CHE

COUNCIL ON HIGHER EDUCATION

ANNUAL REPORT 2024/25

COUNCIL ON HIGHER EDUCATION (CHE)
ANNUAL REPORT
FOR THE
2024/25 FINANCIAL YEAR

Contents

Part A

GENERAL INFORMATION

1. ORGANISATION GENERAL INFORMATION

REGISTERED NAME:	Council on Higher Education
REGISTRATION NUMBER (if applicable):	None
PHYSICAL ADDRESS:	1 Quintin Brand Street Persequor Technopark Pretoria 0020
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EXTERNAL AUDITORS:	Auditor-General South Africa
BANKERS:	Standard Bank, Brooklyn Branch, Fehrsen Street, Brooklyn, Tshwane
COMPANY/ BOARD SECRETARY	Mr Tshifhiwa Eric Netshidzati

2. LIST OF ABBREVIATIONS/ACRONYMS

APPTED	Association of Private Providers of Education, Training and Development
ARC	Audit and Risk Committee
CAT	Credit Accumulation and Transfer
CEO	Chief Executive Officer
CESM	Classification of Educational Subject Matter
CFO	Chief Financial Officer
CHE	Council on Higher Education
CPD	Corporation for Public Deposits Account
DBE	Department of Basic Education
DHET	Department of Higher Education and Training
DSI	Department of Science and Innovation
EQA	External Quality Assurance
EXCO	Executive Committee of Council
HEI	Higher Education Institution
HELTASA	Higher Education Learning and Teaching Association of Southern Africa
HEMIS	Higher Education Management Information System
HEQC	Higher Education Quality Committee
HEQC EXCO	Executive Committee of the HEQC
HEQCIS	Higher Education Quality Committee Information System
HEQSF	Higher Education Qualifications Sub-Framework
HR	Human Resources
HRRC	Human Resources and Remuneration Committee
IAC	Independent Actuaries and Consultants (in Financial Section)
IAC	Institutional Audits Committee
ICT	Information and Communication Technology
ICTCoC	Information and Communication Technology Committee of Council
INQAHEE	International Network for Quality Assurance Agencies in Higher Education
IQA	Internal Quality Assurance
LIS	Library and Information Services
LLB	Bachelor of Laws
MANCO	Management Committee
NGC	Nominations and Governance Committee
NLRD	National Learners' Records Database
NPPSET	National Plan for the Post School Education and Training
NQF	National Qualifications Framework
NRF	National Research Foundation

NSDW	National Student Data Warehouse
NSRC	National Standards and Reviews Committee
NSRD	National Standards and Reviews Directorate
PCHESI	Portfolio Committee on Higher Education, Science and Innovation
PFMA	Public Finance Management Act 1 of South Africa, Act 1 of 1999
PHEIs	Private Higher Education Institutions
PSET	Post School Education and Training
QCTO	Quality Council for Trades and Occupations
RMAC	Research, Monitoring and Advice Committee
RPL	Recognition of Prior Learning
SAAIR	South African Association for Institutional Research
SADC	Southern African Development Community
SAQA	South African Qualifications Authority
SAQAN	Southern African Quality Assurance Network
SCM	Supply Chain Management
SER	Self-Evaluation Report
POPIA	Protection of Personal Information Act
QA	Quality Assurance
QAF	Quality Assurance Framework
QC	Quality Council
QCTO	Quality Council for Trades and Occupations
TESF	Transforming Education for Sustainable Futures
TVET	Technical and Vocational Education and Training
UCDP	University Capacity Development Programme
UFS	University of the Free State
UJ	University of Johannesburg
UMALUSI	Council for Quality Assurance in General and Further Education and Training
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNESCO-ROSA	UNESCO Regional Office for Southern Africa
UNISA	University of South Africa
USAf	Universities South Africa
ZimCHE	Zimbabwe Council on Higher Education

3. FOREWORD BY THE MINISTER

I am honoured to present the 2024/25 Annual Report of the Council on Higher Education (CHE). As South Africa's statutory Quality Council for higher education, the CHE plays a vital role in safeguarding academic standards, promoting quality, building knowledge about higher education, and advancing transformation in our higher education system.

The CHE's core mandate includes:

- External quality assurance, ensuring that higher education institutions, practices and programmes meet national and international standards;
- Management of the Higher Education Qualifications Sub-Framework (HEQSF), which ensures that a coherent qualifications framework for higher education is in place, comprising of qualifications that are accessible and that articulate with other qualifications in the sub-framework, as well as with qualifications in the other sub-frameworks of the National Qualifications Framework (NQF); and
- Policy advice to the Minister, supported by evidence-based research on the performance, transformation, and responsiveness of the sector.

During the 2024/25 reporting period, the CHE achieved several significant milestones including enhanced Quality Assurance through the phased implementation of the new Quality Assurance Framework (QAF); advancement of the HEQSF through continuous alignment of academic qualifications and programmes with the HEQSF supported curriculum innovation and sectoral coherence; the production of high-impact research and a wide range of publications which underpinned strategic advice, and the ongoing development of digital tools to support its quality assurance work, improving efficiency and accessibility for institutions.

These accomplishments reflect the dedication and professionalism of the CHE Council, management, and staff. Their collective efforts ensure that South Africa's higher education system remains transformative, credible, and globally competitive, while equipping graduates to meet the challenges of a rapidly evolving economy.

The CHE is able to maintain high performance levels despite constrained financial and human resources at the organisation. In 2024/25, the organisation achieved a clean audit and was able to achieve 39 of the 41 targets set for the 2024/25 financial year, a 95% achievement rate.

The CHE is implementing a new Strategic Plan for the 2025/26-2029/30 planning cycle. Strategic imperatives that underpin the new plan include a continued focus on development as a knowledge organisation; implementation of the new transformation monitoring and oversight function; further implementation of the new Quality Assurance Framework; implementation of a compressive CHE Management Information System (CHE-MIS) as the next comprehensive step on the CHE's digital transformation journey; and building the resource base of the organisation so that it can execute its varied mandates fully and effectively.

As Minister of Higher Education, I extend my sincere appreciation to all stakeholders who continue to partner with the CHE in its mission to be an impactful organisation and a catalyst for advancing quality and equity in higher education.

Together, we are ensuring that higher education remains a driver of knowledge, innovation, and social progress for our nation.

Minister Buti Manamela
Minister of the Higher Education
Date: 31 July 2025

4. ACCOUNTING AUTHORITY STATEMENT

The 2024/25 Annual Performance Plan was the 5th and last plan implemented as part of the Council on Higher Education (CHE) 2020/21 to 2024/25 Strategic Plan. As in the previous four years of the strategic plan, the CHE maintained its excellent performance in the 2024/25 financial year, achieving thirty-nine (39) of the forty-one (41) targets for the year, a 95% achievement rate. Some of the highlights of the year include the following:

- The CHE has significantly reduced the time taken to process accreditation applications, and all new applications do not take more than eight (8) months to process, with most taking six (6) months.
- The institutional audits of all the public universities have been concluded.
- Over fifty (50) institutional audits of private higher education institutions have been initiated and are underway, representing over a third of all the private higher education institutions.
- A themed review of modes of provisioning in higher education has been initiated and will be completed in the 2025/26 financial year.
- A review of initial teacher education qualifications offered by higher education institutions in South Africa has also been initiated.
- The review of the Higher Education Qualifications Sub-Framework (HEQSF) is close to completion and the revised HEQSF will be published in 2025/26.
- Good progress has been made on the development of a Framework for the Quality Assurance of In-Country and Cross-Border Higher Education Collaborative Qualifications and it is expected that this important policy will be published in 2025/26, paving the way for South African higher education institutions to partner with each other and/or their counterparts abroad to jointly develop and offer higher education qualifications.
- A Good Practice Guide on the Award of Honorary Degrees and Honorary Professorships and the Use of associated Honorary Titles has been developed and will be published in the next financial year.
- A highly successful annual conference was hosted by the CHE which had the theme: The State of Quality of Higher Education in South Africa Three Decades into Democracy. Over three hundreds (300) delegates attended, and hundred and fifty (160) papers were presented.
- Several research reports, monitoring reports and articles were published.
- The CHE is playing a leading role in the regional Potential of Microcredentials in Southern Africa (PoMiSA) Project and the development of a framework for the implementation of microcredentials in the country is nearing completion.
- The CHE won a bid to host the 2026 International Network of Quality Assurance Agencies in Higher Education (INQAAHE) Forum.
- Council approved a new organisational structure for the CHE. The number of positions will increase from fifty-two (52) to eighty-four (84) over time, and the organisational structure will be implemented in phases, commensurate with budget availability.

The research profile of the CHE continues to develop. In 2024/25, the following publications were produced:

- VitalStats, Public and Private Higher Education, 2022.
- South African Journal of Higher Education Vol. 38 No. 1 (2024): Special CHE issue on Promoting Access to, and Success in Postgraduate Education in South Africa.

- Higher Education Monitor 17: Changing Trends in the Size and Shape of Postgraduate Programmes in the Public Higher Education System in South Africa.
- Research report on Stakeholder Perspectives on the Quality of Higher Education in South Africa.
- Kagisano 15: Artificial Intelligence and Higher Education in South Africa.
- Briefly Speaking No. 29: A Reflection on the Unintended Consequences of Promoting Research and Publication Using Monetary Incentives.
- Briefly Speaking No. 30: Viva Voce: The Oral Examination of a Thesis for a Doctoral Degree.
- Briefly Speaking No. 31: A Reflection on the Challenge of Food Insecurity among Students from Socio-economically Disadvantaged Backgrounds in Public Universities in South Africa.
- Briefly Speaking No. 32: The Humanities in the Time of Turbulence.
- Briefly Speaking No. 33: The Role of Senate in Safeguarding the Academic Project.

The CHE achieved a clean audit outcome in the 2024/25 financial year, with no findings in its performance information, and no findings in relation to its Annual Financial Statements.

The CHE was able to collect all the revenue that it planned to collect for the 2024/25 financial year, with a small over-recovery, as illustrated in the table below:

Institutional receipts	2023/2024			2024/2025		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Esti-mate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Transfers received	82 887	82 887	-	84 871	84 871	-
Fines, penalties and forfeits						
Interest, dividends and rent on land	2 126	1 883	(243)	1 876	2 343	(467)
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-
TOTAL	**85 013**	**84 770**	**(243)**	**86 747**	**87 214**	**(467)**

The CHE received the bulk of its funding through non-exchange revenue in the form of a transfer from the fiscus, and the projected transfer for the year was received. Additional non-exchange revenue accrued as a result of interest earned on the small reserves held at the Reserve Bank. The over-recovery resulted from more interest earned than was anticipated.

The CHE also received some income through exchange transactions. These include partial cost-recovery charges for programme accreditation applications that were processed during the financial year, partial cost recovery for institutional site visits and from registration fees for the annual conference held during the year.

In terms of expenditure, the CHE was able to effectively spend R98 331 223 (98.9%) of the R99 435 767 available for the year. 47% was spent on compensation of employees (CoE).

The CHE had an accumulated cash surplus of R5 245 968 and a request for the retention of these funds has been submitted to the National Treasury. The funds will be used to cater for various commitments in the 2025/26 financial year, including ongoing implementation of the new Quality Assurance Framework, and continued implementation of the CHE's Digital Transformation Strategy, among others.

The CHE has implemented necessary internal control measures including policies to mitigate unauthorised, fruitless and wasteful and irregular expenditure. The Financial Misconduct Committee (FMC) deals with all such irregularities and recommends management actions to the CEO for further consideration as per the Council-approved Delegation of Authority. Irregular expenditure of R124 000 was condoned after consideration by the FMC. One irregular expenditure incident amounting to R8 000 is still under investigation and will be considered by the FMC in the 2025/26 financial year. In terms of fruitless and wasteful expenditure, R33 000 was condoned after consideration by the FMC. Fruitless and wasteful expenditure amounting to R5 000 is still under investigation and will be considered by the FMC in the 2025/26 financial year.

The CHE continues to maintain high standards of transparency and accountability in its management of public funds. Robust financial management systems and supply chain management systems are in place to ensure that available funds are used effectively and efficiently and in compliance with legislation and Treasury directives.

This approach is of vital importance in an organisation that has a limited budget to work with, and the clean audit outcomes are evidence of the focus that is placed on compliance with and adherence to PFMA prescripts. There were no unsolicited bid proposals concluded for the year under review.

Looking forward to 2025/26, the CHE will implement the new Quality Assurance Framework more fully. In order to do this, and to attend to the full range of its mandates, Council approved a new organisational structure in May 2024, and its implementation started on 1 April 2025. The former quality assurance programmes of (i) Programme Accreditation, (ii) Institutional Audits and (iii) national standards and reviews will cease to exist. The new quality assurance implementation programmes are (i) Accreditation - both qualifications and programmes (ii) Quality Reviews and (iii) Standards and Capacity Development. The Management of the Higher Education Qualifications implementation programme will continue. The CHE will also reconfigure its approach to is research and monitoring work. The Research, Monitoring and Advice programme will be replaced by two separate programmes, (i) Research and Monitoring and (ii) Policy and Advice. These changes will be managed within existing budget parameters. We believe these changes will position the CHE to deliver even more effectively on its mandates.

In closing, I am indebted to the management and staff of the CHE for their dedication and effort in ensuring that the organisation continues to effectively deliver on its varied mandates. Their hard work and effort do not go unnoticed.

I also record my appreciation to the members of Council and members of all the CHE governance committees for the support and oversight that they provided to ensure accountability in the organisation.

The CHE also gratefully acknowledges the continued support from the Department of Higher Education, through the Director-General and the Deputy Director-General for University Education, and to the support that we receive from the Minister of Higher Education and the Deputy Ministers. We look forward to continued support and partnership going forward, as we jointly strive to build the higher education system that South Africa needs.

Revd. Vuyo Memani-Sedile
Accounting Authority
Date: 31 July 2025

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

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2025.

Yours faithfully

Wgreen

Dr Whitfield Green
Accounting Officer
Date: 31 July 2025

6. STRATEGIC OVERVIEW

6.1 Vision

Innovative, quality higher education responsive to the needs of society.

6.2 Mission

The CHE is the independent, statutory, quality assurance and advisory body for South African higher education, which transforms lives in pursuit of an equitable, prosperous and innovative society. In fulfilment of its role, the CHE:

- Leads and manages external quality assurance;
- Regulates qualifications through the HEQSF;
- Is an intellectual hub for higher education research, monitoring, policy, and critical discourse; and
- Advises the Minister on all higher education matters.

6.3 Values

In pursuit of its vision and mission the CHE is committed to and guided by the following values:

- Innovation
- Integrity
- Equity
- Respect
- Accountability

7. LEGISLATIVE AND OTHER MANDATES

The CHE is an independent statutory body established in May 1998 as provided for by section 4 of the Higher Education Act (Act No. 101 of 1997, as amended), and it also functions as the Quality Council for Higher Education in terms of the National Qualifications Framework Act (Act No 67 of 2008, as amended). It is a Schedule 3A national public entity in terms of the Public Finance Management Act (Act No. 1 of 1999).

The Higher Education Act (Act No.101 of 1997, as amended), mandates the CHE to:

- advise the Minister responsible for higher education and training on any aspect of higher education at the request of the Minister or on its own initiative;
- arrange and co-ordinate conferences;
- promote quality assurance in higher education, audit the quality assurance mechanisms of higher education institutions, and accredit programmes of higher education;
- publish information regarding developments in higher education, including reports on the state of higher education, on a regular basis; and
- promote access of students to higher education institutions.

In terms of the National Qualifications Framework Act, the CHE as the Quality Council (QC) for higher education is mandated to:

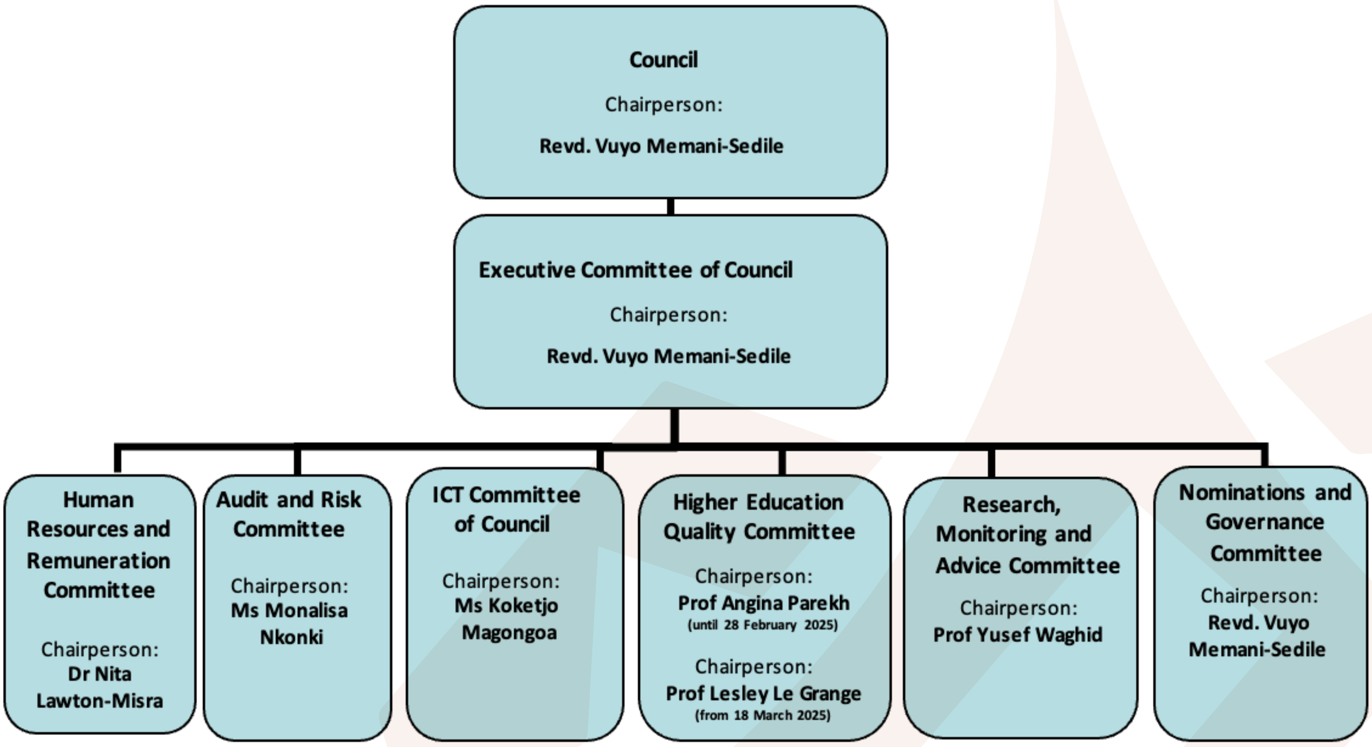
- comply with any policy determined by the Minister in terms of section 8(2)(b);
- consider the Minister's guidelines contemplated in section 8(2)(c);
- collaborate with the SAQA and other QCs in terms of the system contemplated in section 13(1)(f)(i);
- develop and manage its Higher Education Qualifications Sub-framework (HEQSF), and make recommendations thereon to the Minister;
- advise the Minister on matters relating to its sub-framework;
- consider and agree to level descriptors contemplated in section 13(1) (g) (i), and ensure that they remain current and appropriate;
- develop and implement a suite of policies and criteria, to facilitate the implementation of the HEQSF and the NQF, and protect their integrity;
- develop and implement policy for quality assurance, and ensure the integrity and credibility of quality assurance;
- maintain a database of learner achievements and related matters for the purposes of this Act, and submit such data in a format determined in consultation with the SAQA for recording on the national learners' records database contemplated in section 13(1)(l);
- conduct or commission and publish research on issues of importance to the development and implementation of the sub-framework; and
- inform the public about the HEQSF and NQF.

