the end of the 2021/22 Third-Quarter, the programme had spent R311,9 million, against the quarterly projected budget of R342,2 million, recording lower than projected spending amounting to R12,3 million or 3.8 per cent. The underspending was ascribed to unfilled vacant posts, and under goods and services due to outstanding invoices from the State Information Technology Agency (SITA) for the Department's transversal IT systems and the delays in the receipt of invoices for operating leases from the suppliers.

(ii) Programme 2: Planning, Policy and Strategy

The programme provides strategic direction in the development, implementation and monitoring of departmental policies and in the human resource development strategy for South Africa. The programme had no planned targets during the quarter under review.

The programme had spent R161,3 million, against the quarterly projected budget of R172,3 million, recording lower than projected spending amounting to R10,9 million or 6,3 per cent. The underspending was ascribed to the delays in the filling of vacant posts.

(iii) Programme 3: University Education

The programme develops and coordinates policy and regulatory frameworks for an effective and efficient university education system and to provide financial and other support to universities, the National Student Financial Aid Scheme and national higher education institutions. There were four (4) targets during the Quarter under review, of which two (2) of 50 per cent were achieved, and two were not achieved. The programme had reports on the financial health of public higher education institutions and the evaluation of creative and innovation outputs by public higher education institutions approved by the DG by 14 December 2021 and 27 December 2021, respectively.

Targets that were not achieved include:

- Norms and standards for PSET student housing approved by the Director-general for submission to the Minister for publication as policy by 31 December 2021. The Department ascribed the non-achievement to review of the norms and standards to include TVET colleges. It was reported that the draft review policy was gazetted for public comments on 29 October 2021.
- Updated Guidelines for the Implementation of the DHET Bursary Scheme for poor and working-class students at public universities submitted to the Minister for approval by 31 December 2021. It was reported that the Guidelines could only be finalised once certainty about the NSFAS shortfall from National Treasury was confirmed as this would impact the current student funding policy.

At the end of the 2021/22 Third-Quarter, the programme had spent R80,33 billion, against the quarterly projected budget of R80,59 billion, recording lower than projected spending amounting to R264,4 million or 0,3 per cent. The lower than projected expenditure was attributed to the delays in the transfer payments of earmarked grants to higher education institutions. It was reported that the grants could not be processed as initially projected as the required progress reports were not timeously received.

(iv) Programme 4: Technical and Vocational Education and Training

The purpose of this Programme is to plan, develop, implement, monitor, maintain and evaluate national policy, programmes, assessment practices and systems for TVET. The programme had eight targets and the achievement was zero per cent.

Targets not achieved include, amongst others:

- Draft consolidated three-year enrolment plan approved by the Deputy Director-General by 31 December 2021. The Department reported that there was a little development of the three-year enrolment plan with differentiation and that due to lack of capacity, the target will only be achieved in the next financial year.
- Revised guidelines to accommodate students with disabilities approved by the Deputy Director-General by 31 December 2021. It was noted that the draft framework and guidelines were revised based on the input received during the regional workshops. Approval of the DG was not obtained in time.
- Examination results per cycle for qualifying students released in 40 days from last date of exams timetable. Examination results per cycle for qualifying students were released in 49 days due to non-compliance with reporting standards and guidelines.
- Monitoring report on the conduct, management and administration of TVET college examinations and assessment approved by Director-General by 31 December 2021. The report was signed outside of the reporting timeframe.
- Consolidated assessment framework and implementation plan for the institutional maturity model for TVET colleges approved by the Deputy Director-General by 31 December 2021. The

Department reported that the Final Draft of the maturity assessment framework was completed, and assessment methodology and reporting templates were tested at two colleges in the Western Cape.

At the end of the 2021/22 Third-Quarter, the programme had spent R8,32 billion, against the quarterly projected budget of R8,63 billion, recording lower than projected spending amounting to R306,8 million or 3,6 per cent. The underspending was mainly under Compensation of Employees due to unfilled vacant posts and because of claims from moderators and examiners for October/November 2021 examinations that were not received as projected.