The mandate of the CHE has also been enriched and/or elaborated on by government policy positions articulated in, among others, the following policy documents:

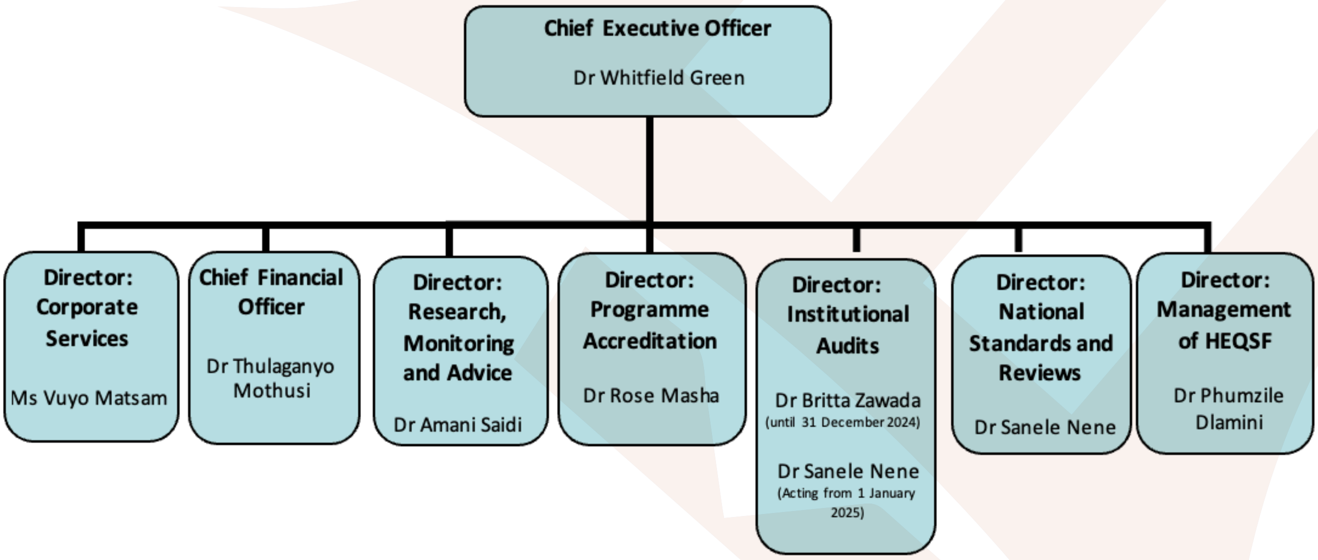
- National Plan for the Post School Education and Training 2021-2030 (NPPSET), 2021;
- Articulation Policy for the Post-School Education and Training System in South Africa, 2017;
- White Paper for Post-School Education and Training, 2013;
- National Development Plan, 2012;
- National Plan for Higher Education, 2001; and
- Education White Paper 3: A Programme for the Transformation of Higher Education, 1997.

8. ORGANISATIONAL STRUCTURE

Council Structure



Management Structure



9. CHE COUNCIL

Members of the 7th Council: December 2022 to December 2026

Part B.

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (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 material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the Report of the Auditor-General.

Refer to pages 87 to 93 of the Report of the Auditor-General, published as Part F: Financial Information of the 2024/25 Annual Report.

2. OVERVIEW OF INSTITUTIONAL PERFORMANCE

2.1 Service Delivery and Organisational Environment

2.1.1 External Environment Analysis

Transformation is a continuing focus area for change in the higher education environment. Inequality persists in the system – between institutions; between former Historically Disadvantaged institutions (HDIs) and Historically White Institutions (HWIs); between urban and rural institutions, and within institutions – mirroring inequality in the wider society. There is ongoing pressure for meaningful transformation in the higher education sector, not just at the level of structure but also at the level of culture. Persistent blatant acts of racism, sexism and other forms of oppression continue to take place, pointing to deeper systemic issues that need to be addressed.

Governance challenges appear to be on the rise in the sector, with several independent assessments undertaken in recent times, potentially leading to institutions being placed under administration. One of the main reasons appears to be Council-Management tensions and the blurring of boundaries between governance and management roles.

Rapid advances in technology, including in Information and Communication Technologies (ICTs) continue to present new opportunities for higher education teaching, learning and research, but also present more challenges of resourcing, capacity, and infrastructure.

Technological advances and the experience of the COVID-19 pandemic have made online and blended learning a more prevalent fixture of the higher education environment. The rapid emergence of Artificial Intelligence (AI)-powered conversational agents such as CHAT GPT which are based on large language models present many opportunities but also significant threats, including issues such as privacy, ethics and academic integrity.

Staff and students have also commented on the alienation, the increased workload and the time demands that are associated with blended and online learning, as well as the potential for exacerbating inequality if issues such as access to devices, to data and connectivity are not taken into account. There are concerns that the technological advances, which find more traction in advantaged contexts, can widen the already significant digital divide. An increasing threat relates to the offering of qualifications by foreign institutions in an insufficiently regulated online space.

Growing unemployment in an economy that continues to shrink is contributing to an increasing demand for higher education (and post-school) opportunities at low or no cost, which is placing pressure on the public purse more generally, and the physical facilities, human resource capacity, and budgets of universities. Higher education institutional and organisations like the CHE are increasingly being required to be intentional and purposeful about how they can contribute more to the effective transition of graduates into the economy and society.

An associated development is a rapidly changing world of work, with demands being made on higher education to produce graduates with so-called 21st century skills, and who possess qualifications that are aligned to workplace demands. Higher education institutions continue to be under pressure to undertake more regular, ongoing curriculum reform in order to keep their programmes relevant, responsive and agile, and to produce graduates who are employable and entrepreneurial.

Whilst universities must consider how their offerings relate to the world of work and the economy, higher education is much deeper that this and questions on the knowledge project, including its epistemic, social, cultural and ontological foundations, and how it relates to South African, regional, African and global worldviews need constant engagement; as does the ability of our higher education sector to facilitate the development of graduates who are capable of critical thinking, knowledgeable and can contribute to enhancing our democracy.

Climate change and environmental sustainability are critical imperatives that are already having major social and economic impacts. Environmental disasters are becoming more common-place and increasingly more devastating. Higher education institutions need to consider the impact of this on their operations, including their responsiveness through teaching and learning, research and innovation and community engagement.

The imminent publication of the draft Policy for the Recognition of South African Higher Education Institutional Types signals a more diverse and expanded higher education landscape in the country. It is likely to lead to a reconfiguration of the institutional landscape with the public colleges that offer higher education qualifications fully recognised as part of the higher education sector, along with the likelihood that some private higher education institutions will seek to position themselves as private universities. These changes will have significant implications for the CHE, including a widened scope of responsibility for quality assurance.

The tenuous fiscal situation in the country is impacting on the extent to which higher education can be adequately funded. Competing funding needs and the allocation of increasing amounts to cover student fees is placing pressure on other resource-intense activities, such as teaching and learning, with a consequent negative impact on quality. Political developments in the United States of America have impacted university research and development project funds significantly as a result of the closure or scaling down of initiatives funded by donors such as US-AID.

2.1.2 Internal Environment Analysis

Human resource capacity constraints pose a significant risk for the organisation. In the light of the expanding mandate and the introduction of a new Quality Assurance Framework, the organisational structure was reviewed, and while all attempts are being made to fill all the permanent positions on the approved organisational structure, the challenge is that the available budget at present is not sufficient to enable the expansion of the personnel capacity.

It is proving difficult to attract and retain staff in the scarce skills areas, particularly IT. The salaries that the organisation is able to offer cannot compete with those available in the private sector. The CHE has embarked on the implementation of a comprehensive Digital Transformation Framework, and it will be essential for this area of work to be expertly and sufficiently capacitated.

Funding limitations are impacting on the pace and extent to which the range of quality assurance functions can be implemented. Funding for the current round of institutional audits being implemented at every higher education institution in the country, is under pressure. The need for the CHE to play a quality assurance oversight role for the public higher education college sector, as these institutions become firmly located within higher education, will require additional resources.

Good progress has been made on the implementation of the new Quality Assurance Framework (QAF). There have already been extensive engagements with the sector on plans for its implementation and there is a positive reception from the sector on the direction taken by the QAF. Funding pressure is also impacting on the development of systems and processes needed for implementation of the QAF, including the development of management information systems that will enable a more efficient digitised support for quality assurance activities. Nonetheless some progress has been made and the first system of the overall new CHE-MIS, the Institutional Quality Dashboards system, has been completed.

The CHE is a peer-based organisation. The current work of the CHE, and the implementation of the QAF going forward relies heavily on the extensive use of academics and professionals in a variety of roles, including as review panellists, programme evaluators, recommendation writers, researchers and so on. It will be important to recruit a greater pool of younger academics and professionals into these roles to ensure ongoing work continuity.

Professional bodies add value and have a significant contribution to make to higher education. There have however been a number of instances of conflict with professional bodies in terms of mandate creep and overlap, raising concerns about the blurring of boundaries between qualification and designation. Whilst the CHE is seeking to work in partnership with cooperative professional bodies in support of the mutual goal of quality higher education, there is a need for legislative overhaul that will clarify the roles and responsibilities of the range of role-players in the sector.

There has been some debate on the differences in positions taken in policies on Recognition of Prior Learning (RPL), Credit Accumulation and Transfer (CAT) resulting from different positions taken in national policies and frameworks of the DHET, SAQA and the CHE. These debates are ongoing and are also a consideration in the review of the Higher Education Qualifications Sub-Framework (HEQSF), and this review process may assist in the resolution of some issues.

2.2 Key policy developments and legislative changes

During the year under review there were no key policy developments and legislative changes that impacted on higher education and on the work of the CHE.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

3.1 Strategic Outcomes and Implementation Programmes

Flowing from the analysis of the internal and external environmental factors, the strategic responses and the institutional policies, five strategic outcomes were identified to be pursued over the period 2020 to 2025. These are as reflected below:

Strategic Outcome 1: **CHE as an effective custodian of the HEQSF (revitalised and fully implemented HEQSF)**

Outcome Statement – To manage the development and implementation of the HEQSF policies, qualification standards and data to meet the goals of the NQF, NPPSET and the National Development Plan (NDP).

Strategic Outcome 2: Comprehensive and coherent quality assurance system for the higher education sector

Outcome Statement – To develop and implement a new Integrated Quality Assurance Framework for the effective and efficient internal quality assurance (IQA) and external quality assurance (EQA) for the sector.

Strategic Outcome 3: A reputable centre of intellectual discourse, knowledge generation and advice on higher education

Outcome Statement – To revitalise and strengthen the research, monitoring, evaluation, and advice capabilities of the CHE.

Strategic Outcome 4: Governance, compliance, and risk management

Outcome Statement – To set the broad strategic direction, policy and tone for good governance, statutory compliance, and risk management of the organisation to support the discharge of the core functions of the CHE.

Strategic Outcome 5: Sustainable, responsive, and dynamic organisation

Outcome Statement – To design and implement an organisational architecture, business processes, capabilities, and infrastructure to realise the strategy of the CHE.

The achievement of the above-mentioned strategic outcomes is being pursued through four Implementation Programmes, each of which comprises several functions or subprogrammes. The four programmes are:

- Programme 1: Management of the HEQSF;
- Programme 2: Quality Assurance;
- Programme 3: Research, Monitoring and Advice; and
- Programme 4: Corporate.

The 5-year Impact Statement adopted for the 2020-2025 Strategic Plan requires that the CHE executes its mandate in a manner that assists in ensuring that "South Africa's historical injustices are redressed, and its citizens have an improved quality of life through equitable higher education opportunities".

Yearly targets are set towards achievement of the outcomes over the 5-year period of the current Strategic Plan, and for the 2024/25 financial year, ninety-five (95) percent of the set targets were achieved as shown in the table below.

Table 1: Achieved targets during the 2024/25 financial year

Programme	Management of the HEQSF	Quality Assurance	Research, Monitoring and Advice	Corporate	Overall
No. of indicators	12	9	8	12	**41**
No. achieved	12	8	8	11	**39**
No. not achieved	0	1	0	1	**2**
% achieved	100%	89%	100%	92%	95%

Only two (2) targets were not achieved. The targets and the reasons for their non-achievement are summarised in Table 2:

Table 2: 2024/25 targets not achieved

Output Indicator	Targeted Annual Achievement	Actual Annual Achievement
Programme 2: Quality Assurance **Sub-Programme: Institutional Audits** **4.2.2.3:** Number of audit reports of completed Institutional Audits finalised and approved, within a particular financial year.	10	8
Explanation: The review report for Sefako Makgatho University (SMU) was meant to be finalised in this quarter. However, there were significant challenges with the quality of the SMU report produced by the review panel, leading to multiple iterations before the report could be sent to the institution for its review. Audit reports for some PHEIs have also been delayed, with these audits taking longer than anticipated to carry out.		
Programme 4: Corporate **Sub-Programme: Corporate Services** **4.4.2.4:** Percentage of approved funded posts on the organisational structure that have incumbents throughout a particular financial year.	85%	83%
Explanation: The target was not achieved because there were two terminations towards the end of the financial year, leaving little time to get replacement staff in place. One of the terminations was a retirement and the other termination was a dismissal at the end of the probation process (non-confirmation of permanent appointment).		

The section that follows provides detailed performance information and a discussion on achievements in each of the programmes and their sub-programmes.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Management of the HEQSF

This programme comprises of the following five sub-programmes:

- Qualification Standards Development;
- Data Management;
- Policy Development and Review;
- Partnerships and Collaboration; and
- Quality Promotion and Capacity Development.

The purpose of the Management of the HEQSF Programme is to manage the development and implementation of HEQSF policies, qualification standards and data in order to meet the goals of the NQF, NPPSET and the National Development Plan (NDP).

The five sub-programmes contribute to the overall purpose of the programme stated above.

The Qualifications Standards Development Sub-programme focuses on the development of thresholds standards for qualifications to serve as benchmarks that guide the development, implementation and quality assurance of programmes leading to qualifications on the HEQSF. The development of the qualification standards is undertaken, as and where appropriate, in collaboration with communities of practice.

The Data Management Sub-programme focuses on establishing and maintaining a single comprehensive database for all higher education qualifications, the associated learning programmes, and student enrolment and achievement. It seeks to ensure that there is consistency between information in its database and the corresponding information in the databases of other regulatory bodies such as the South African Qualifications Authority (SAQA), professional bodies and the DHET. It further seeks to ensure the integrity of the data resources and making such easily accessible to all interested parties.

The Policy Development and Review Sub-programme focuses on maintaining the currency of the HEQSF by ensuring that it is reviewed regularly and further developed in response to changes in the NQF or other pertinent developments within the higher education sector. It is similarly responsible for the development and review of policies that seek to facilitate the implementation of the NQF, including policies on recognition of prior learning (RPL), credit accumulation and transfer (CAT), assessment, and quality assurance, as required by the NQF Act; and other policies that are determined from time-to-time by the Minister in line with the provision of section 8(2)(c) of the NQF Act.

The Partnerships and Collaboration Sub-programme focuses on ensuring meaningful contribution to the 'system of collaboration' as envisaged in section 13(1)(f) of the NQF Act through active involvement in joint projects with SAQA, other quality councils, the DHET and professional bodies, on NQF-related matters. It is also responsible for regional and international networking on qualification frameworks, quality assurance and promotion, to facilitate sharing of information, benchmarking, and involvement in bilateral and/or multilateral collaborative initiatives, including in relevant international conventions.

The Quality Promotion and Capacity Development Programme focuses on two related areas. The first area concerns developing and institutionalising a culture of quality consciousness and commitment to continuous quality improvement in higher education. This involves disseminating information on quality matters across the sector, raising awareness of and responsiveness to quality issues among all key stakeholders, developing relevant policies and good practice guides, and engaging with and supporting institutions in initiatives for quality improvement. The second area is about developing and implementing initiatives to build and strengthen capacity for high quality provision at institutional, learning programme and individual levels.

4.1.1 Qualifications Standards Development Sub-programme

4.1.1.1 Developing and/or reviewing threshold standards for qualifications in order to ensure relevance, comparability and currency of qualifications

The Bachelor of Agriculture in Agricultural Extension qualification standard was developed and it was approved by the HEQC in April 2024.

The Bachelor of Education and Postgraduate Certificate in Education qualification standards were developed and approved by the HEQC in November 2024.

4.1..1.2 Initiating processes for developing and/or reviewing qualification standards in a particular financial year

The Bachelor of Community Development, the Bachelor of Science in Environmental Management, the Diploma in Dental Technician and the Bachelor of Science in Dental Technology qualification standards were in development during the fourth quarter.

4.1.1.3 Promoting the use of the qualification standards by institutions in the curricula design of the respective qualifications

One (1) event to promote the use of qualification standards was held on 17 July 2024 as part of the Quality Assurance Framework Lunch Hour series of engagements. This was held virtually to enable optimum sector attendance.

Six (6) regional workshops were held across six (6) provinces in the fourth quarter. The regional workshops were pursuant to promoting the use of the Initial Teacher Education Qualification standards and initiating the national review process linked to these standards.

4.1.2 Data Management Subprogramme

4.1.2.1 Developing and maintaining a comprehensive database of qualifications, learning programmes, student enrolment and achievement for all private higher education institutions

The HEQCIS is functional and contains comprehensive information on qualifications, student enrolment and student achievement data for Private Higher Education Institutions (PHEIs).

4.1.2.2 Maintaining the HEQCIS database and submission of achievement data for private higher education institutions to the NLRD

The HEQCIS is being effectively managed and maintained. The first dataset of achievement data for PHEIs for this financial year was submitted to SAQA in August 2024 and loaded successfully onto the NQF-MIS/NLRD.

The second dataset of achievement data for PHEIs pertaining to this financial year was submitted to SAQA in March 2025 and also loaded successfully on the NQF-MIS/NLRD.

4.1.3 Policy Development and Review Sub-programme

4.1.3.1 Developing or reviewing and undertaking further development of the HEQSF/NQF-related policies

The latest draft version of the Revised Higher Education Qualifications Sub-Framework, 2025 served at the meeting of the HEQC in February 2025. At this meeting, the HEQC approved its release to higher education institutions and other relevant stakeholder bodies in order to provide them with the opportunity to offer any pertinent comment. The draft version was subsequently sent out to public and private higher education institutions and other relevant stakeholder bodies with a request that they should provide feedback by the end of April 2025.

The draft Framework for the Quality Assurance of In-Country and Cross Border Collaborative Qualifications was revised taking into consideration the feedback provided by the external critical readers. The version that emerged from this revision process was discussed at a workshop of the Extended Management Committee of the CHE, which was held on 17 March 2025. The Extended Management Committee made certain recommendations for strengthening and improving the draft framework, and the writing team is attending to such recommendations in order to produce the next iteration.

4.1.3.2 Providing support to institutions in the development and implementation of relevant institutional level policies

The CHE continued to provide support to institutions with regard to implementation of policies related to the HEQSF. Institutions have requested support for implementation of Recognition of Prior Learning in addition to implementation of the HEQSF.

Dring the first quarter, the University of KwaZulu-Natal was supported in terms of a request for a concession to exceed the RPL limit and the following three private higher education institutions were provided support regarding the submission of their records on the HEQCIS, as part of the requirements of the NQF:

- ACT Cape Town
- Madina Institute
- Empilweni Education

During the second quarter, the following PHEIs were trained on the processes of the HEQCIS, the business rules of the system and the submission of learner data:

- Chatsmed Candlelight Nursing School (all sites); and
- Felix Higher Education and Training.

Letters were also sent to all Public Colleges of Agriculture, Public Colleges of Nursing and Colleges of Emergency Medical Care regarding the need to comply with NLRD reporting requirements. A plan has been developed to train the colleges on HEQCIS data submissions. Implementation of the plan had to be reconsidered due to space limitations on the HEQCIS.

During the third quarter, the CHE provided guidance related to HEQSF policy implementation to two institutions, namely the Sefako Makgatho Health Sciences University and the University of Pretoria. One institution sought guidance on making changes to a programme offered against a generic qualification. The second institution requested guidance on implementation of Credit Accumulation and Transfer (CAT). The following two institutions were also provided support to enable them to do their data uploads on the HEQCIS:

- Bronberg Nurse Education and Training
- Training for Striving Mind Nursing Academy

During the fourth quarter, two universities were visited to present the functions of the Management of the HEQSF programme to the institution's quality assurance teams and to engage the institutions on their HEQSF-aligned record of programmes that are accredited by the CHE, as well as qualifications that are registered with SAQA with a view to ensuring that relevant concerns are addressed:

- University of the Western Cape – 20 February 2025
- University of Venda – 17 March 2025

A request for approval of an articulation agreement between Cornerstone Institute NPC and Instil Education (Pty) was tabled and approved at the HEQC meeting of 7 February 2025.

4.1.4 Partnerships and Collaboration Sub-Programme

4.1.1.4 Undertaking joint projects with SAQA, other QCs, the DHET and professional bodies

a. SAQA and CHE meeting

SAQA and the CHE held a joint meeting on 24 April 2024. The meeting was aimed at enhancing collaboration between the CHE and SAQA by means of a shared understanding of each entity's needs and processes.

b. NQF Operations Sub-Committee

The Manager (HEQSF) attended the NQF Qualifications Committee meeting held on 4 June 2024 at SAQA House.

The 15th NQF Operations Sub-Committee meeting was held on 7 June 2024. In attendance were the Quality Councils, DHET and DBE. The purpose of the meeting was to share updates on the various NQF related activities that the NQF statutory bodies including the DHET and DBE have been involved in, and to provide input into the report to the CEO Committee. The meeting addressed the registration and re-registration of qualifications on the NQF, NQF Amendment Bill, draft Policy on Misrepresented Qualifications, Joint Communique on Legacy Qualifications and funding matters.

The 16th NQF Operations Sub-Committee meeting was attended on 1 November 2024. The purpose of the meeting was to receive an update on the various NQF related activities that the NQF statutory bodies, including the DHET and DBE, have been involved in; as well as to give input into the report to the CEO Committee. The meeting addressed the Registration and Re-registration of Qualifications on the NQF; Pre-2009 Qualifications and the loading of Data on Pre-2009 Qualifications; Reviewed Qualifications; and NQF Operations Subcommittee Terms of Reference.

The 17th NQF Operations Sub-Committee meeting was held on 6 March 2025. In attendance were the Quality Councils namely, the CHE represented by one Manager in MHEQSF, QCTO and UMALUSI. The DHET and Department of Basic Education (DBE) were also represented. The purpose of the meeting was to get an update on the various NQF related activities that the NQF statutory bodies, including the DHET and DBE, have been involved in and/or given input on the report to the CEO Committee. The meeting addressed the Registration and Re-registration of Qualifications on the NQF, implementation of RPL, improved Articulation Arrangements Within the System, NQF Further Amendment Bill and implementation of the Addis Convention.

c. Signing of Memorandum of Agreement (MoA), development of MoA Implementation Workplans and MoA exploratory meetings

The CHE hosted three Professional Bodies for working meetings to develop MoA Implementation Workplans as follows:

- The Engineering Council of South Africa (ECSA) MoA Workplan development workshop was held on the 10 April 2024.
- The South African Council for Educators (SACE) Workplan development workshop was held on the 03 May 2024.
- The South African Nursing Council (SANC) MoA Implementation Workshop was held on 13 May 2024 at the CHE offices.

On 11 June 2024, the CHE held an MoA exploratory meeting with the South African Veterinary Council (SAVC). The meeting followed participation of the CHE (Director: M-HEQSF) as an observer on a site visit conducted by the Professional Board at the Tshwane University of Technology (TUT).

The CHE and a team from the HPCSA held a working meeting to discuss the implementation of Workplan activities. The meeting was held on 24 June 2024 at the HPCSA offices in Arcadia Pretoria. The meeting assisted HPCSA to develop a record of HEQSF-aligned qualifications that are linked with designations under each of the 12 HPCSA professional boards. The resultant record produced is currently being reviewed.

An MoA was signed between the Council on Higher Education (CHE) and the South African Veterinary Council (SAVC). The signing ceremony was held on the 22 August 2024 at the CHE. The purpose of the MoA is to provide a framework for cooperation and collaboration between the two organisations in quality assurance and promotion in higher education with specific reference to veterinary and para-veterinary qualifications.

A meeting was held virtually between the CHE and the South African Council for the Architectural Profession (SACAP) on 19 August 2021. The purpose of the meeting was to discuss issues of concern to SACAP, namely the quality of graduates from architectural programmes and transformation challenges in the architecture profession. A working session for work area 7 on the work plan was held on 19 September 2024 physically at the SACAP offices. Work area 7 seeks to ensure alignment of records between the CHE and the professional body.

The CHE hosted the South African Veterinary Council for a MoA Implementation Workshop on 10 October 2024. The purpose of the workshop was for the CHE and SAVC to share their quality assurance processes, to identify areas of duplication as well as possible areas of collaboration, and to develop the Implementation Workplan.

Working meetings were held with four Professional Bodies with the purpose of ensuring a match between the CHE's HEQSF-aligned record of qualifications and qualifications that are linked with categories/designations for Professional Registration. The CHE draws a list of accredited programmes by institution and compares this with that of the professional body to ensure alignment. The Workshops were held as follows:

- EAPASA – 11 October 2024;
- SACE – 07 November 2024;
- ECSA – 15 November 2024; and
- SANC – 20 November 2024.

Two online follow-up working meetings were held on the 25 February 2025 and 4 March 2025 between the HPCSA Manager and the M-HEQSF Manager with the purpose of reviewing the report and continuing the work of ensuring a match between the CHE's HEQSF-aligned record of qualifications and qualifications that are linked with categories/designations for Professional Registration. The CHE draws a list of accredited programmes by institution and compares this with that of the professional body to ensure alignment.

A Memorandum of Agreement (MoA) was signed with the South African Council for Natural Scientific Professions (SACNSP).

d. Project Implementation Plan regarding SAQA' Policy and/or Criteria for Registration of Qualifications and Part-Qualifications on the National Qualifications Framework

Following approval of a proposal for joint evaluation of about 3500 HEQSF qualifications that do not meet SAQA' Policy and/or Criteria for Registration of Qualifications and Part-Qualifications on the National Qualifications Framework and need to be updated before they can be re-registered, the CHE developed a Project Implementation Plan for updating the qualifications which has also been approved by SAQA. This Project will be implemented over 18 months and is making good progress.

As part of processes for management of HEQSF qualifications on the NQF, in line with the process outlined in the project implementation plan, letters were sent to 168 institutions detailing which of their accredited programmes and registered qualifications fit the categories of registered and re-registered as data under construction on the NQF.

e. Tourism Sector Human Resource Development (TSHRD)

A CHE employee attended an online meeting on 3 September 2024 to receive project progress updates on the planning for the implementation of National Tourism Career Expo (NTCE).

f. Meeting between the Council on Higher Education (CHE) and the Department of Tourism (DT)

An exploratory meeting was held virtually between the CHE and the Department of Tourism (DT) on the 05 December 2024. The DT shared their 10 Year (2017 – 2027) development strategy and implementation plan and possible areas of collaboration with the CHE, mainly around Tourism related qualifications, were highlighted. The CHE explained its role and mandate in higher education and also elaborated on possible areas of cooperation. The two organisations plan to meet again to take the discussion further.

g. Professional Bodies

The Director: M-HEQSF was nominated to form part of a Health Professional Council of South Africa's (HPCSA) Task Team to review the accreditation of the Bachelor of Radiography Honours in Ultrasound (NQF Level 8, 120 credits, contact mode, H/H12/E044CAN) accredited at the University of Pretoria. In this capacity, the Director participated in the meeting of the Task Team held on 25 July 2024.

The CHE collaborated with a number of Professional Boards under the HPCSA to address quality concerns with programmes offered by some universities. These include concerns with the Bachelor of Science Speech Language Pathology offered by the University of Fort Hare as well as the Bachelor of Science in Biokinetics accredited to the University of Venda. In both these cases, the CHE conducted its own evaluation processes using Accreditation Criteria to support the institutions to effect improvements.

In the course of the year, the CHE was made aware by the HPCSA that the Professional Board had made the decision to de-accredited the Bachelor of Health Sciences in Medical Orthotics and Prosthetics offered by Durban University of Technology's (DUT). The CHE engaged with all stakeholders including the HPCSA, the institution and the DHET to ensure that pipeline students and graduates were protected and that the institution put in place acceptable plans to address the concerns of the Professional Board adequately and timeously, to ensure approval of the programme would be restored. The CHE received confirmation that the programme has been reaccredited, and that the institution can continue training students.

h. NQF Qualifications Committee meeting

The 28th NQF Qualifications Committee meeting was attended on 21 November 2024. The purpose of the meeting was to discuss and approve decisions related to registration, re-registration and de-registration of qualifications on the NQF.

The 29th and 30th NQF Qualifications Committee meetings were held on 4 February 2025 and 11 March 2025. The Manager (HEQSF Data Management) attended as the CHE representative. The purpose of the meetings was to discuss and approve decisions related to registration, re-registration and de-registration of qualifications on the National Qualifications Framework (NQF).

i. Meeting of the Task Team of the HPCSA

The Director: MHEQSF participated in a meeting of a Task Team of the HPCSA aimed at reviewing an application for accreditation of the Bachelor of Radiography Honours in Ultrasound, submitted by the University of Pretoria. The meeting was held on 24 October 2025.

4.1.4.2 Taking part in national events, initiatives, and fora on NQF, quality assurance and promotion

The CHE participated in the following national events, initiatives, and fora on NQF, quality assurance and promotion:

a. The Director (MHEQSF) attended the meeting of the Inter-departmental Task Team on Recognition of Prior Learning (RPL) held on 16 April 2024 at the National School of Government. The purpose of the meeting was to report on the progress of the Work Plan of the Inter-departmental Task Team on RPL, provide feedback on Inter-departmental Task Team on RPL Projects, and receive briefings on RPL repositories and on the NQF Bill.

b. The Director (MHEQSF) also participated in the National Integrated Careers Development Strategy Policy Dialogue hosted by the DHET and held at the Southern Sun Hotel, Pretoria on 23 May 2024.

c. The CHE hosted a meeting of the Inter-Departmental Task Team on RPL on 18 July 2024. The Director (MHEQSF) gave a presentation on CHE articulation initiatives.

d. The Director (MHEQSF) participated in the Policy Dialogue on Lifelong Career Management Skills Framework for South Africa coordinated by the DHET on 03 September 2024. The purpose of the dialogue is to explore the implementation of Career Management Skills Frameworks in Europe and the Global North, deepen the understanding of Career Management Skills Frameworks and determine the relevance of the lessons learnt to the South African context.

e. The CHE was represented in the National Qualifications Framework Qualifications Committee (NQF QualCom), and the CHE representative attended the 25th and 26th meetings of the NQF QualCom.

f. The Director (MHEQSF) and Managers attended the CHE conference held on 26 to 28 February 2025. The Director presented a paper on Academic Integrity Policies and Readiness to support a responsible use of Artificial Intelligence.

g. Endorsement breakfast with Professional Bodies held at the University of Pretoria – A CHE staff member was invited to present a paper on "A regulatory perspective on the role and contributions of professional bodies". The purpose of the breakfast engagement was to provide the CHE's perspective concerning how it works together with professional bodies, from the initial stage of signing MoA's to the implementation workshops, and the monitoring and reporting.

4.1.4.3 Taking part in regional or international initiatives on qualification frameworks

The CHE participated in the following regional and/or international initiatives on qualification frameworks:

a. SAQAN Conference (25 to 27 September 2024) – Several members of CHE staff attended the Annual Southern African Quality Assurance Network (SAQAN) Conference in Zambia, hosted by the Higher Education Authority where they presented papers. The main objective of the Annual SAQAN Conference is to bring together quality assurance practitioners and researchers in the SADC region and beyond to share experiences, best practices and approaches towards promoting the culture of quality assurance in Higher Education. It is also intended to serve as a platform for exchanging research findings pertaining to quality assurance, promotion and development.

b. The Director (MHEQSF) represented the CEO at the Workshop on Mobility, Academic Recognition and the African Credit Transfer System (ACTS); Consultation Meeting on the Pan African Quality Assurance Agency (PAQAA), as well as at the Meeting on Strengthening Data Generation and Promoting a Culture of Data Use held in Mauritius from 05 to 08 August 2024. The purpose of the meetings was to consult SADC members states on the ACTS that is in development and to seek their input; to provide an update on the PAQAA and to appraise national quality assurance agencies on the range of opportunities that are available; and to contribute towards embedding a culture of data management for use in higher education decision making.

c. The Director (MHEQSF) was nominated to represent the CHE in the African Continental Qualifications Framework (ACQF) Referencing Project being coordinated by SAQA. The first meeting was held on 05 November 2025.

d. The Director (MHEQSF) participated in the International Day of Action for Academic Integrity 2024 and participated as a panellist in a session titled 'Responsibility for Quality Assurance from an International Quality Assurance Perspective'. The session was attended by 53 participants. The session provided an opportunity to share related aspects of their work, as well as to learn from other External Quality Assurance Agencies (EQAs).

e. Dr R Masha, Director for Accreditation, attended the 2025 Dream Conference in Philadelphia, USA, held on 18 to 21 February 2025, as part of the South African Siyaphumelela delegation. This conference focused on promoting student success through drawing on data-informed approaches.

4.1.4 Quality Promotion and Capacity Development Sub-programme

4.1.5.1 Organising and convening quality fora and other workshops for public and private higher education institutions, and professional bodies

The following quality fora and other workshops were organised and convened:

a. Regular QAF Lunch Hours are being held as online webinars in which the QAF is unpacked in smaller bite-sized chunks for capacity development. The following QAF Lunch Hours were held on:
   - 10 April 2024 on the topic of Standards as Codes of Practice (with 385 attendees).
   - 15 May 2024 on the topic of Transitioning from Institutional Audits to Institutional Reviews in the QAF for Private HEIs (with 262 attendees).
   - 17 July 2024, 16 August 2024 and 11 September 2024 on the topics of Qualification Standards, the HEPS on Modes of Learning and Teaching Provision and on Internal Quality Assurance Functionality. The QAF Lunch Hours were recorded and made available as resources on the CHE's YouTube Channel.

b. SAQA-CHE Regional Workshops – Five regional workshops were organised on Criteria for registration of qualifications and part-qualifications on the National Qualification Framework (NQF) and key requirements of implementation of the Higher Education Sub-framework. The purpose of the workshops was to conscientize higher education institutions regarding the requirements of the HEQSF and to capacitate them on SAQA's Policy and Criteria for Registration of Qualifications and Part-Qualifications on the NQF. The five workshops were held in the following regions:
   - Western Cape – 04 and 05 July 2024
   - Gauteng – 18 and 19 July 2024
   - Kwazulu-Natal – 22 and 23 July 2024
   - Mpumalanga and Limpopo – 30 and 31 July 2024
   - Eastern Cape – 29 and 30 August 2024

The workshops also allowed for engagements between individual institutions, the CHE and SAQA in order to resolve issues of concern to institutions.

c. Institutional visits on the QAF – The CHE concluded individual physical visits to each of the 26 universities to orientate and capacitate senior management (the vice-chancellor and senior management team) as well as senates on the QAF. The day programme started with a 1-hour meeting with the vice-chancellor and senior management that served as a meet-and-greet, and also to engage in the broad scope of the work that the CHE does in the sector. This was followed by a three-hour workshop with senior management and senate on the QAF. The CHE was warmly received at all the institutions, and the QAF approach was welcomed and supported at all institutions. Similar engagements will now take place with private higher education institutions. Given the number of private higher education institutions, the engagements will take place with regional clusters of institutions.

d. The CHE's QAF Coordinator also attended and presented at the Higher Education Quality Assurance Forum held in Cape Town from 11 to 13 September 2024 on the topics of Technology in Higher Education as well as providing an update to the participants on the QAF implementation and the CHE's work more broadly.

e. The CHE through the MHEQSF subprogramme held two HEQCIS workshops for PHEIs on 20 and 21 November 2024. The aim of these workshops was to assist PHEIs to submit better quality data more timeously to the HEQCIS.

f. The CHE and SAQA held two training workshops for peers who form the Community of Practice for the Joint Evaluation of Qualifications. The Workshops were held on 22 November 2024 and 29 November 2024.

g. The CHE through the MHEQSF sub-programme organised a physical training workshop and working meeting of the Community of Practice for the Evaluation of HEQF qualifications on 17 and 18 February 2025.

4.1.5.2 Compiling and producing good practice guides on relevant themes

The Draft Good Practice Guide on Honorary Doctorates was workshopped with CHE staff through an Asikhulume session held on 17 May 2024 at the Prof Narend Baijnath Resource Centre, CHE building.

The Good Practice Guide on Honorary Doctorates was tabled for consideration by the HEQC at its meeting held on 7 February 2025. The Guide is being finalised based on input received from the HEQC.

4.1.6 Other activities in the programme

The MHEQSF sub-programme organised a physical training workshop and working meeting of the Community of Practice for the Evaluation of HEQF qualifications on 17 and 18 February 2025. The first meeting for evaluation of qualifications took place on 28 March 2025 virtually.

Throughout the financial year, the MHEQSF sub-programme also continued to provide support to institutions with regards to changes to existing programmes and qualifications. These include requests for name changes as well as requests for addition of new fields of study. These have been processed and tabled for consideration by the Accreditation Committee.

In addition, the sub-programme processed requests to SAQA linked with re-registration of qualifications as well as deregistration of dormant qualifications in addition to supporting institutions to make requests for extension of last date of achievement for non-HEQSF aligned qualifications.

4.2 Programme 2: Quality Assurance

This Programme comprises the following four sub-programmes:

- Accreditation;
- Institutional Audits;
- National Reviews; and
- Development of the Integrated Quality Assurance Framework.

The purpose of the Quality Assurance Programme is to contribute towards the fulfilment of the mandate of the CHE as the national authority for quality assurance in higher education. The programme develops and implements processes to inform, assure, promote and monitor quality in higher education institutions (HEIs).

The four sub-programmes contribute to the overall purpose of the programme as stated above. The Accreditation Sub-programme focuses on the assessment of the quality of provision of a higher education institution either as a whole (institutional accreditation) or of specific educational programmes (programme accreditation) in order to formally recognise the institution and/or the programmes as having met certain predetermined criteria or standards of quality. The outcome of this process is normally the awarding of a status of recognition, and a 'licence' to operate within a specified time period.

The Institutional Audits Subprogramme focuses on the assessment and review of an institution's capacity for the quality assurance of its academic activities in a manner that meets the institution's specified mission, goals and objectives; and engages appropriately with the legitimate expectations and needs of various internal and external constituencies. Institutional audits are an institutional-level quality assurance mechanism that assesses the internal quality assurance mechanisms within higher education institutions.

The National Reviews Sub-programme focuses on the evaluation of existing learning programmes in specific subject fields, qualification types and qualification levels across all higher education institutions that offer the particular learning programmes. The purpose of National Reviews is to establish if institutions offering particular learning programmes continue to maintain the quality of their offerings long after they were granted accreditation. The outcome therefore is a determination to confirm or withdraw the accreditation status of the reviewed learning programme in institutions that offer it.

The Development of the Integrated Quality Assurance Framework Sub-programme focuses on the conceptualisation and development of a framework that seeks to harmonise the hitherto separated quality assurance methods and processes linked to the various quality assurance functions of the CHE. It is envisaged that such harmonisation would make it possible for the synergies between the various quality assurance functions to be leveraged. In turn, such leveraging of synergies is expected to facilitate better coordination and engender greater effectiveness and resource efficiency within the organisation. It is further expected to bring about closer alignment between various quality assurance functions of the CHE which will result in greater coherence and integration between the activities and processes of the various quality assurance functions, while eliminating possibilities of inconsistencies in outcomes on quality pronouncements.

4.2.1 Accreditation Sub-programme

4.2.1.1 Accrediting new programmes

A total of 392 new applications for programme accreditation were received through the HEQC-online system from 1 April 2024 up until 31 March 2025. These applications were all made on the new combined Accreditation and Registration application form. This intervention is linked to the effort of streamlining both the CHE and SAQA processes. Of these, 231 programme applications were submitted by private providers, 157 programme applications were submitted by public universities and 4 by public nursing colleges.

The NQF level breakdown of applications received during the reporting period is shown in Table 3.

Table 3: New Applications received via the HEQC-online by NQF Level

NQF LEVELS	Private Institutions	Public Universities	Public Nursing Colleges
Level 5	57	10	0
Level 6	22	11	0
Level 7	64	40	0
Level 8	47	38	4
Level 9	38	46	0
Level 10	3	12	0
Grand Total	**231**	**157**	**4**

Table 3 shows that the largest number of new applications received were from private higher education institutions with the majority at NQF levels 5, 7, 8 and 9. The majority of programmes submitted for accreditation were NQF levels 7, 8 and 9. Private higher education institutions submitted the higher number of programmes at level 5.

Seven (7) HEQC meetings were held during the 2024/25 financial year and a total of 664 proceedings served at the meeting. The following table gives an indication of the outcomes:

Table 4: HEQC outcomes

Outcomes	Number
Accredited	146
Accredited (with conditions)	409
Not accredited	99
Deferred	10
Grand Total	**664**

4.2.1.2 Organise and conduct site visits to verify the capacity of higher education institutions to offer quality programmes

Fifty-two (52) site visits to institutions to follow up on specified accreditation conditions were processed during the year under review. The site visits comprised one hundred and forty-one (141) programmes in total. Site visits reports were tabled at the HEQC meetings throughout the year.