(v) Programme 5: Skills Development

The programme promotes and monitors the National Skills Development Strategy. Develop skills development policies and regulatory frameworks for an effective skills development system. For the Quarter under review, the programme had three targets, and had achieved one or 33.3 per cent of the targets.

The programme did not achieve the following targets:

- Average lead time from qualifying trade test applications received until trade test is conducted (40 days). It took the 42-days average lead time from qualifying the trade test applications received until trade test is conducted.
- Skills Strategy approved by the Minister by 31 December 2021. The non-achievement was ascribed to the delays caused by the need to ensure consultations and resultant incorporation of the comments.

The programme had spent R221,2 million against the quarterly projected expenditure amounting to R243,8 million, with lower than the projected spending of R22,7 million or 9.3 per cent. The underspending was recorded under goods and services due to delays in the receipt of invoices from suppliers.

(vi) Programme 6: Community Education and Training

The purpose of this Programme is to plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training. The programme had no planned targets during the quarter under review.

At the end of the 2021/22 Third-Quarter, the programme had spent R1,59 billion, against the quarterly projected budget of R1,62 billion, recording lower than projected spending amounting to R27,3 million or 1.7 per cent. The underspending was ascribed to the delays in the receipt of claims from moderators and examiners and unfilled vacant posts.

3. OBSERVATIONS

The Portfolio Committee having considered the 2021/22 Second and Third Quarter financial and service delivery performance reports, makes the following observations:

3.1. Programme 1: Administration

- 3.1.1. The Committee expressed a concern with respect to the unacceptable poor performance of 50 per cent and 19 per cent recorded by the Department during 2021/22 Second and Third Quarters, respectively. Particularly, the Committee was gravely concerned about the poor performance under programme 4: Technical and Vocational Education and Training.
- 3.1.2. The delays in the filling of vacant funded posts and their impact on the overall organisational performance, in particular, the achievement of predetermined targets was noted as a serious concern. The Committee noted that the DDG post for the University Education Branch remained vacant.
- 3.1.3. The Committee expressed a concern about the delays by the Department in the payment of invoices received from creditors within 30 days, which impacted 11 companies. The Committee was gravely concerned about the impact of the delays in payment of invoices on their sustainability, especially Small, Medium and Micro-Enterprises (SMMES).
- 3.1.4. The lack of detail in the Department's presentation in relation to the consequence management meted against employees responsible for irregular conduct was noted with great concern.
- 3.1.5. The appointment of certain service providers without following due processes as pointed out by the AG was of serious concern. The Committee requested details about the companies that were irregularly awarded contracts.
- 3.1.6. The non-declaration of interest by some employees in the Department was noted as a serious concern.
- 3.1.7. The Committee welcomed the Department's move towards having an automated recruitment system, which is aimed at improving the turn-around time in the filling of vacant funded posts.

3.1.8. The progress made with the implementation of the Audit Action Plan was noted by the Committee. However, it was noted that there were no specific timeframes for the implementation of the AG's findings on the Department's performance. The Committee also enquired about the effectiveness of the Department's Internal Audit Unit given the number of findings raised by the AG.

3.1.9. The Committee noted that spending during the quarters under review was not commensurate to the performance. The Department attributed the higher spending to the transfers and subsidies to institutions.

3.2. Programme 2: Planning, Policy and Strategy

3.2.1. The Committee expressed concern about the manner in which the Department sets the annual targets, given that inadequate capacity was cited as the reason for the non-achievement of some targets. The Committee was of the view that this non-alignment of target setting with the existing capacity was an indication of poor planning.

3.2.2. The inconsistencies in the reporting of some targets during the quarters under review was noted with concern. For example, the Department reported that the 2022 Bursary Guidelines for students at universities and TVET colleges were approved by the Minister during the 2021/22 Third-Quarter. However, the Bursary Guidelines were approved in February 2022.