4.2.1.3 Other activities under the subprogramme

The Accreditation Subprogramme introduced several initiatives aimed at enhancing efficiency and providing robust support to higher education institutions. These efforts align with the Quality Assurance Framework (QAF) protocols and are deeply rooted in advancing the transformation agenda within the sector.

a. Capacity building

Internal Capacity Building – The Subprogramme has implemented internal capacity-building initiatives focused on mentoring all staff members. These initiatives aim to foster reflection on the Subprogramme's processes, enhance research capabilities, and promote scholarly engagement through conference presentations and publications. As a result, the Subprogramme has collectively achieved seven conference presentations and four (4) publications currently in progress, with two publications already featured in accredited journals.

External Capacity Building – To support higher education institutions in improving the quality of their accreditation applications, the Subprogramme has introduced tailored capacity-building initiatives. Despite limited staff resources, these efforts have provided individualized support to thirty-two (32) institutions from September 2024 to date. Feedback from these engagements has contributed to the Subprogramme's scholarly outputs, including conference presentations and publications.

b. Professional Bodies Collaborative initiatives

The Accreditation Subprogramme has made significant progress in fostering partnerships with Professional Bodies that have signed Memoranda of Understanding (MOUs) with the CHE. These collaborations not only reflect transformative processes but also reaffirm the integral role of Professional Bodies within the Subprogramme's framework. In November 2024, the first collaborative site visit was conducted between the Health Professions Council of South Africa (HPCSA) and the CHE at an institution located in the Eastern Cape.

This approach aims to broaden the skills base of site visit panels while streamlining processes for institutions. By facilitating a single collaborative site visit, institutions are spared the logistical burden of accommodating separate visits from both the Professional Body and the CHE. Several such visits are planned for 2025, further advancing this efficient and integrative approach.

4.2.2 Institutional Audits Sub-programme

4.2.2.1 Institutional Audits initiated within a particular financial year

Twenty-five (25) institutional audits of private higher education institutions were initiated in the fourth quarter of the 2024/25 financial year.

4.2.2.2 Institutional site visits by CHE audit panels, within a particular financial year depending on individual institution's agreed planning with the CHE

A total of seventeen (17) institutional audit site visits were conducted during the 2024/25 financial year.

4.2.2.3 Audit reports of completed Institutional Audits finalised and approved, within a particular financial year

A total of eight (8) audit reports were approved and finalised by the HEQC during the 2024/25 financial year.

4.2.3 National Reviews Sub-programme

4.2.3.1 Conducting National Reviews of learning programmes in specific subject fields and qualifications, and of thematic areas

Two (2) National Review processes were initiated in the fourth quarter of the financial year. These are the Bachelor of Education and Postgraduate Certificate in Education national qualification reviews. These are over and above the three (3) national review processes for the Bachelor of Law (LLB) offered by the Independent Institute of Education, the Doctoral Degree, and the Bachelor of Social Work (BSW) qualifications that are also underway.

A further National Review on Modes of Provision has been initiated. The review is based on a higher education practice standard which was approved by the HEQC. The review has the purpose of approving qualifications that have been accredited for delivery in the contact mode where institutions would like to have the delivery mode changed. The review has been initiated through a series of workshops that have been held across the sector.

4.2.3.2 Preparing, finalising and approving national reports on the state of provision of the reviewed programmes or qualifications, or on thematic reviews

The Doctoral and Bachelor of Social Work (BSW) national review reports were completed during the period under review and approved by the HEQC.

4.2.4 Development of the Quality Assurance Framework Sub-Programme

4.2.4.1 Developing the CHE Management Information System, within a particular financial year

As the work progressed with the QAF-MIS, it became apparent that further opportunities exist for integration of the previously conceptualized QAF-MIS with the wider mandate of the CHE, particularly with regards to data management. Council approved that what was initially termed the QAF-MIS, as from 1 April 2024, to be reframed as the CHE-MIS. The CHE-MIS is envisaged to eventually take the form of an organisation-wide management information system integrating all of the CHE's core and support functions, thereby contributing to establishing the CHE as a truly digitally transformed institution. The CHE has been granted a University Capacity Development Grant for Phase 3 of the QAF Implementation. These funds are being used to fund the development and implementation of the CHE-MIS over the next three years. Two (2) progress reports on the development of the CHE-MIS were produced during the year under review. The reports were also approved by the ICT Committee of Council.

Discussions regarding the management of national higher education student data (as per the CHE's mandate) have been held with the South African Institute for Distance Education (SAIDE) and their implementing partner, the University of the Witwatersrand, which have been working towards the development of the National Student Data Warehouse (NSDW). The purpose of these discussions was to combine the CHE-MIS module for student data with the envisaged National Student Data Warehouse, in order to maximise funding and other efficiencies. The development of the NSDW is a Department of Higher Education and Training funded project through the University Capacity Development Programme, and a request has been submitted to the Department to approve the location of the NSDW at the CHE. A response is awaited.

4.2.4.2 Developing Higher Education Practice Standards (HEPS), within a particular financial year

The CHE planned the development of fifteen (15) HEPS in three years, five (5) in each financial year. In the first two years of the implementation of the QAF, six (6) HEPS were developed in each financial year, which meant that only three HEPS needed to be developed during the 2024/25 financial year.

One HEPS for Modes of Learning and Teaching Provision was approved in the fourth quarter. Three (3) additional HEPS, namely, (i) Research and Innovation, (ii) Postgraduate Supervision and Assessment, and (iii) Engaged Institutions, were developed by the Communities of Practice (CoPs) and approved by the CEO for submission to the HEQC.

4.2.4.3 Other work taken forward through the QAF Implementation Preparation Project

a. The REconceptualising LeArning and TEaching (RELATE) Project has the broad purpose of reimagining learning and teaching futures in higher education, post-pandemic, post-disaster and post-disruption, and to develop some of the quality assurance artefacts that are required for these futures. The RELATE Project has resulted in three publications (an annotated bibliography, a research report on the Teaching and Learning Plans that universities had to submit to DHET in 2021, as well as a research report on student success during the pandemic years). These reports formed the input into a Futures Scenario Planning workshop that was held on 4 to 5 June 2024, which resulted in a final report launched at an event during the year under review.

b. The CHE is participating in a consortium, supported by a European Union Erasmus+ Capacity Building in Higher Education grant, which is implementing the Potential of Microcredentials in Southern Africa (PoMiSA) Project. The PoMiSA Project represents a collaborative endeavour among leading African and European universities, national councils, and strategic partners, aimed at exploring and leveraging the transformative potential of micro-credentials for workforce development in Southern Africa. Through collaborative efforts and strategic initiatives, the project-seeks to establish a robust framework for the recognition, quality assurance, and regulation of micro-credentials, ultimately fostering innovation, mobility, and economic growth in the region. The CHE is responsible for a work package in the project that aims to document the state of play of current policies, as well as processes and strategies on microcredentials at various regional levels. This work package will contribute to the overall goal of developing a regional framework for microcredentials in the region, which Southern African countries can then use to develop their own national framework for microcredentials.

   Several reports emanating from the Potential of Microcredentials in Southern Africa (PoMiSA) were produced in the year. (https://pomisa.hec.mu/).

c. The Southern African Quality Assurance Network (SAQAN) has approved the development and launch of The SAQAN Journal for Quality Assurance in Higher Education. The CHE is leading the development of this Journal, in partnership with SAQAN and the University of Johannesburg. The purpose of this scholarly journal is to create a platform for quality assurance research and practice that will assist in professionalizing quality assurance in higher education in South Africa, in the region and on the continent in general.

d. The CHE won the bid to host the INQAAHE 2026 Forum in South Africa. The International Network for Quality Assurance Agencies in Higher Education (INQAAHE) hosts annual events across the world in which it brings together quality assurance agencies from around the globe to present research, discuss trends and facilitate capacity development in quality assurance in higher education. It is envisaged that bringing this international event to South Africa will reputationally enhance South African higher education globally, as well as support the CHE with capacity development in higher education quality assurance in South Africa, as well as regionally and continentally. The Forum will be held at Sun City in the first week of February 2026.

e. The QAF Coordinator also attended and presented at the following conferences: Insights into the future: Learning and Teaching Scenarios in 2036 (as panel chair) at the USAf Conference, 11 October 2024, Pretoria, and on Modes of Learning and Teaching Provision: A Higher Education Practice Standard at the HELTASA (Un)Conference workshop, 26 November 2024, University of Limpopo, Polokwane

4.3 Programme 3: Research, Monitoring and Advice

This programme comprises the following three subprogrammes:

- Research;
- Monitoring; and
- Advice.

The purpose of the Research, Monitoring and Advice Programme is to revitalise and strengthen the research, monitoring, evaluation and advice capabilities of the CHE in order to advance the realisation of Outcome 3 in the Strategic Plan 2020 – 2025, namely, to make the CHE a reputable centre of intellectual discourse, research hub, knowledge generation and advancement on higher education. Each of the three sub-programmes seeks to contribute to the achievement of this outcome.

Research is a systematic process of collecting, processing, analysing and interpreting data or information in order to discover new facts or verify existing facts for the advancement of knowledge and development of solutions to human and societal problems. Therefore, the purpose of the Research Sub-programme is to advance knowledge on higher education with a view towards building the CHE as a knowledge hub; and to search for solutions to challenges that confront the higher education sector in the country. The dissemination of the results of research will, among others, necessitate the creation of platforms such as conferences, colloquia and symposia; given research results presented at such platforms normally generates intellectual discourse.

Monitoring is a systematic process of collecting, processing, analysing and interpreting data or information on specified variables of a subject matter in order to ascertain patterns and trends of those variables over time. Therefore, the purpose of the Monitoring Sub-programme is to establish patterns and trends of developments within the higher education system; and to assess the performance of the system against targets on national key performance indicators.

Advice is an informed opinion, recommendation or counsel provided to a person or a body to assist the latter arrive at an appropriate decision on policy position or on any other relevant course of action. Part of the legislative mandate of the CHE is to provide advice to the Minister responsible for higher education on request, or proactively on the CHE's own volition.

4.3.1 Research Sub-programme

4.3.1.1 Undertaking or commissioning research on selected themes or topics

a. Research report on the stakeholder perspectives on the state of quality of higher education

The final research report on the stakeholder perspectives on the state of quality of higher education was presented and discussed at a plenary session of the CHE's Higher Education Conference on 26 February 2025. The report generated much discussion among participants at the conference. The HSRC and the CHE will jointly publish the report since the project was commissioned by the CHE, while the research was conducted by a team of researchers from the HSRC.

b. Research project investigating stakeholder perceptions on the state of quality of higher education in South Africa three decades into democracy

The research project investigating stakeholder perceptions on the state of quality of higher education in South Africa three decades into democracy, was completed, and the draft research report was finalised after a period spent incorporating the revisions recommended by critical readers and the Management of the CHE.

c. Research report on the characterisation of the public universities that were established and/or re-established through the merger and incorporation processes of early 2000s

The research report on the characterisation of the public universities that were established and/or re-established through the merger and incorporation processes of early 2000s, was finalised after incorporating the revisions recommended by the critical readers. The report offers interesting findings that will be shared at a research colloquium.

d. Research project investigating alternative approaches to determining the quantum of funding required for higher education

The research project investigating alternative approaches to determining the quantum of funding required for higher education progressed to an advanced stage. A draft final report was compiled and this will be sent to external critical readers. The draft report will be revised once the critical readers provide their feedback. A research colloquium to present and discuss the draft report will be organised during the first quarter of the 2025/26 financial year.

e. Research project to investigate ways and means of leveraging post-doctoral research fellows for enhancing academic and research staff capacity in public universities in South Africa

The research project to investigate ways and means of leveraging post-doctoral research fellows for enhancing academic and research staff capacity in public universities in South Africa made good progress. Permission to interview post-doctoral research fellows and other relevant officials were obtained from twenty out of the twenty-six public universities. The remaining six public universities were still being engaged in order to obtain their permissions. Interviews and focus group discussions commenced in the twenty public universities from which permission to conduct the research has been obtained.

f. Research proposal for a project aimed at assessing the state of statutory institutional governance structures in public higher education

The research proposal for a project aimed at assessing the state of statutory institutional governance structures in public higher education was completed. It was subsequently tabled at the meeting of the Research Ethics Committee on 12 February 2025, for ethical clearance. The Research Ethics Committee requested further information on some aspects of the research proposal before granting the ethical clearance. The requested information has been gathered and incorporated into the research proposal. The revised research proposal is expected to be tabled at the next meeting of the Research Ethics Committee scheduled for May 2025.

g. Research proposals for projects on: (i) Illicit Provision of Higher Education and the Conferment of Higher Education Qualifications, and (ii) Challenges of Safeguarding Academic Integrity in the Era of Generative Artificial Intelligence and Online Provision of Higher Education

The research proposals for projects on: (a) Illicit Provision of Higher Education and the Conferment of Higher Education Qualifications, and (b) Challenges of Safeguarding Academic Integrity in the Era of Generative Artificial Intelligence and Online Provision of Higher Education, were being reworked to fill various gaps identified during an internal review process. These improved proposals are likely to be completed and tabled at a meeting of the Research Ethics Committee during the first quarter of the 2025/26 financial year.

h. Manuscripts selected for publication in the CHE-sponsored special issue of the South African Journal of Higher Education, Volume 39, Number 3

Authors of the manuscripts selected for publication in the CHE-sponsored special issue of the South African Journal of Higher Education, Volume 39, Number 3, worked on the changes recommended by the peer reviewers. The revised manuscripts were subsequently resubmitted for review by the Guest Editor. Once this review process is completed, the manuscripts will be submitted to the journal for the final editorial oversight process. It is expected that the special issue will be published during the second quarter of the 2025/26 financial year.

i. Manuscripts submitted for consideration for publication in Kagisano 16 on Promoting Social Inclusion in Higher Education

The peer review process for manuscripts submitted for consideration for publication in Kagisano 16 on Promoting Social Inclusion in Higher Education, was completed. The feedback from the peer reviewers will be analysed and packaged properly before relaying it back to the authors. As usual the authors will be expected to rework their manuscripts while taking into consideration the recommendations of the peer reviewers. Kagisano 16 is likely to be published during the third quarter of the 2025/26 financial year.

4.3.1.2 Providing platforms for fostering critical discourses on contemporary issues

a. Virtual colloquium to discuss a research report on the changing shape and size of postgraduate programmes in public universities in South Africa

The CHE and the SARChI Chair for Teaching and Learning at the University of Johannesburg jointly organised a virtual colloquium to discuss a research report on the changing shape and size of postgraduate programmes in public universities in South Africa. Two hundred and fifty-two (252) people attended this colloquium which was held on 11 June 2024.

b. Online research colloquium on 'Promotion of Social Inclusion in Higher Education'

The CHE convened and facilitated an online research colloquium on 'Promotion of Social Inclusion in Higher Education'. The event took place on 30 August 2024 and a total of 143 participants took part. The participants included CHE staff, academics, researchers, participants from both public and private higher education institutions, officials from the Department of Higher Education and Training and the Department of Science and Innovation, researchers, other professionals from science councils and independent research institutions, Quality Councils and other NQF entities. The keynote speakers at the colloquium were Prof Amasa Ndofirepi from Sol Plaatjie University, Prof Malehoko Tshoaedi from University of Johannesburg, and Prof Nuraan Davids from Stellenbosch University. The keynote addresses and the discussions that followed confirmed that much needs to be undertaken by higher education institutions, and the higher education sector at large, to promote social inclusion as envisaged in the Policy Framework for the Realisation of Social Inclusion in Post-School Education and Training System, promulgated in 2014. The colloquium resolved that the CHE should call for papers on promoting social inclusion in higher education to be considered for publication in the next issue of Kagisano, the research journal of the CHE.

c. Online research colloquium on 'Reflections on University Rankings and what they mean to Higher Education in South Africa'

The CHE convened and facilitated an online research colloquium on 'Reflections on University Rankings and what they mean to Higher Education in South Africa'. The research colloquium was held on 13 September 2024. A total of 211 people took part in the research colloquium. The purpose of the colloquium was to reflect on the global university rankings and their significance to higher education in South Africa – at a time when universities in the country are increasingly featuring more prominently in several of the global university ranking systems. As in other countries, there are different views in South Africa on how to regard the university rankings, and specifically what they mean in relation to the promotion of quality higher education, and the contribution of higher education towards the realisation of other national priorities. The keynote speakers at the colloquium were Prof Saurabh Sinha from University of Canterbury, New Zealand, and Prof Sioux McKenna from Rhodes University. The address by Prof Sinha focused on how university rankings could be leveraged to promote quality teaching and learning, research, and engaged scholarship. The address by Prof McKenna focused on poor science behind the university rankings, the neo-liberal ideological leanings of the rankings, and the ongoing gaming of the rankings. The colloquium recommended that the CHE and the Department of Higher Education and Training should engage more with the sector on the issue of rankings, as currently this constitutes a polarising issue.

d. CHE's 2025 Higher Education Conference

The CHE's Higher Education Conference, 2025, took place from 26 to 28 February 2025 at Birchwood Hotel and OR Tambo International Conference Centre, in Boksburg. Over 300 persons attended, which included participants from Botswana, Germany, Lesotho, Namibia, New Zealand, and the United Kingdom. The conference programme included keynote addresses, plenary discussion sessions, parallel paper presentations featuring 160 papers, and symposia. There was also a Conference Galla Dinner. The conference was well-covered in several social media platforms. Participants were requested to provide feedback on their experiences at the conference, and the great majority of the participants gave all (organizational and intellectual) aspects of the conference a high rating.

e. Research colloquium to discuss the report on funding, access and success of higher education students in South Africa

The CHE organised a research colloquium on 13 March 2025 in partnership with the Ali Mazrui Centre for Higher Education Studies (AMCHES) at the University of Johannesburg, to discuss the report on funding, access and success of higher education students in South Africa. The report was prepared from a research project that the CHE had commissioned in 2019 and which was undertaken by researchers affiliated with the AMCHES. The research colloquium went well and the report generated robust discussion. Many participants expressed the view that the report should be published.

4.3.1.3 Disseminate research findings through scholarly publishing

a. South African Journal of Higher Education (Volume 38, Issue Number 1)

The CHE-sponsored special issue of the South African Journal of Higher Education (Volume 38, Issue Number 1) was published. It carries articles developed from selected presentations at the Higher Education Conference held in March 2023. This conference was organised by the CHE and its theme was Promoting Access to, and Success in Postgraduate Studies.

b. Kagisano 15 publication

Kagisano15 on Artificial Intelligence and Higher Education in South Africa was published. It has ten articles including one authored by staff within the Research, Monitoring and Advice Programme at the CHE.

4.3.1.4 Synthesise and package research findings into policy briefs

a. Issues 29 and 30 of Briefly Speaking

Issues 29 and 30 of Briefly Speaking were prepared, peer reviewed, finalised and uploaded onto the CHE website during the second quarter of 2024/25 fiscal year. Issue 29 reflected on the unintended consequences of incentivising research and publication using monetary rewards. The second one looked at the use of viva voce examinations in the assessment of doctoral theses among South African higher education institutions which offer such qualifications. Both these editions of Briefly Speaking have generated significant interest among stakeholders.

b. Issue 31 of Briefly Speaking

Issue 31 of Briefly Speaking was prepared, peer reviewed, finalised and uploaded onto the website of the CHE during the third quarter of 2024/25 fiscal year. This issue looked at food security challenges among higher education students from socio-economically disadvantaged backgrounds. It makes valuable findings and recommendations which are crucial to follow up on.

c. Issue number 32 of Briefly Speaking

Issue number 32 of Briefly Speaking, titled 'The Humanities in the Era of Turbulence', was completed and uploaded onto the CHE website in February 2025. It examines issues of reduced student enrolment in the Humanities, the closing and/or merging of schools or academic departments in the Humanities at universities, as well as the declining levels of funding for research and scholarship activities in the Humanities. Discussion regarding the causes of these developments, and the recommended actions to halt and/or reverse these trends are presented in the publication. The Briefly Speaking analysis emphasises that the challenges encountered by the Humanities are global, and are by no means confined to South Africa.

d. Issue number 33 of Briefly Speaking

Issue number 33 of Briefly Speaking, titled 'Senate's Stewardship of the Academic Project in Higher Education', was completed and uploaded onto the CHE website in March 2025. It discussed the primary role of senates in higher education institutions, which is that of safeguarding the academic project in an institution. It also expressed concern that senates in most universities in South Africa are not playing their primary role with optimal effect. The piece also discussed the consequences of this situation, as well as the courses of action that should be adopted - to improve the situation and ensure that senates are effective custodians of the academic project in universities. The discussion clearly indicated that the increasing inability of senates to fulfil their mandate is a global phenomenon and is by no means restricted to senates in public universities in South Africa.