3.2.3. The Committee noted that some reasons given for the non-achievement of the targets were unjustifiable. For example, the Department reported that the target to have a draft concept on the three-year enrolment plan with differentiation in programme enrolment circulated for consultation by 30 September 2021 was not achieved due to the lack of capacity. The Committee enquired about the special capacity required to circulate a draft concept on the three-year enrolment plan.

3.2.4. The Committee noted with concern that the Department is not adequately exercising its monitoring and evaluation function over its entities.

3.3. Programme 4: Technical and Vocational Education and Training

3.3.1. The Committee was extremely concerned with the overall under-performance of the TVET Branch. None of the targets set in the Third-Quarter had been achieved by the Branch. The Committee was of the view that TVET colleges play a critical role in contributing to the developmental agenda of the Country and its economic performance, and the under-performance in the Branch needs to be rectified expeditiously.

3.3.2. The Committee acknowledged the training of 69 artisan learners through the Centres of Specialisation. The Committee also enquired about the details of these learners and their respective locations.

3.3.3. The severe shortage of student housing in the TVET sector was noted as a serious concern.

3.4. Programme 5: Skills Development

3.4.1. The Committee noted a concern about the inadequate contract management by some SETAs which often contributes to irregular and wasteful expenditure.

3.5. Programme 6: Community Education and Training

3.5.1. The lower than the planned enrolment achieved in the CET sector (142 585 students against the target of 220 549) was noted as a concern. The Committee noted that whilst the CET sector has an important role to play in the skilling of adults and youth out of school, inadequate resources allocated to the sector limit its ability to expand and deliver on its mandate effectively.

3.5.2. The lack of a sustainable funding model for the sector remains a concern.

4. SUMMARY

The Committee was unimpressed with the Department's overall performance for the quarters under review. The Committee noted that the underperformance was unacceptable. There were 18 targets planned during the Second-Quarter, and 9 (50%) of the targets were achieved. Similarly, there were 16 targets planned in the Third-Quarter and three (19%) of 16 targets were achieved. The primary

reason provided for the under-performance recorded in both quarters related to human resources capacity challenges, which in essence hinders the ability of the Department to perform in line with its pre-determined objectives.

The Committee was gravely concerned about the performance of some key delivery programmes such as TVET, which did not achieve any of its targets that were planned in the third quarter. There was no clear indication from the Department about the plan to ensure employees responsible for under-performance will be held to account. Furthermore, the Department did not provide specific timeframes to implement corrective measures to address under-performance. The Committee's view was that there is an urgent need to look into the underlying reasons for under-performance and put measures in place to ensure that there is no recurrence of poor performance in the remaining last quarter of 2021/22. The Department committed to rectifying the poor performance, and the Committee undertook to closely monitor the commitment by the Department.

5. RECOMMENDATIONS

The Committee recommends that the Minister of Higher Education, Science and Innovation consider the following:

- 5.1. The Department should comply with the payment of invoices received from creditors within 30 days and technical glitches, which impacted the payment of invoices should be speedily rectified.
- 5.2. The Department ensures that the Bursary Guidelines are developed, consulted on and published as planned.
- 5.3. The Department ensures that there is proper planning during the development of the APP to ensure that there is capacity, both financially and human resources to implement the activities towards achieving the planned targets.
- 5.4. Funded vacant posts should be filled within the prescribed time frames to address the capacity challenges and under-performance.
- 5.5. The Department, working with universities should develop mechanisms to address the challenge of delayed transfer of infrastructure efficiency grants due to delayed reports by institutions. Furthermore, the Department should conduct an analysis on the feasibility of the current quarterly reporting by institutions on the utilization of infrastructure efficiency grants, whether the reporting could be annually to allow institutions to report once a year.
- 5.6. Consequence management on non-compliance with policies and legislation should be applied properly and the report of the outcome of the process should be submitted to the Committee.
- 5.7. The Department should ensure that the implementation of outstanding audit action plan to address the 2020/21 audit findings is finalised by the end of the financial year. Additionally, the Department should ensure that the audit findings of 2020/21 do not recur in the 2021/22 Annual Report.

Report to be considered.