4.3.1.5 Other activities under the sub-programme

a. Draft 'Articulation Policy for Qualifications on the General and Further Education and Training Qualifications Sub-Framework (GFETQSF)'

A draft 'Articulation Policy for Qualifications on the General and Further Education and Training Qualifications Sub-Framework (GFETQSF)' was reviewed at the request of Umalusi. A review report was prepared and submitted to the Office of the Chief Executive Officer of Umalusi.

b. Draft 'Recognition of Prior Learning (RPL) Implementation Framework'

A draft 'Recognition of Prior Learning (RPL) Implementation Framework', was reviewed at the request of the Department of Higher Education and Training. A review report was prepared and submitted to the Department of Higher Education and Training. The review comments provided in the submission are not necessarily advice as contemplated in section 3(1) of the Higher Education Act No. 101 of 1997, as amended.

c. BRICS workshop on university rankings and the potential to develop and operationalise a BRICS system of university rankings

The CHE was invited by the DHET to send a representative to join the delegation attending a BRICS workshop on university rankings and the potential to develop and operationalise a BRICS system of university rankings. The workshop took place on 17 and 18 September 2024. The CHE representative presented at the workshop on the state of the discourse on university rankings in South Africa, and on the participation of South African higher education institutions in several 'global' ranking systems. The workshop noted the advantages of university rankings and resolved that it is important that the BRICS should develop its own university ranking system that would not be based on neo-colonial philosophy and ideology. Another workshop took place on 18 October 2024 to finalise the proposal for the BRICS university ranking system, and to decide how to pilot the system.

d. Participation in the research on the state of transformation within the national system of innovation (NSI)

Mbabalazo Advisory Services, an independent research firm that has been contracted by the National Advisory Council on Innovation (NACI) to undertake research on the state of transformation within the national system of innovation (NSI), selected the Director: Research, Monitoring and Advice to be interviewed as part of the research. NACI has also approached the CHE to partner with it in its work on developing a transformation framework for the NSI, and in hosting a transformation summit for the NSI.

e. Signed collaboration agreement with the Southern African Labour and Development Research Unit (SALDRU)

An agreement was signed with the South African Labour and Development Research Unit (SALDRU) at the University of Cape Town to collaborate on the following projects: (a) the changing composition of university students by school quintile and subject choice; (b) the effectiveness of extended curriculum programmes (ECPs) in supporting student success (graduation); and (c) the role of higher education in promoting social mobility. This collaborative research work commences on 1 April 2025.

4.3.2 Monitoring Sub-programme

4.3.2.1 Collating and analysing information on key trends and developments in higher education

a. Issue number 17 in the Higher Education Monitor series

Issue number 17 in the Higher Education Monitor series, titled 'Changing Trends in the Size and Shape of Postgraduate Programmes Offered in the Public Higher Education System in South Africa, 2005 – 2020', was published. It presents data on trends in enrolment and graduation of postgraduate students disaggregated by level of study, field of study, race, gender, and nationality.

b. Draft framework for monitoring and evaluation of transformation of, and within, higher education

The draft framework for monitoring and evaluation of transformation of, and within, higher education was presented in a symposium at the CHE Higher Education Conference, 2025, on 28 February 2025. The purpose of presenting the draft framework at the symposium was to receive input from a broader spectrum of stakeholders from across the higher education sector who were attending the conference, including participants from other countries. The feedback received suggested that the document still requires much reworking to bring it to a satisfactory level. The main issue concerns the particular set of variables that should be selected to serve as units of analysis during monitoring and evaluation of transformation. There are diverse viewpoints on what should constitute the main parameters or variables for purposes of monitoring and evaluation. The process of reworking the draft document, taking into consideration input received during the symposium, is underway.

4.3.2.2 Assessing the performance of the public higher education sector against national targets on key indicators

a. *VitalStats* 2022

VitaStats 2022 which provides data on critical higher education variables for both public and private higher education in South Africa for the period 2017 to 2022, was finalised and published. The electronic copy was uploaded onto the CHE website, and hardcopies were sent to higher education institutions and other key stakeholders.

b. Supplement to *VitalStats* 2022

The supplement to *VitalStats* 2022 was finalised after undertaking the revisions recommended by the external critical reader. It presents data and graphs on postgraduate enrolment and graduation, state funding of public higher education institutions, research outputs, and research subsidies. The document has progressed to the publication stage, and it is expected to be published in April 2025.

c. Preparations for *VitalStats* 2023

The HEMIS data required for preparing *VitalStats* 2023 was obtained from the DHET. The work on preparing the VitalStats 2023 has commenced, and the relevant cohort analyses have been completed. Other activities on this project are continuing, and a draft *VitalStats* 2023 is expected by the end of the first quarter of the 2025/26 financial year.

4.3.2.3 Developing and updating profiles for higher education institutions

Work on compiling institutional profiles or portfolios for the University of Mpumalanga and Sol Plaatje University, was completed, and the institutional profiles and/or portfolios were finalised.

4.3.2.4 Other activities under the subprogramme

As part of its monitoring and evaluation work, the CHE embarked on the implementation evaluation of the Policy Framework for the Realisation of Social Inclusion in Post-School Education and Training System (DHET, 2016), with a focus on evaluation of the progress that higher education institutions have made towards meeting policy requirements regarding catering to the needs of staff and students with disabilities, during the eight (8) years since the policy was promulgated. International benchmarking has been undertaken and a report prepared. The work will now proceed to carrying out a situation analysis which will lead to the compilation of a situation analysis report.

4.3.3 Advice Sub-programme

4.3.3.1 Source, analyse and package information into responsive and/or proactive advice

a. Advice to the Minister on the proposed disestablishment of the National Institution for the Humanities and Social Sciences (NIHSS) and its proposed incorporation into the Human Sciences Research Council (HSRC)

The Minister requested the CHE to provide advice on the proposed disestablishment of the NIHSS and its proposed incorporation into the HSRC. The advice was prepared and was subsequently submitted to the Minister. The Chief of Staff for the Minister acknowledged receipt of this advice.

b. Review of the Draft Policy for the Recognition of South African Higher Education Institutional Types and advice on how it can be taken forward

The CHE received a request from the Minister to review the latest version of the Draft Policy for the Recognition of South African Higher Education Institutional Types, and provide advice on how it can be taken forward. An advisory note on the Draft Policy on the Recognition of South African Higher Education Institutional Types was prepared and processed for approval to submit to the Minister. Council approved this at its meeting in October 2024, and it was subsequently submitted. The Deputy Director-General for the University Branch of the Department of Higher Education sent a formal acknowledgement of receipt of the advisory note.

c. Advisory Note on Proposals for the Amendments to the Higher Education Act No. 101 of 1997

At a bilateral meeting between the Management of the CHE and the Management of the University Branch of the Department of Higher Education and Training (DHET), which was held on 18 April 2024, the Deputy Director-General (DDG) of the University Branch announced that the DHET had embarked on a project to review the Higher Education Act No. 101 of 1997, as amended. The DDG indicated that the motivation for the review was that some provisions in the Act were increasingly becoming outdated. The DDG invited the CHE to be actively involved in the process of reviewing the Act.

In response to the invitation to be actively involved in the process of reviewing the Act, the CHE established an internal task team to carefully go through the Act and identify those sections and/or provisions that have a bearing on its work, and which it proposed to be amended.

An advisory note on Proposals for the Amendments to the Higher Education Act No. 101 of 1997 was prepared and processed for approval to submit to the DHET. Council approved this at its meeting in October 2024, and it was subsequently submitted. The Deputy Director-General for the University Branch of the Department of Higher Education sent a formal acknowledgement of receipt of the advisory note.

4.3.3.2 Other activities under the sub-programme

The reports on funding, access and success in higher education; and the characterisation of public universities established and/or re-established through the merger and/or incorporation processes, were carefully analysed to establish whether there were matters that meet the requirements for packaging into advice to the Minister and/or the DHET.

4.4 Programme 4: Corporate

The Corporate Programme comprises the following four subprogrammes:

- Governance;
- Corporate Services;
- Finance and Supply Chain Management; and
- Communications and Stakeholder Relations.

The purpose of the Corporate Programme is to provide leadership, oversight, systems, activities and structures that enable the organisation to operate effectively and efficiently in fulfilment of its mandates and in pursuit of its intended outcomes. The programme focuses on setting the policy and tone for good governance, statutory compliance, and transfer of business best practices across the organisation; and ensuring the efficient and effective provision of corporate services – administrative, financial, technical and professional – to support the discharge of the core functions of the CHE. Furthermore, the programme is the vehicle by which the organisation seeks to achieve outcomes 4 and 5 in the Strategic Plan 2020 – 2025. These outcomes are, 'Governance, compliance and risk management', and 'Sustainable, responsive and dynamic organisation'.

Each of the four sub-programmes contributes to the attainment of the strategic outcomes stated above. The Governance Sub-programme fulfils a critical role in good corporate governance in ensuring that the CHE is governed and managed effectively. The sub-programme ensures compliance with government regulations, legal obligations, and reporting requirements; whilst facilitating continuous improvement in the provision of quality services. It aims to ensure that the CHE delivers on its mandate, achieves its organisational outcomes, and meets the needs of the stakeholders in the higher education sector effectively and efficiently, while upholding the highest standards of integrity. It establishes a framework for achieving good governance through outlining general principles that apply to all key role players.

The Corporate Services Sub-programme provides policy direction, strategy execution guidelines, and good governance frameworks for the effective management of human resources, information communication and technology and facilities, in furtherance of the CHE's transformation framework and mandate. It promotes and coordinates these organisation-wide functions to enhance organisational effectiveness, productivity and interactions with internal stakeholders. It is also responsible for managing the organisational architecture and business processes to contribute to the achievement of its strategic outcomes.

The Finance and Supply Chain Management Sub-programme provides technical support to all programmes in respect of sound financial and supply chain management. The main purpose of this sub-programme is to ensure adherence to and compliance with all applicable PFMA, Treasury and Governance prescripts. It develops and oversees the implementation of frameworks, processes, procedures and guidelines for financial management and procurement. It is further responsible for financial accounting and reporting as required by the prescribing statutes and bodies.

The Communications and Stakeholder Relations Sub-programme coordinates internal and external communication for the CHE in concord with the mandate, vision, mission and value of the CHE, and its communications strategy. The subprogramme also seeks to enhance the public image of the CHE, and promote its visibility within and accessibility to the higher education sector in the country. Furthermore, the sub-programme promotes and coordinates strategic stakeholder relations within South Africa, the SADC region, the African continent and internationally.

4.4.1 Governance Sub-programme

4.4.1.1 Developing or reviewing ICT policies, frameworks, guidelines, and procedures

During the year, the following ICT policies, guidelines and frameworks were revised/developed:

- ICT Cyber Security Policy
- ICT Architectural and Operational Framework
- ICT Operational Guidelines
- Revised Records Management Policy
- Revised ICT Disaster Recovery Policy
- ICT Patch Management Procedure document
- ICT Security Access Control Procedure document
- Revised Information Security Management Policy

4.4.1.2 Developing or reviewing Human Resources policies, frameworks, guidelines, and procedures

During the year, the following Human Resources policies, guidelines and charter were revised/developed:

- Remuneration and Benefits Policy
- Retirement and Benefits Policy
- Acting Appointment Policy
- Risk Pool and Retirement due to Ill Health Policy
- Performance Management Policy

- Internal Secondment Policy;
- Employment Equity;
- Grievance Policy;
- Employee Wellness Programme Policy;
- HIV Aids Policy Dreaded Diseases Policy;
- Sexual Harassment Policy;
- Occupational Health and Safety Policy;
- Smoking Policy;
- Environmental Policy;
- Delegation of Authority;
- Integrated Talent Management Policy;
- Integrated Talent Management Procedures and Guidelines; and
- Performance Enhancement Plan and Procedure Guidelines.

4.4.1.3 Develop or review financial management and supply chain management policies, frameworks, guidelines, and procedures

During the financial year under review, there was ongoing focus on governance and accounting policy reviews and enhancements in order to ensure compliance with the applicable guidelines from National Treasury, Accounting Standards and best practices.

All control accounts were reconciled monthly to ensure accurate reporting of monthly finance and supply chain transactions. The strategic and operational risks were identified and assessed, and progress reports were presented to the Audit and Risk Committee and Council for their recommendation and approval.

The following financial management and supply chain management policies, guidelines and charter were revised/developed:

- Bank Management Policy
- Acceptable levels of materiality and significance
- Materiality and Significance Framework
- SCM Policy
- SCM Procedures
- Finance Process Flow
- Environmental Policy
- Procedure to Reassess the Useful Lives and Residual Values
- Occupational Health and Safety Plan
- Guidelines and Procedures on Payments to Peer Academics
- Debts and Collection Policy

4.4.1.4 Organising and convening meetings of the governance structures

During the 2024/25 financial year, a total of thirty-one (31) governance meetings including meetings for the Audit and Risk Committee (ARC), the Executive Committee of Council (EXCO), the Higher Education Quality Committee (HEQC), the Executive Committee of the Higher Education Quality Committee (HEQC EXCO), the Human Resources and Remuneration Committee (HRRC), the Nominations and Governance Committee (NGC), the Research, Monitoring and Advice Committee (RMAC), the ICT Committee of Council (ICTCoC) and Council were held.

In addition, the following workshops took place:

a. The HEQC Workshop was held on 13 June 2024 to consider the following matters:

- Ways to improve the functioning of the Accreditation Committee and improving the quality of HEQC accreditation documentation.
- Legal advice on institutional audits and other quality assurance reports.

- Reflections on institutional audits processes going forward.
- Progress regarding the development of the CHE-MIS, next steps and a demonstration of the Institutional Quality Dashboards system.
- Higher Education Practice Standard on Modes of Learning and Teaching Provision, the Manual and Criteria for the themed review.
- The new CHE functional organisational structure, and a proposal for reconfigured HEQC sub-committees.

b. A Council Workshop was held on 4 September 2024 to consider the revised draft Strategic Plan for 2026 to 2030.

4.4.2 *Corporate Services Sub-programme*

4.4.2.1 *Developing and approving annual ICT Operational Plans based on the CHE's approved Digital Transformation Framework, within a particular financial year*

The 2024/25 ICT Operational Plan was approved and implemented through the financial year.

4.4.2.2 *Concluding activities as per an approved annual ICT Operational Plan, within a particular financial year*

Ninety percent (90%) of the activities in the Annual ICT Operational Plan were concluded during the year. This included completion of ICT Projects identified as priority projects at the beginning of the financial year.

4.4.2.3 *Providing an enabling and nurturing human resources management environment through training and development, of skills and talent pipeline that addresses the CHE's capacity priorities*

a. Staff Training and Development

Employees were trained/developed through participation in the following eighteen (18) training interventions which took place during the year under review:

- Standard Operating Procedure.
- Comprehensive Data Analysis course using stata.
- Advanced Project Management.
- Personal Development Programme.
- Higher Education Conference.
- Executive Development.
- Future Africa and SAAIR.
- Introduction to Quantitative Data Analysis for Researchers in Education.
- Being Director Part 1-4.
- First Aid Level 1 (first intervention for group 1).
- First Aid Level 1 (second intervention for group 2).
- HERS Academy for women.
- SAAIR and Northwest University.
- SAQAN Conference 2024.
- USAF's Third Higher Education Conference.
- Compliance Management.
- SAAIR Conference.
- Power HEDA Reporting.

b. Employment Profile

The total number of employees at the end of the financial year under review was forty (40) against fifty-two (52) positions on the approved organisational structure. Out of these fifty-two (52) positions, only forty-eight (48) were funded. There were six (6) appointments and six (6) terminations/ resignations during the year under review.

The conception of the (i) Management of the HEQSF and Quality Promotion directorate; (ii) the movement of the HEQCIS system; (iii) increased workload in the Accreditation directorates; (iv) the implementation of the QA Framework and reduced baseline on Compensation of Employees (CoE); has necessitated the appointment of additional capacity over time, as well as during the period under review. Seven (7) additional employees were working in the sub-programmes on a fixed-term contract basis during the period under review. These positions fall outside the current approved organisational structure. This brings the total number of functional employees in the organisation to forty-seven (47).

The revision of the Quality Assurance Framework (QAF), the expansion of the mandate of the CHE and the constantly increasing number of higher education institutions has necessitated a review of the organisational structure to ensure an aligned structure that can deliver on this crucial mandate. This especially includes the need to ensure adequate capabilities in Information and Communication Technology (ICT) that will ensure integration in line with the revised QAF Strategic Framework. The proposed new organisational structure was approved by Council on 27 May 2024. The new organisational structure will be implemented in phases from 1 April 2025, as funding allows. The recruitment process for some of the new positions in the new structure has started, and the plan involves the new appointees taking up their positions at the start of the new financial year.

c. Employment Equity Status as at 31 March 2025

The overall profile in terms of race is 90% African, 2.5% Coloured, 5% Indian and 2.5% White. In terms of gender, it is 33% male and 67% female. The profile at management level in terms of race is 79% African, 5% Coloured, 11% Indian and 5% White. In terms of gender at management level, it is 37% male and 63% female. There are currently no staff members with a disability.

The CHE continues to experience challenges with the attraction of employees with disabilities and this is notwithstanding the collaboration with recruitment organisations that specialise in this area. The planned annual target is to appoint at least one staff member with a disability (any level, racial group or gender).

The CHE employed fewer than fifty (50) employees during the period under review. However, as the CHE is an organ of state, it is required to comply with the obligations of a designated employer relating to affirmative action, including the development and implementation of employment equity plans and reporting and submission of employment equity reports to the Department of Employment and Labour (DoEL).

4.4.3 Finance and Supply Chain Management Subprogramme

4.4.3.1 Paying eligible suppliers within 30 days from date of receipt of their invoices

Of the two hundred and eighty-seven (287) eligible suppliers during the financial year under review, all (100 percent) were paid within an average of twenty-four (24) days after submitting their invoices.

4.4.3.2 Ensuring that expenditure reports are monitored, consolidated and submitted to the relevant authorities by the compliance date on a quarterly basis

Four (4) expenditure reports were prepared and submitted to DHET and National Treasury by the compliance date during the year under review.

4.4.4 Communications and Stakeholder Relations Sub-programme

4.4.4.1 Developing/revising and approving the Communication and Advocacy Plan, within a particular financial year

The Communications and Advocacy Plan for the 2024/25 financial year was reviewed, approved and implemented throughout the year.

4.4.4.2 Concluding activities as per the Communication and Advocacy Plan, within a particular financial year

The CHE successfully accomplished eighty (80) percent of the activities outlined in the Communication and Advocacy Plan. During the year, the CHE maintained robust internal communication by ensuring staff were kept informed about organisational developments, particularly concerning the implementation of the Quality Assurance Framework (QAF). Internal communication platforms were effectively utilised, and announcements were issued through the intranet which served as a valuable resource for employees. The CEO's Newsletters were disseminated to address diverse organisational matters and developments within the CHE.

The CHE continues to strengthen its digital presence through its website and social media platforms, including Facebook, X (formerly Twitter), and LinkedIn, with a growing number of users.

4.4.5 Other activities in the programme

4.4.5.1 CEO engagements with the sector

The Chief Executive Officer made presentations/addresses at several fora during the year, including the following:

- Times Higher Education Pan-Africa Universities Summit 2024 on 16 April 2024.
- 1st UNISA International Higher Education Teaching, Learning, and Student Support on 8 May 2024.
- Event on Protecting the fundamental values of higher education and research in the 21st century: conceptualisation, codification, monitoring, practice, organised by King's College London on 9 May 2024.
- Initial Teacher Education Donor Group Meeting organised by JET Education Services on 15 May 2024.
- INQAAHE Talks Seminar held by INQAAHE on 31 May 2024.
- INQAAHE Conference on 12 June 2024.
- MANCOSA 2024 Quality Conference on 24 July 2024.
- DHET Fee Regulation Workshop on 5 September 2024.
- 2024 Higher Education Quality Assurance Forum organised by CPUT on 12 September 2024
- 6th SAQAN Conference on 26 September 2024.
- 2024 NADEOSA Conference on 2 October 2024.
- USAf 3rd Higher Education Conference on 11 October 2024.
- DALRRD Workshop on 30 October 2024.
- USAf Vice-Chancellors Workshop on 28 November 2024.
- AgriSETA AgriEducation Symposium on 10 December 2024.
- Ministers Open Discussion with Education Deans on 17 January 2025.

4.4.5.2 Efforts to increase the CHE's funding pool

Council considered a funding model for the CHE that sought to diversify the range of funding sources that the CHE is able to draw on to fund its diverse work. The diverse finding model includes the grant from the fiscus, payments by institutions as partial cost recovery for the services provided to institutions, and funds received from partners with strong interest in aspects of the CHE's work. Council supported that this funding model should be explored further and that a full proposal should be submitted for Council's consideration. This work is underway.

Some success is already evident in increasing the CHE's funding pool, and the following funding partnerships were in place in the financial year under review:

- Funding for the QAF Phase 3 project through the DHET's UCDP – R23 981 607.25.
- Funding for the PoMiSA project through the European Union's Erasmus+ Capacity Building in Higher Education Programme – R991 941.05.
- Funding from INQAAHE for quality assurance capacity building initiatives at selected universities – R137 496.56.
- Funding from the International Finance Corporation (IFC) for a project on graduate employability and student success in private higher education institutions – R 547 830.00.

4.4.5.3 International engagements

The CHE hosted the following international delegations in the year under review:

- Malawian Delegation visit to the CHE – 14 May 2024.
- ACTS National Policy Visit to South Africa – 02 August 2024.
- Visit to CHE by the Malawi Ministry of Education and the National Council for Higher Education in Malawi – 16 August 2024.

The CHE continued to participate as a member of:

- The Southern African Quality Assurance Network (SAQAN). The CEO is the Network treasurer. *https://saqan.org*
- The International Network of Quality Assurance Agencies in Higher Education (INQAAHE). *https://www.inqaahe.org*
- The Global Academic Integrity Network (GAIN). *https://globalacademicintegrity.network*

The CHE was successful in its bid to host the 2026 INQAAHE forum in South Africa. The forum will be held in the first week of February 2026, at Sun City Conference Centre.

4.5 Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

All outcomes, outputs, output indicators, targets and actual achievements are reflected in Table 5 below:

Programme 1: Management of the HEQSF

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(a) Sub-programme: Qualifications Standards Development									
CHE as an effective custodian of the HEQSF	Qualification standards developed for specified qualifications, or reviewed.	4.1.1.1: Number of qualification standards fully developed or reviewed in a particular financial year.	3	3	3	3	0	None	None.
	Qualification standards developed for specified qualifications, or reviewed.	4.1.1.2: Number of qualification standards development or review processes initiated in a particular financial year.	4	5	4	5	+1	The target was exceeded because there was a need to initiate an additional qualification standard in a particular financial year.	None.
	Events or projects for promoting use of standards	4.1.1.3: Number of events or projects for promoting the use of qualification standards undertaken in a particular financial year.	8	7	5	7	+2	The target was exceeded because additional events or projects for promoting the use of qualification standards needed to be undertaken.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(b) Sub-programme: Data Management									
CHE as an effective custodian of the HEQSF	A functional database holding records of all private higher education institutions.	4.1.2.1: Percentage of private higher education institutions that have submitted validated sets of data records in the database in a particular financial year.	90%	97%	90%	97%	+7%	The target was exceeded because there are increasing numbers of private higher education institutions that have required sets of data records in the database.	None
	Submission of data to the NLRD.	4.1.2.2: Number of data uploads onto the NLRD in a particular financial year.	2	2	2	2	0	None	None.
(c) Sub-programme: Policy and Development Review									
CHE as an effective custodian of the HEQSF	Policies developed and/ or reviewed.	4.1.3.1: Number of HEQSF/ NQF-related policies developed or reviewed and approved, in a particular financial year.	0	1	1	1	0	None	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Support provided to institutions with respect to development and implementation of relevant institutional policies.	4.1.3.2: Number of higher education institutions provided with support with respect to the development and implementation of relevant institutional policies, in a particular financial year.	9	13	8	13	+5	The target was exceeded because there was a need to provide additional higher education institutions with support with respect to the development and implementation of relevant institutional policies.	None.
(d) Sub-programme: Partnerships and Collaboration									
CHE as an effective custodian of the HEQSF	Project reports or other submissions from the joint or collaborative projects with SAQA, other QCs, the DHET and professional bodies.	4.1.4.1: Number of project reports or other submissions from the joint or collaborative projects with SAQA, other QCs, the DHET and professional bodies, in a particular financial year.	14	27	8	27	+19	The target was exceeded because there was a need to have additional collaborative projects with SAQA, other QCs, the DHET and professional bodies.	None.
	National events and/or fora on NQF, qualifications framework involved in.	4.1.4.2: Number of national events and/or for a on qualification frameworks involved in, within a particular year.	12	6	5	6	+1	The target was exceeded because there was a need to be involved in one additional national events and/or for a on qualification frameworks.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Regional or international events and/or for a on qualifications framework.	4.1.4.3: Number of regional and/or international events on qualification frameworks involved in, within a particular financial year.	4	5	3	5	+2	The target was exceeded because there was a need to be involved in two additional regional and/or international events on qualification frameworks.	None.

(e) Sub-programme: Quality Promotion and Capacity Development

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
CHE as an effective custodian of the HEQSF	Quality promotion and capacity building quality fora and/or workshops organised.	4.1.5.1: Number of quality promotion and capacity building quality forums and/or workshops organised, in a particular financial year.	26	42	30	42	+12	The target was exceeded because there was a need to be organise twelve additional quality promotion and capacity building quality forums and/or workshops.	None.
	Good practice guides produced.	4.1.5.2: Number of good practice guides produced, within a particular year.	1	1 (draft)	1 (draft)	1 (draft)	0	None	None.

Programme 2: Quality Assurance

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(a) Sub-programme: Accreditation									
Comprehensive and coherent quality assurance system for the higher education sector.	Programmes that have been through the accreditation process and are presented to the HEQC for decisions.	4.2.1.1: Percentage of programme accreditation applications that serve at an HEQC meeting within 8 months after successfully passing the check-listing stage, in the financial year.	96%	99%	85%	99% (757/768)	14%	The target was exceeded because the Directorate succeeded in tabling all programme accreditation applications at the HEQC meetings within 8 months - after successfully navigating the check-listing stage.	None.
	Site visits to higher education institutions.	4.2.2.2: Percentage of site visits undertaken whose reports are presented to the HEQC within 8 months from the date of receipt of reports from the site visit panels, in a particular financial year.	100%	100%	95%	100% (52/52)	5%	The target was exceeded because the CHE succeeded in tabling all reports at an HEQC meeting within 8 months of the date of receipt of reports from the site visit panel.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(b) Sub-programme: Institutional Audits									
Comprehensive and coherent quality assurance system for the higher education sector	Institutional audits initiated by the CHE.	4.2.2.1: Number of Institutional Audits initiated, within a particular financial year.	35	25	10	25	+15	The target was exceeded due to the necessity of initiating additional institutional audits.	None.
	Institutional site visits by CHE audit panels.	4.2.2.2: Number of institutional site visits by CHE audit panels, within a particular financial year depending on individual institution's agreed planning with the CHE.	9	17	10	17	+7	The target was exceeded due to the necessity of conducting additional institutional site visits by CHE audit panels.	None.
	Approved audit reports on Institutional Audits.	4.2.2.3: Number of audit reports of completed Institutional Audits finalised and approved, within a particular financial year.	18	8	10	8	-2	There were significant challenges with the quality of the SMU report, which was intended to be submitted in the current financial year. In addition, the audit reports for various PHEIs have also been delayed, longer than anticipated.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(c) Sub-programme: National Reviews									
Comprehensive and coherent quality assurance system for the higher education sector	National Reviews initiated.	4.2.3.1: Number of National Reviews initiated, within a particular financial year.	2	3	3	3	0	None	None.
	Approved reports on completed National Reviews.	4.2.3.2: Percentage of completed National Reviews that have their reports finalised and approved, within a particular financial year.	100%	100%	100%	100%	0	None	None.
(d) Sub-programme: Development of the Quality Assurance Framework									
Comprehensive and coherent quality assurance system for the higher education secto	Development of the Management Information System to support the implementation of the QAF, and other CHE functions	4.2.4.1: Number of reports on the development of the CHE-MIS, within a particular financial year.	1	2 progress reports	1 progress report	2 progress reports	+1 progress report	The target was exceeded because there was a need to produce an additional progress report on the development of the CHE-MIS.	None.
	Developed Higher Education Practice Standards.	4.2.4.2: Number of Higher Education Practice Standards developed within a particular financial year.	6	4	3	4	+1	The target was exceeded because there was a need to produce an additional Higher Education Practice Standard.	None.

Programme 3: Research, Monitoring and Advice

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(a) Sub-programme: Research									
A reputable centre of intellectual discourse, knowledge generation and advice on higher education.	Research reports.	4.3.1.1: Number of research reports produced, within a particular financial year.	4	4	3	4	+1	The target was exceeded due to the need to produce an additional research report.	None.
	Conferences, colloquia, seminars, symposia.	4.3.1.2: Number of conferences, colloquia, seminars, or symposia organised, within a particular financial year.	5	5	2	5	+3	The target was exceeded due to the need to organise additional Research Colloquia.	None.
	Journal/ book publications.	4.3.1.3: Number of journals/journal articles or books/ book chapters published, within a particular financial year.	2	2	2	2	0	None	None.
	Policy briefs/ Briefly Speaking.	4.3.1.4: Number of policy briefs or Briefly Speaking articles produced, within a particular financial year.	4	5	4	5	+1	The target was exceeded because there was a need to produce an additional policy brief or Briefly Speaking article.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(b) Sub-programme: Monitoring									
A reputable centre of intellectual discourse, knowledge generation and advice on higher education	Higher Education Monitor/ Review.	4.3.2.1: Number of Higher Education Monitors/Reviews produced, within a particular financial year.	1	1	1	1	0	None	None.
	VitalStats.	4.3.2.2: Number of VitalStats produced, within a particular financial year.	1	1	1	1	0	None	None.
	Institutional profiles.	4.3.2.3: Number of institutional profiles produced or updated, within a particular financial year.	3	3	3	3	0	None	None.
(c) Sub-programme: Advice									
A reputable centre of intellectual discourse, knowledge generation and advice on higher education	Responsive and/or proactive advice.	4.3.3.1: Number of requests for advice responded to with the submission of advice and proactive advice produced and submitted, within a particular financial year.	5	3	3	3	0	None	The target was reduced from 5 to 3 after the CHE budget allocation for 2024/25 was reduced by the DHET as conducting research that leads to advice depended on the availability of funds.

Programme 4: Corporate

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(a) Sub-programme: Governance									
Governance, risk management and compliance	Developed or reviewed ICT policies, frameworks, guidelines and procedures.	4.4.1.1: Number of ICT policies, frameworks, guidelines and procedure developed or reviewed, within a particular financial year.	9	8	7	8	+1	The target was exceeded because there was a need to review additional ICT policies, guidelines and manual.	None.
	Developed or reviewed Human Resources policies, frameworks, guidelines and procedures.	4.4.1.2: Number of Human Resources policies, frameworks, guidelines and procedures developed or reviewed, within a particular financial year.	8	18	7	18	+11	The target was exceeded because there was a need to review additional human resources guidelines.	None.
	Developed or reviewed financial management and supply chain management, frameworks, guidelines and procedures.	4.4.1.3: Number of financial management and supply chain management policies, frameworks, guidelines and procedures developed or reviewed, within a particular financial year.	9	11	8	11	+3	The target was exceeded because there was a need to review an additional financial management and supply chain management policy, framework, guideline, and procedure.	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Scheduled meetings of the governance structures organised and held.	4.4.1.4: Number of scheduled governance meetings organised and held, within a particular financial year.	34	31	28	31	+3	The target was exceeded because there was a need to schedule additional governance meetings to deal with urgent matters.	None.
(b) Sub-programme: Corporate Services									
Sustainable, responsive, and dynamic organisation.	Developed and approved annual ICT Operational Plan based on the CHE's approved Digital Transformation Framework.	4.4.2.1: Number of developed and approved annual ICT Operational Plans based on the CHE's approved Digital Transformation Framework, within a particular financial year.	1	1	1	1	0	None	None.
	Concluded activities reflected in an approved annual ICT Operational Plan.	4.4.2.2: Percentage of activities concluded as per an approved annual ICT Operational Plan, within a particular financial year.	90%	90%	80%	90%	+10%	The target was exceeded because some of the activities planned for implementa-tion in 2025/26 had to be implemented during the 2024/25 financial year.	None.
	Offered staff training interventions.	4.4.2.3: Number of staff training interventions offered, within a particular financial year.	15	18	18	18	0	None	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
	Approved funded posts on the organisational structure that have incumbents.	4.4.2.4: Percentage of approved funded posts on the organisational structure that have incumbents throughout a particular financial year.	79%	83%	85%	83%	-2%	The target was not achieved because there were two terminations – one retirement and one termination of employment at the end of the probation process (non-confirmation of permanent appointment) during the quarter under review.	None.
(c) Sub-programme: Finance and Supply Chain Management									
Sustainable, responsive, and dynamic organisation	Payments made to suppliers.	4.4.3.1: Average percentage of eligible suppliers paid within 30 days from dates of receipt of their invoices, within a particular financial year.	100%	100%	100%	100%	0	None	None.
	Expenditure reports submitted to the DHET on a quarterly basis.	4.4.3.2: Number of approved expenditure reports submitted to DHET by the compliance date, within a particular financial year.	4	4	4	4	0	None	None.

Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2024/25	*Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/25	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
(d) Sub-programme: Communications and Stakeholder Relations									
Sustainable, responsive and dynamic organisation	Developed/ revised and approved Communication and Advocacy Plan.	4.4.4.1: Number of developed/ revised and approved Communication and Advocacy Plans, within a particular financial year.	1	1	1	1	0	None	None.
	Concluded activities reflected in the approved Communication and Advocacy Plan.	4.4.4.2: Percentage of activities concluded as per the Communication and Advocacy Plan, within a particular financial year.	100%	80%	80%	80%	0	None	None.

4.6 Linking Performance with Budgets

- There was underspending in some of the programmes for the year under review. This was largely a result of unforeseen delays in filling some of the vacant funded posts, or through employing certain personnel on fixed-term contracts as the process of revising the organisation structure of the CHE to support the implementation of the new Quality Assurance Framework is being undertaken.

  Depreciation and amortisation were not budgeted for as they are non-cash items and therefore not considered for budgeting purposes.

  There was some underspending in repairs and maintenance due to savings from reduced maintenance to the building during the financial year while the general expenses were unspent due to the adjustment of the budget in the second quarter when the CHE received additional funding through approval of the rolled over funds from the prior year.

Table 6: Link between the performance per programme and the allocated budgets

Programme/activity/objective	2024/25			2023/2024		
	Budget	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	46 431	44 029	2 402	38 960	39 786	(826)
Quality Assurance	29 267	26 201	3 066	35 646	30 304	5 642
Research, Monitoring and Advice	14 246	14 061	185	12 987	12 788	199
Management of the HEQSF	6 620	5 808	812	6 110	6 108	2
Total	**96 564**	**90 099**	**6 465**	**93 703**	**88 986**	**5 017**

5. CONDITIONAL GRANTS

5.1 Conditional grants and earmarked funds received

Table 7: Conditional grants and ear marked funds received during for the period '1 April 2024 to 31 March 2025'.

Department who transferred the grant	University of Johannesburg
Purpose of the grant	To implement the Quality Assurance Framework Implementation Preparation Project (QAF-IPP).
Expected outputs of the grant	The expected 2024/25 outputs of the grant were as follows: 1. Submission of one report on the development of the CHE-MIS. 2. Development of three Higher Education Practice Standards (HEPS).

Actual outputs achieved	The actual outputs achieved during the 2024/25 financial year are as follows: 1. Two reports on the development of the CHE-MIS were submitted to the relevant structures. 2. Four Higher Education Practice Standards (HEPS) were developed.
Amount per amended DORA	N/A
Amount received (R'000)	R3 614
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R3 614
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	There was no need to take any measures to improve the performance as the set targets were exceeded.
Monitoring mechanism by the receiving department	MOA in place and signed by the two parties. Monthly, quarterly and annual expenditure monitoring with clear explanation of under or overspending where necessary.

6. DONOR AND REVENUE FUNDS

No donor funds were received by the CHE during the 2024/25 financial year.

7. CAPITAL INVESTMENT

7.1 Capital investment, maintenance and asset management plan

Not applicable during the 2024/25 financial year.

Part C.

GOVERNANCE

1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance regarding public entities is applied through the prescripts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King's Fourth Report on Corporate Governance.

Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

Governance Structure

The CHE Council comprises of the Chairperson appointed for five (5) years and thirteen (13) ordinary Council members appointed by the Minister of Higher Education and Training for a period of four (4) years following a public nomination process. Eight (8) non-voting members are appointed by the Minister from nominations respectively by the Director-General of the Department of Higher Education and Training, the Provincial Heads of Education, the Director-General of the Department of Science and Innovation, the Director-General of the Department of Labour, the National Research Foundation and the Chief Executive Officers of the South African Qualifications Authority (SAQA), the General and Further Education and Training Quality Assurance Council (Umalusi) and the Quality Council for Trades and Occupations (QCTO), in their official capacities. Three further members can be co-opted by the Council.

Permanent Committee

The Council has one (1) permanent committee, the Higher Education Quality Committee (HEQC) established in terms of Section 7(3) of the Higher Education Act. The HEQC has executive responsibility in terms of Section 5(1) (c) of the Higher Education Act and the NQF Act for quality promotion and quality assurance in higher education, specifically to:

- promote quality in higher education;
- audit the quality assurance mechanisms of higher education institutions; and
- accredit programmes of higher education.

Council established the Executive Committee of the Higher Education Quality Committee (HEQC EXCO) to:

- Consider and adjudicate on quality assurance and quality promotion matters that would ordinarily require the consideration of, and adjudication by the HEQC, but which, because of their urgent nature, would need to be expedited and thus would not have to wait to serve at a scheduled meeting of the HEQC;
- Consider and adjudicate any other quality assurance and quality promotion matter/s referred to it by the HEQC or other committee/s with the competence to delegate or assign such matters to the HEQC EXCO;
- Consider and make recommendations to HEQC on urgent matters referred to it by other Committees of HEQC, namely, the Accreditation Committee, the Institutional Audits Committee, and the National Standards and Reviews Committee, where circumstances warrant this; and
- Attend to any issue that might be referred to or delegated to it by Council, the HEQC or a Committee of Council, and which are within the mandates of each of the committees, and which decision, by virtue of their urgency, cannot be delayed.

Sub-committees of Council

- The Council has six (6) standing committees, namely:
- Executive Committee (EXCO) established in terms of Section 13 of the Higher Education Act;
- Audit and Risk Committee (ARC);
- Human Resources and Remuneration Committee (HRRC);
- Research, Monitoring and Advice Committee (RMAC);
- Information and Communication Technology Committee of Council (ICTCoC); and
- Nominations and Governance Committee (NGC).

The members of the standing committees are appointed for their specific knowledge and skills relating to the work of the standing committees.

The Council and its standing committees, including its permanent committee responsible for quality assurance, the HEQC, have functioned effectively in terms of the CHE's statutory mandate and adherence to principles of good governance.

Remuneration of board members

Members of Council and its permanent and sub-committees who are not CHE employees, government officials or employees of statutory entities qualify for daily allowances for services rendered to the CHE in accordance with the National Treasury Regulations and Directives.

2. RISK MANAGEMENT

The CHE has reviewed its risk profile during the course of the year to consider the extent to which potential events may have impact on the achievement of the organisation's objectives. Emerging events were assessed from two perspectives – likelihood and impact – and a number of risks, predominantly on a strategic level, were identified, weighed, and managed.

3. FRAUD AND CORRUPTION

The CHE has policies in place on fraud prevention, detection and reporting. No fraud was reported during this financial year.

4. MINIMISING CONFLICT OF INTEREST

Council and sub-committee members are required to declare any conflict of interest for the record at the beginning of each Council or sub-committee meeting.

5. CODE OF CONDUCT

There is a code of conduct in place for the members of Council, the HEQC and all sub-committees.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The CHE regards the health and safety of its employees and people affected by the organisation's operations to be of vital importance. The CHE's primary objective is therefore to achieve and maintain the highest practicable level of health and safety control.

In line with this and in fulfilment of the requirements stipulated in the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), the CHE has established a Health and Safety Committee that monitors the health and safety of employees in the work environment and identifies potential health and safety threats that require addressing.

The CHE is also cognisant of the need to ensure that the work environment is environmentally sustainable. In this regard, efforts have been made to ensure that lights and other appliances are switched off appropriately at the end of the working day, printing minimised, and paper is recycled.

7. PORTFOLIO COMMITTEES

The CHE made a presentation on the 2023/24 Annual Report and the Report on the Remuneration of Vice-Chancellors and Senior Executives to Parliament during the Portfolio Committee on Higher Education meeting held on 10 October 2024. The CHE delegation was led by a Council member who is also the Chairperson of the ICTCoC, Ms K Magongoa and included Dr W Green (CEO) and Dr T Mothusi (CFO).

8. SCOPA RESOLUTIONS

None.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The CHE did not receive any prior modifications to audit reports.

10. INTERNAL CONTROL UNIT

As required by the PFMA, the external auditor of the CHE is the Auditor-General of South Africa.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit Services have been outsourced for a period of three years ending 2026 as the Council does not consider it economically feasible to establish an in-house internal audit function due to the nature and size of the CHE. However, the ARC is responsible for monitoring the internal audit function and for evaluating the effectiveness of the internal controls in place, including recommending improvements to Council where appropriate. The Committee is satisfied that the key risks have been identified and assessed, and have received adequate attention. In compliance with the PFMA, the internal audit plans for the 2024/25 financial year were risk-based and fully implemented.

Table 8 below disclosed relevant information on the Audit and Risk Committee members and attendance of audit committee meetings by audit committee members.

Table 8: Relevant information on the Audit and Risk Committee members:

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(-SA))	Appointment: Term of Office – Start date	Appointment: Term of Office – End Date	No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
Ms Monalisa Nkonki (ARC Chairperson)	Chartered Accountant (SA) B.Compt (Hons) B.Com (Financial Management)	SAICA	First term of office: 01/05/2020 to 30/04/2023	Second term of office: 01/05/2023 to 30/04/2026	5	Yes	No	0	0
Ms Xabisa A Dyosi (ARC Member)	Chartered Accountant (SA) BCom Hons (Accounting Sciences) Postgraduate Diploma in Integrated Reporting Management Advancement Programme	SAICA	First term of office: 14/11/2019 to 15/11/2022	Second term of office: 03/02/2023 to 02/02/2026	3	Yes	No	1	2
Prof DP van der Nest (ARC Member)	BCom (Accountancy) HED BCom Hons MCom DTech	IIA(SA)	First term of office: 13/02/2019 to 14/12/2022	Second term of office: 03/02/2023 to 02/02/2026	4	Yes	No	5	1
Ms Shaila Hari (ARC Member)	Bachelor of Accounting Science Honours Bachelor of Accounting Science Public Sector Governance (UNISA SBL)	IOD-SA – Institute of Directors SA MIoD – Mauritius Institute of Directors.	First term of office: 01/05/2020 to 30/04/2023	Second term of office: 01/05/2023 to 30/04/2026	5	Yes	No	1	5
Mr Krishna Govender (ARC Member)	Bachelor of Commerce Honours Degree Chartered Accountant (SA)	SAICA	First term of office: 03/03/2021 to 29/02/2024	Second term of office: 12/03/2024 to 11/03/2027	3	Yes	No	2	3

12. AUDIT COMMITTEE REPORT

See pages 96 to 98 in Part F, of the full report for the financial year ended 31 March 2025.

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition:

Has the CHE applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion (include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	Currently, while applying for accreditation of qualifications, neither public nor private institutions are required to submit B-BBEE compliance certificates to the CHE.
Developing and implementing a preferential procurement policy?	Yes	The CHE reviewed the Supply Chain Policy to comply with the preferential procurement regulations of 2024.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The CHE does not engage in the sale of state-owned businesses or properties.
Developing criteria for entering into partnerships with the private sector?	N/A	The CHE has not entered into partnerships with private sector institutions.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The CHE is not awarding any incentives, grants and investment schemes to any organisation or entity as an act of supporting Broad Based Black Economic Empowerment.

Part D.

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

- For an overview of the human resources section please see pages 47 to 50 (Part B).

2. OVERVIEW OF HUMAN RESOURCES

Table 18: Personnel Cost by programme

Programme/activity/ objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Corporate	44 028	17 549	18.72%	21	836
Quality Assurance	29 828	18 044	19.25%	21	859
Research, Monitoring and Advice	14 061	4 540	4.48%	5	908
Management of the HEQSF	5 808	4 025	4.29%	7	575
TOTAL	**93 725**	**44 158**	**47.11%**	**54**	**575**

Table 19: Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	2 628	5.95%	1	2 628
Senior Management	12 140	27.49%	8	1 518
Professional qualified	14 843	33.61%	15	990
Skilled	10 561	23.92%	19	556
Semi-skilled	3 736	8.46%	10	374
Unskilled	250	0.57%	1	250
TOTAL	**44 158**	**100%**	**54**	**6 316**

Table 20: Performance Rewards

Programme//activity/ objective	Performance rewards (R'000)	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost
Top Management	129	2 628	0.29%
Senior Management	493	12 140	1.12%
Professional qualified	354	14 843	0.80%
Skilled	240	10 561	0.54%
Semi-skilled	30	3 736	0.07%
Unskilled	10	250	0.02%
TOTAL	**1 256**	**44 158**	**2.84%**

Table 21: Training Costs

Programme/ activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of employees trained	Average training cost per employee (R'000)
Corporate	17 549	32	0.18	7	4.57
Quality Assurance	18 044	166	0.92	15	11.07
Research, Monitoring and Advice	4 540	45	0.99	6	7.50
Management of the HEQSF	4 025	3	0.07	6	0.50
TOTAL	**44 158**	**246**	**56**	**34**	**7.24**

* *Training includes fixed term contract employees and interns where internal training was held.*

Table 22: Employment and vacancies (per programme)

Programme/activity/ objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Corporate	20	21	18	3	6%
Quality Assurance	15	22	16	6	12%
Research, Monitoring and Advice	4	6	4	2	4%
Management of the HEQSF	3	3	2	1	2%
TOTAL	**41**	**52**	**40**	**12**	**23%**

Table 23: Employment and vacancies (per category)

Category	2023/2024 No. of Employ-ees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	1	1	1	0	0%
Senior Management	7	7	6	1	2%
Professional qualified	12	17	12	5	10%
Skilled	16	20	16	4	8%
Semi-skilled	4	5	4	1	2%
Unskilled	1	2	1	1	2%
TOTAL	**41**	**52**	**40**	**12**	**23%**

Table 24: Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	0	0	1
Senior Management	7	0	1	6
Professional qualified	10	3	2	12
Skilled	16	2	1	16
Semi-skilled	4	0	0	4
Unskilled	1	0	0	1
TOTAL	**39**	**5**	**4**	**40**

* *Second column: Appointments made in the first month of the period under review, e.g. April; are included in the number of people employed at the beginning of the period – April 2024.*

* Third column: All appointments made in the period April 2024 to March 2025 are shown.

Table 25: Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	1	2.5
Dismissal	1	2.5
Retirement	1	2.5
Ill health	0	0
Expiry of contract	0	0
Other	1	2.5
TOTAL	**4**	**10%**

Table 26: Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	2
Final Written warning	1
Dismissal	1

Table 27: Equity Target and Employment Equity Status (Male)

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	1		0	0	0	0
Senior Management	3	0	0	0	0	0	0	0
Professional qualified	3	0	0	0	0	0	0	0
Skilled	5	0	0	1	0	0	0	0
Semi-skilled	1	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	**12**	**0**	**1**	**0**	**0**	**0**	**0**	**0**

Table 28: Equity Target and Employment Equity Status (Female)

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	3	0	0	0	0	0	0	0
Professional qualified	6	0	0	0	2	0	1	0
Skilled	11	0	0	0	0	0	0	0
Semi-skilled	3	0	0	0	0	0	0	0
Unskilled	1	0	0	0	0	0	0	0
TOTAL	**24**	**0**	**0**	**0**	**2**	**0**	**1**	**0**

Table 29: Equity Target and Employment Equity Status (Staff members with disabilities)

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

Part E.

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

(a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	15	
Adjustment to opening balance		
Opening balance as restated		
Add: Irregular expenditure confirmed	117	15
Less: Irregular expenditure condoned	(124)	
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable		
Less: Irregular expenditure not recoverable and written off		
Closing balance	**8**	**15**

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	0	
Irregular expenditure that relates to the prior year and identified in the current year	0	
Irregular expenditure for the current year	117	15
TOTAL	**117**	**15**

(b) Details of irregular expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	0	
Irregular expenditure under determination	0	
Irregular expenditure under investigation	8	15
TOTAL	**8**	**15**

To be tabled at the Financial Misconduct Committee meeting in 2025/26.

(c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	124	0
TOTAL	**124**	**0**

(d) Details of irregular expenditure removed – (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
None.		

(e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
None		

(f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
None.		

Additional disclosure relating to Inter-Institutional Arrangements

(g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
None.

(h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2024/2025	2023/2024
	R'000	R'000
None.		

(i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
None.

1.2 Fruitless and wasteful expenditure

(a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025 R'000	2023/2024 R'000
Opening balance		
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed	38	104
Less: Fruitless and wasteful expenditure recoverable		
Less: Fruitless and wasteful expenditure not recoverable and written off	(33)	(104)
CLOSING BALANCE	**5**	**0**

Reconciling notes

Description	2024/2025 R'000	2023/2024 R'000
Fruitless and wasteful expenditure that was under assessment		
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year		
Fruitless and wasteful expenditure for the current year	38	104
TOTAL	**38**	**104**

(b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2024/2025 R'000	2023/2024 R'000
Fruitless and wasteful expenditure under assessment		
Fruitless and wasteful expenditure under determination		
Fruitless and wasteful expenditure under investigation	5	0
TOTAL	**5**	**0**

(c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025 R'000	2023/2024 R'000
None.		

(d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025 R'000	2023/2024 R'000
Fruitless and wasteful expenditure written off	33	104
TOTAL	**33**	**104**

(e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
After a thorough internal investigation and disciplinary hearing sessions that were held over several days, the ICT Administrator was dismissed by the CHE effective from 10 October 2024. The dismissal was due to the following reasons: • Gross negligence in the execution of duties and/or dereliction of duties. • Non-compliance with the Asset Management Policy. • Misconduct by failing to adhere to established CHE processes and procedures. The Supply Chain Manager, another employee who underwent the same investigation and disciplinary process, resigned from the CHE two days after being given a notice of unpaid suspension for a period of two (2) weeks and a final written warning. The charges against the employee were as follows: • Gross negligence in the execution of duties and/or dereliction of duties especially non-compliance with PFMA duties and non-compliance with policy. • Gross negligence in that he failed to report on irregularities regarding non-compliance with PFMA duties.

1.3 Unauthorised expenditure

Reconciliation of unauthorised expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance		
Adjustment to opening balance		
Opening balance as restated		
Add: unauthorised expenditure confirmed	48	
Less: unauthorised expenditure approved with funding		
Less: unauthorised expenditure approved without funding		
Less: unauthorised expenditure recoverable		
Less: unauthorised not recoverable and written off	(7)	
CLOSING BALANCE	**41**	

Reconciling notes

Description	20YY/20ZZ	20XX/20YY
	R'000	R'000
Unauthorised expenditure that was under assessment		
Unauthorised expenditure that relates to the prior year and identified in the current year		
Unauthorised expenditure for the current year	48	
TOTAL	**48**	

Details of unauthorised expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Unauthorised expenditure under assessment		
Unauthorised expenditure under determination		
Unauthorised expenditure under investigation	41	
TOTAL	**41**	

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) & (iii))

(a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
None.		

(b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
None.		

(c) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
None.		

(d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
None.		

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
None.		

3. SUPPLY CHAIN MANAGEMENT

(a) Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Provision of security services	Maganyeni Security	Deviation (Single source)	N/A	R54 426.34
TOTAL				**R54 426.34**

(b) Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
None.						

Part F.

FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON COUNCIL FOR HIGHER EDUCATION

Report on the audit of the separate financial statements

Opinion

1. I have audited the financial statements of the Council on Higher Education set out on pages 101 to 129 which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council on Higher Education as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not

a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at pages 91 to 93, forms part of my auditor's report.

Report on the audit of the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programme presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

11. I selected the following material performance indicators related to programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected an indicator that measures the public entity's performance on its primary mandated functions and that is of significant national, community or public interest.

Programme	Page numbers	Purpose
Quality Assurance	57	To assess the percentage of programme accreditation applications received that go through the accreditation process and are presented to the Higher Education Quality Committee within 8 months from the date of final submission of an application (and after receiving payment in case of applications from private institutions), in a particular financial year.

12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on public entity's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
    - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable

- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets
- I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

14. I did not identify any material findings on the reported performance information for the selected material performance indicators with no material findings.

Other matters

15. I draw attention to the matters below.

Achievement of planned targets

16. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

17. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 34 to 35 and 57.

Quality Assurance

Targets achieved: 89% Budget spent: 89%		
Key indicator not achieved	**Planned target**	**Reported achievement**
4.2.2.3: Number of audit reports of completed Institutional Audits finalised and approved, within a particular financial year.	10	8

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.

19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

21. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

22. The accounting authority is responsible for the other information included in the annual report which includes Statement of responsibility, Audit and Risk Committee Report and Accounting Authority's Report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators presented in the annual performance report that have been specifically reported on in this auditor's report.

23. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

24. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

25. If, based on the work I have performed, I conclude that there is no material misstatement, in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

26. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

27. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
30 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

- The annexure includes the following:
- The auditor-general's responsibility for the audit

The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with selected requirements in key legislation.

Financial statements

- In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 [type of auditee]'s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); Section 53(4); Section 54(2)(c); 54(2)(d); Section 55(1)(a); 55(1)(b); Section 55(1)(c)(i); Section 56(1); Section 57(b); Section 66(3)(c)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a Regulation 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; Regulation 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7 Regulation 16A8.3; 16A8.4 Regulation 16A9.1 (b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii) Regulation 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Regulation 31.2.1; 31.2.5; 31.2.(a) Regulation 32.1.1(a); 32.1.1(b); 32.1.1(c) Regulation 33.1.1; 33.1.3
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9 Paragraph 5.3
National Instruction No. 1 of 2021/22	Paragraph 4.1
National Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17 Paragraph 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1 Paragraph 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Preferential Procurement Policy Framework Act 5 of 2000	Section 1 Paragraph 2.1(a); 2.1(f)

Legislation	Sections or regulations
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4 Regulation 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2 Regulation 5.1; 5.3; 5.6; 5.7 Regulation 6.1; 6.2; 6.3 Regulation 6.5; 6.6; 6.8 Regulation 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Regulation 8.2; 8.5 Regulation 9.1; 9.2 Regulation 10.1; 10.2 Regulation 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34 (1)

2. ANNUAL FINANCIAL STATEMENTS

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Index

The reports and statements set out below comprise the audited annual financial statements presented to parliament:

Index **Page**

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Responsibility

The Council is required to maintain adequate accounting records and is responsible for the content and integrity of the audited financial statements and related financial information included in this report. It is the responsibility of the Council to ensure that the audited financial statements fairly present the state of affairs of the Council on Higher Education (CHE) for the financial year ending 31st of March 2025 and the results of its operations and cash flows for the period that ended. In terms of its external audit function, the Auditor General South Africa (AGSA) will be engaged to express an independent opinion on the annual financial statements and will, for this purpose, be given unrestricted access to all financial records and related data.

The audited financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines, and directives issued by the Accounting Standards Board.

The audited financial statements are based upon appropriate accounting policies and prescripts consistently applied and supported by reasonable and prudent judgments and estimates.

The Council acknowledges that it is ultimately responsible for the system of internal financial control established by the CHE and places considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the Council sets standards for internal control aimed at reducing the risk of errors or a deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the CHE and all employees are required to maintain the highest ethical standards in ensuring the CHE's business is conducted in a manner that under all reasonable circumstances is beyond reproach. The focus of risk management in the CHE is on identifying, assessing, managing, and monitoring all known forms of risk across the CHE. While operating risk cannot be fully eliminated, the CHE endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and standards of ethical behaviour are applied and managed by predetermined procedures and restraints.

The Council is of the opinion, based on the information and explanations given by management in response to the internal and external audit reports, that the system of financial internal control provides reasonable assurance that the financial records may be relied upon for the preparation of the year-end financial statements. Where deficiencies were noted, the controls are being strengthened. However, it should be noted that any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The CHE is financially dependent on a transfer of payment from the Department of Higher Education and Training for the continued funding of its operations. The audited financial statements are prepared on the basis that the CHE is a going concern and that the Department of Higher Education and Training will transfer the payment as listed in the Estimates of National Expenditure (ENE) to the CHE.

The Council is satisfied that the outer year's budget is sufficient in realising the set strategic objectives and targets as per the Annual Performance Plan due to the budget baseline injection. The Council is primarily responsible for how the financial affairs of the CHE are governed and overseen.

The audited annual financial statements which are set out on pages 101 to 129, have been prepared on the basis that the CHE is a going concern, were approved by the Council on 28 July 2025, and were signed on its behalf by:

Rev. V. Memani-Sedile
Chairperson

Dr Whitfield Green
Chief Executive Officer

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report

We are pleased to present our report for the financial year ended 31 March 2025, set out in three parts:

Part 1: Audit Committee Reflections – 2025

Chairperson's brief reflections on key objectives and activities of the AC, which must at least include The Audit and Risk Committee reports that it has complied with its obligations and responsibilities arising from section 55(1)(a) of the Public Finance Management Act (PFMA) and Treasury Regulations section 27.1.8 and 27.1.10.

The Committee also reports that it has adopted formal terms of reference as its Audit and Risk Committee Charter, has regulated its affairs in compliance with this charter, and has discharged all its responsibilities as contained therein. The Audit and Risk Committee charter has been reviewed to ensure its relevance and alignment as required by Public Finance Management Act and Treasury Regulation 3.1.8-3.1.16.

Part 2: Audit Committee Composition and Meeting Attendance

The audit committee consists of five (5) members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened five (5) times during the year with five (5) being ordinary meetings and the remainder special meetings.

Include each member's meeting attendance details in tabular form as set out below:

Name (Position)	Qualifications	Is the ARC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Ms Monalisa Nkonki (ARC Chairperson)	• Chartered Accountant (SA) • B.Compt (Hons) • B.Com (Financial Management)	No	5	0
Ms Xabisa A Dyosi (ARC Member)	• Chartered Accountant (SA) • BCom Hons (Accounting Sciences) • Postgraduate Diploma in Integrated Reporting • Management Advancement Programme	No	3	0
Prof DP van der Nest (ARC Member)	• BCom (Accountancy) • HED • BCom Hons • MCom • DTech	No	4	0
Ms Shaila Hari (ARC Member)	• Bachelor of Accounting Science • Honours Bachelor of Accounting Science • Public Sector Governance (UNISA SBL)	No	5	0
Mr Krishna Govender	• Bachelor of Commerce Honours Degree	No	3	0

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report Continued

(ARC Member)	• Chartered Accountant (SA)			

Part 3: Audit Committee Focus Areas

The following was reviewed during the year under review:

The effectiveness of internal control

The system of control is designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. The system of internal control was deemed appropriate and effective. As part of its oversight role in IT governance, the Audit and Risk Committee reviewed the IT strategy of the CHE during the year.

Effectiveness of the Internal Audit

Internal Audit Services have been outsourced for a period of 3 years ending 2026. The Committee is satisfied that the key risks have been identified and assessed and have received adequate attention. In compliance with the PFMA, the internal audit plans for the 2025 financial year were risk-based and fully implemented

Activities of the Internal Audit Function

The Committee ensured that the activities of the Internal Audit are detailed in the Audit and Risk Committee Charter by maintaining effective working relationship with the Internal Auditors.

Effectiveness of risk management

The risk management process is deemed effective which includes the identification of corrective actions and suggested enhancements to the controls and processes. A risk assessment workshop was conducted during the year with the aim of reviewing the CHE's risk profile and this formed the basis for developing the rolling three-year plan (internal Audit Plans) and the annual internal audit operational plan.

Adequacy, reliability, and accuracy of financial and performance information

The Audit and Risk Committee assisted the Council in fulfilling its oversight responsibilities. The Audit and Risk Committee reviewed the non-financial and financial reporting process for adequacy, reliability, accuracy for monitoring adherence to and compliance with laws and regulations.

Accounting and auditing concerns identified as a result of internal and external audits

The Committee is of the opinion, based on the information and explanations given by management in response to the internal and external audit reports, that the system of internal financial control provides reasonable assurance that the financial records may be relied upon for the preparation of the year-end financial statements. Where deficiencies were noted, the controls are being strengthened. However, it should be noted that any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

Compliance with legal and regulatory provisions

The Committee is satisfied that all applicable legal and regulatory provisions have been adhered to and complied with for preparing the Annual Financial Statements.

The quality of the in-year management and quarterly reports submitted in terms of legislation

The Committee is satisfied with the content and quality of the quarterly reports prepared and issued by the CHE during the year under review.

Combined Assurance

In line with the PFMA on Corporate Governance requirements, the Committee provided oversight into the combined assurance process within the CHE and is satisfied that optimal effort and coordination exist between all assurance providers.

Evaluation of the annual financial statements

The Committee has reviewed and discussed with the Auditor-General South Africa (AGSA) and the Accounting Authority the unaudited Annual financial statements to be included in the draft annual report.

External Audit

The Committee approved the audit plan and audit fee for the 2024/25 financial year. The fee is considered commensurate with the work and services rendered by the Auditor-General of South Africa (AGSA). The AGSA has remained independent throughout the financial year. The Committee satisfied itself with AGSA's continued objectivity and competence.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Audit and Risk Committee Report Continued

Auditor-General's Report

The Committee has:

- reviewed and discussed with the AGSA and the Accounting Authority the audited Annual financial statements to be included in the annual report; and
- reviewed the AGSA's management report and management response thereto.

The Committee carefully considered all matters raised in the Auditor-General Report for management to enhance its internal controls in place.

Conclusion

The Committee concurs with and accepts the conclusions of the AGSA on the audited Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted together with the report of the AGSA.

Ms. Monalisa Nkonki
Chairperson of the Audit and Risk Committee
Date: 31 July 2025

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Authority Report

The Council submits its report for the year ended 31 March 2025.

1. Mandate and Objectives of the Council on Higher Education

The Council on Higher Education (CHE) is a public entity listed under Schedule 3A of the Public Finance Management Act (PFMA) (Act 1 of 1999), as amended. It adheres to principles of good governance, financial and fiscal prudence, and performance management, and accounts directly to the Minister of Higher Education, Science and Innovation.

The CHE was established as a juristic person in terms of section 4 of the Higher Education Act (Act 101 of 1997), as amended, and as the quality council for higher education in terms of the National Qualifications Act (Act 67 of 2008). In summary, the main areas of work of the CHE are:

- To provide advice to the Minister of Higher Education, Science, and Innovation on all higher education matters, at the Minister's request, and at its own initiative;
- To develop and implement a system of quality assurance for all higher education institutions, including private providers of higher education, which includes programme accreditation, institutional audits, national standards and reviews, and capacity development and quality promotion;
- To develop and manage the Higher Education Qualifications Sub-Framework (HEQSF) and the development of higher education qualifications;
- To monitor the state of the higher education system in relation to national policy goals and international trends; and
- To contribute to the development of higher education through facilitating intellectual engagement on key issues in partnership with relevant stakeholders.

2. Role and responsibilities

Council fulfills the role of the Accounting Authority in terms of section 51 of the Public Finance Management Act (PFMA) (Act 1 of 1999), as amended.

As the Accounting Authority, the Council acts in a fiduciary capacity and its responsibilities include:

- overseeing effective, efficient, and transparent systems of financial and risk management and internal control, internal audit, and procurement;
- taking effective and appropriate steps to collect revenue due, to prevent irregular, fruitless, and wasteful expenditure, and prevent losses from criminal conduct and expenditure as a result of non-compliance with operational policies and public finance management prescripts;
- managing and safeguarding the assets, liabilities, revenue, and expenditure of the CHE;
- ensuring compliance with applicable legislation; and
- ensuring that there is an effective and appropriate disciplinary system for failure to comply with the relevant policies and prescripts

3. The transfer of payment

The CHE is financially dependent on a transfer of payment from the Department of Higher Education and Training. On the basis that the transfer payment has been listed in the Estimates of National Expenditure, the Council is satisfied that the outer year's budget is sufficient in realising the set strategic objectives and targets as per the Annual Performance Plan due to the budget baseline injection.

4. Governance of the Council on Higher Education Council

The Council comprises a Chairperson appointed for five (5) years and thirteen (13) ordinary Council members each appointed for a period of four (4) years. Eight (8) non-voting members are appointed to the Council, nominated respectively by the Director-General of the Department of Higher Education and Training, the Provincial Heads of Education, the Director-General of the Department of Science and Technology, the Director-General of the Department of Labour, the National Research Foundation and the Chief Executive Officers of the: South African Qualifications Authority (SAQA), the General and Further Education and Training Quality Assurance Council (Umalusi) and the Quality Council for Trades and Occupations (QCTO) in their official capacities. Three members were co-opted by the CHE.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Authority Report Continued

All members who served on the Council during the year under review were appointed in terms of the Higher Education Act (Act 101 of 1997) as amended.

Committees and Sub-committees

Permanent Committee

The council has one (1) permanent committee, the Higher Education Quality Committee (HEQC). The HEQC has executive responsibility for quality promotion and quality assurance in higher education. The functions of the HEQC in terms of the Higher Education Act are to:

- promote quality in higher education;
- audit the quality assurance mechanisms of higher education institutions; and
- accredit programmes of higher education.

The Executive Committee of the Higher Education Quality Committee (HEQC EXCO), the Institutional Audits Committee (IAC), the Accreditation Committee (AC), and the National Standards and Reviews Committee (NSRC) are the subcommittees of the HEQC.

Sub-committees

On 31 March 2025, six (6) sub-committees of the Council were in place and were fully functional, namely:

1. Executive Committee of Council (EXCO);
2. Audit and Risk Committee (ARC);
3. Human Resources and Remuneration Committee (HRRC);
4. Nominations and Governance Committee (NGC);
5. Research, Monitoring and Advice Committee (RMAC); and
6. ICT Committee of Council (ICTCoC).

The members of sub-committees of the Council are appointed for the specific knowledge and skills they bring to their respective committees.

During the period under review, the Council and its sub-committees, including its permanent committee responsible for quality assurance, the HEQC, have functioned effectively in terms of the CHE's statutory mandate and have adhered to principles of good governance.

6. Subsequent events

The council is not aware of any subsequent event arising after year end before the AFS are authorised for issue.

7. Risk Management

The CHE has reviewed its risk profile during the year to consider the extent to which potential events may have an impact on the achievement of the CHE's objectives. Emerging events were assessed from two perspectives – likelihood and impact – and many risks, predominantly on a strategic level, were identified and evaluated.

8. Materiality and significant framework

As required by the Treasury Regulations, the CHE has developed and agreed on a materiality and significance framework appropriate for its size and circumstances.

9. Internal audit

The internal audit function is fulfilled under the direction of the Audit and Risk Committee and ultimately Council, to evaluate the effectiveness of the CHE's systems of internal controls, and to recommend improvements where appropriate. The internal audit function is currently outsourced.

10. Auditors

As required by the PFMA, the current external auditor of the CHE is the Auditor General of South Africa.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Receivables from exchange transactions	6	797 554	498 024
Prepayments	5	2 109 030	1 083 754
Cash and cash equivalents	7	20 380 639	14 578 396
		23 287 223	**16 160 174**
Non-Current Assets			
Property, plant and equipment	2	35 010 201	35 054 212
Intangible assets	4	3 403 786	4 193 268
Prepayments	5	76 304	67 256
		38 490 291	**39 314 736**
Total Assets		**61 777 514**	**55 474 910**
Liabilities			
Current Liabilities			
Payables from exchange transactions	14	11 545 355	7 559 395
Provisions	13	4 368 381	3 136 383
Bank overdraft	7	18 489	38 387
Total Liabilities		**15 932 225**	**10 734 165**
Net Assets		**45 845 289**	**44 740 745**
Reserves			
Revaluation reserve	8	8 080 860	8 080 860
Accumulated surplus		37 764 429	36 659 885
Total Net Assets		**45 845 289**	**44 740 745**

* See Note 28

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Exchange revenue	9	10 950 331	9 686 701
Non-exchange revenue	10	88 485 436	88 852 934
Total revenue		**99 435 767**	**98 539 635**
Expenditure			
Employee related costs	15	(46 694 985)	(41 491 918)
Depreciation and amortisation	2&4	(2 524 227)	(2 783 836)
Repairs and maintenance		(3 154 981)	(1 070 993)
Loss on disposal of assets		(575 996)	(307 874)
General Expenses	16	(45 381 034)	(50 946 954)
Total expenditure		**(98 331 223)**	**(96 601 575)**
Surplus for the year		**1 104 544**	**1 938 060**

* See Note 28

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus	Total net assets
Opening balance at 01 April 2023	**8 080 860**	**34 721 825**	**42 802 685**
Changes in net assets			
Prior year error corrections	-	(29 691)	(29 691)
Net changes	-	(29 691)	(29 691)
Surplus for the year	-	1 967 751	1 967 751
Total changes	-	1 938 060	1 938 060
Restated* Balance at 01 April 2024	**8 080 860**	**36 659 885**	**44 740 745**
Changes in net assets			
Surplus for the year	-	1 104 544	1 104 544
Total changes	-	1 104 544	1 104 544
Balance at 31 March 2025	**8 080 860**	**37 764 429**	**45 845 289**

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Receipts			
Grants		88 485 436	88 852 934
Other receipts		10 650 805	9 488 900
		99 136 241	98 341 834
Payments			
Employee costs		(45 462 987)	(41 714 119)
Suppliers		(45 584 379)	(56 355 302)
		(91 047 366)	(98 069 421)
Net cash flows from operating activities	18	**8 088 875**	**272 413**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(2 335 809)	(806 850)
Proceeds from sale of property, plant and equipment	2	69 075	69 768
Purchase of other intangible assets	4	-	(2 674 774)
Net cash flows from investing activities		**(2 266 734)**	**(3 411 856)**
Net increase/(decrease) in cash and cash equivalents		**5 822 141**	**(3 139 443)**
Cash and cash equivalents at the beginning of the year		14 540 009	17 679 452
Cash and cash equivalents at the end of the year	7	**20 362 150**	**14 540 009**

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Exchange revenue	6 726 702	-	**6 726 702**	8 607 001	**1 880 299**	1
Interest received and other income	1 875 980	-	**1 875 980**	2 343 330	**467 350**	2
Total revenue from exchange transactions	**8 602 682**	**-**	**8 602 682**	**10 950 331**	**2 347 649**	
Revenue from non-exchange transactions						
Transfer revenue						
Non-exchange revenue	84 871 000	-	**84 871 000**	84 871 000	**-**	
Conditional Grant	3 614 436	-	**3 614 436**	3 614 436	**-**	
Surplus funds rolled over	-	4 371 446	**4 371 446**	4 371 446	**-**	
Total revenue from non-exchange transactions	**88 485 436**	**4 371 446**	**92 856 882**	**92 856 882**	**-**	
Total revenue	**97 088 118**	**4 371 446**	**101 459 564**	**103 807 213**	**2 347 649**	
Expenditure						
Personnel	(46 508 927)	-	**(46 508 927)**	(46 694 985)	**(186 058)**	3
Depreciation and amortisation	-	-	**-**	(2 524 227)	**(2 524 227)**	4
Repairs and maintenance	(3 212 877)	-	**(3 212 877)**	(3 154 981)	**57 896**	5
General Expenses	(47 366 314)	(4 371 446)	**(51 737 760)**	(45 381 034)	**6 356 726**	6
Total expenditure	**(97 088 118)**	**(4 371 446)**	**(101 459 564)**	**(97 755 227)**	**3 704 337**	
Operating surplus	**-**	**-**	**-**	**6 051 986**	**6 051 986**	
Loss on disposal of assets and liabilities	-	-	**-**	(575 996)	**(575 996)**	
Surplus on cash budget	**-**	**-**	**-**	**5 475 990**	**5 475 990**	
Surplus for the year from continuing operations	**-**	**-**	**-**	**5 475 990**	**5 475 990**	
Less roll-over adjustment	-	-	**-**	(4 371 446)	**(4 371 446)**	
Recalculated surplus as per Statement of Financial Performance	**-**	**-**	**-**	**1 104 544**	**1 104 544**	

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Statement of Comparison of Budget and Actual Amounts continued

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

Revenue

1) Revenue from exchange transactions was higher than budgeted amount due to increased number of applications for accreditation programmes processed during the financial year.

2) Interest and other income higher than budget due to increased surplus balances held at the Reserve Bank as well as increased revenue from conference fees.

Expenditure

3) Employee costs higher than budget due to provisions for bonuses not included in the budget during the year.

4) Depreciation and amortisation not budgeted for as these are non cash items and therefore not considered for budgeting purposes.

5) Repairs and maintenance lower than budget due to savings in the maintenance costs during the year.

6) General expenses lower than budget mainly due to savings realised from consultancy and peer academics costs during the year.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The CHE assesses its loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the CHE makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 13 - Provisions.

Effective interest rate

The CHE used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.2 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the CHE and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.2 Property, plant and equipment (continued)

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the CHE is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses except for Land and building which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful lives to their estimated residual value.

An impairment loss is only recognised when the recoverable amount of an asset is less than its carrying amount and is measured as the amount by which the carrying amount of an asset exceeds its recoverable amount.

Subsequent to the recognition of an impairment loss on an asset, the related depreciation or amortisation charge should be adjusted for future periods.

An impairment loss is recognised immediately in the surplus or deficit, except where an asset is carried at a revalued amount in accordance with another GRAP standard on property, plant and equipment. Such an impairment loss is treated as a revaluation decrease to the extent of the revaluation surplus available in the revaluation reserve.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight-line	Indefinite
Buildings	Straight-line	50 Years
Furniture and fixtures	Straight-line	1-30 Years
Office equipment	Straight-line	1-30 Years
Computer equipment	Straight-line	1-30 Years

The residual value and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the CHE to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in CHE as an exepense.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.2 Property, plant and equipment (continued)

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset from the derecognition of an item of property, plant and equipment is included in CHE or expense when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Revaluation of Land and Building

Land and buildings held for administrative purposes are carried at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

Revaluations are done by an independent valuer every 3 years so that the carrying amounts do not differ materially from those that would be determined using fair values at the reporting date. The fair value of Land and Buildings measured using the valuation model is based on market values.

Change in estimate

After the revaluation of Land and Building, the useful lives of all categories of assets related to the building are re-assessed.

1.3 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from CHE and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the CHE intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the CHE or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the CHE; and
- the cost or fair value of the asset can be measured reliably.

The CHE assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Subsequent to initial recognition Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.3 Intangible assets (continued)

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	1-16 Years
Internally generated intangible assets	Straight-line	10-20 Years

1.4 Financial instruments

Financial assets and financial liabilities are recognised on the CHE's statement of Financial Position when the CHE becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at cost, including transactional costs. Subsequent to initial recognition these instruments are measured as set out below:

Financial Assets

CHE's principal financial assets are accounts receivable and cash and cash equivalents.

Cash and cash equivalents are measured at amortised cost.

Financial assets or a portion thereof are derecognised when the contractual rights to the benefits specified in the contract expire and the CHE surrender those rights or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and the sum of the proceeds receivable and any prior adjustment to reflect the cost of the asset that had been reported in the net assets is included in the surplus or deficit for the period.

Trade and other payables

Trade and other payables are stated at amortised cost using the effective interest method.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.6 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service to the CHE.

The provisions for employee entitlements to salaries and leave represent the amount that the CHE has a present obligation to pay as a result of employees' services provided to the statement of financial position date. The provisions have been calculated at undiscounted amounts on current salary rates.

The expected costs of bonus payment are recognised as an expense when there is a legal or constructive obligation to make such payment as a result of past performance.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.6 Employee benefits (continued)

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.7 Provisions and contingencies

Provisions are recognised when:

- the CHE has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

All the provisions of the CHE are short-term in nature and thus ignore the effect of discounting.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

1.8 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the CHE directly in return for services rendered, the value of which approximate the consideration received or receivable.

The CHE receives exchange revenue from private institutions as indicated below:

1) **Private institutions application for accreditation**: Institutions pay a non-refundable fee which is recognised in revenue based on the stage of completion;
2) **Site visits**: Site visit fees including the associated costs incurred are invoiced to the institutions and recognised in revenue on an accrual basis; and
3) Other revenues such as conditions, representations, reaccreditation and referrals for private institutions are recognised as revenue on an accrual basis.

Interest received

Interest received from favourable bank deposits is recognised as revenue from exchange transactions through the statement of financial performance in the period it is received.

1.9 Revenue from non-exchange transactions

The transfer from DHET is recognised when it is probable that future economic benefits will flow to the CHE and when the amount can be measured reliably. A transfer is recognised as revenue to the extent that there is no further obligation arising from the receipt of transfer payment.

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Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.9 Revenue from non-exchange transactions (continued)

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Unspent conditional grant

Unspent conditional grants are disclosed as liabilities and only realised as revenue through the statement of financial performance when the conditions related to the grant are met.

1.10 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.11 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:
(a) the PFMA; or
(b) National Treasury regulations.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of expenses and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

National Treasury practice note no. 4 of 2022/23 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2023).

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure to the annual report must be updated with the amount condoned.

1.12 Budget information

CHE is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by CHE shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The financial statements and the budget are not presented on the same basis as the audited annual financial statements are prepared on an accrual basis and the budget on a cash basis of accounting. A reconciliation between the surplus/(deficit) for the period as per the statement of financial performance and the budgeted surplus/(deficit) is included in the statement of comparison of budget and actual amounts.

1.13 Related parties

The CHE operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management is those persons responsible for planning, directing and controlling the activities of the CHE, including those charged with the governance of the CHE in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence or be influenced by, that management in their dealings with the CHE.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.14 Standards of GRAP not yet effective

The following standards were approved but not effective on 31st March 2025.

GRAP 1 Presentation on Financial Statements (Unlikely there will be a material impact)
GRAP 104 Financial Instruments (Unlikely there will be a material impact)

1.15 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The CHE will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

1.16 Non-adjusting events after reporting date

The CHE shall not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting date.

The CHE shall disclose the following for each material category of the non-adjusting event after the reporting date:

a) The nature of the event; and

b) An estimate of its financial effect, or a statement that such an estimate cannot be made.

1.17 Commitments

Items are classified as commitments when the CHE has committed itself to future transactions that will normally result in the outflow of cash to third parties or suppliers. Disclosures are required in respect of all contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements making a distinction between operational expenditure and capital expenditure. The CHE recognises and discloses three categories of commitments namely;

1) Payroll commitments

These are commitments made in the form of contracts offered to peer academics and consultants who provide services to the CHE on higher education-related matters.

2) Open purchases orders

These are system generated and approved open purchase orders issued to suppliers before the end of the financial year, but for which goods or services has not yet been provided or received.

3) Contracts

These are contracts or balances that are in place or issued before the end of the financial year, therefore awarded to suppliers to render goods and services for the ensuing periods. Wherein contracts have rates/ad-hoc fees CHE will apply cost estimates, to cater for additional cost while servicing the contract.

1.18 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

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Audited annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.18 Accounting by principals and agents (continued)

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Recognition

The entity, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The entity, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

2. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	7 500 000	-	7 500 000	7 500 000	-	7 500 000
Buildings	28 594 977	(12 540 870)	16 054 107	28 594 977	(12 056 334)	16 538 643
Furniture and fixtures	3 837 085	(1 965 652)	1 871 433	3 485 698	(1 856 000)	1 629 698
Office equipment	10 188 170	(3 635 662)	6 552 508	9 670 147	(3 144 659)	6 525 488
Computer equipment	5 549 667	(2 517 514)	3 032 153	6 102 983	(3 242 601)	2 860 382
Total	**55 669 899**	**(20 659 698)**	**35 010 201**	**55 353 805**	**(20 299 594)**	**35 054 211**

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Land	7 500 000	1	-	(1)	7 500 000
Buildings	16 538 643	-	-	(484 536)	16 054 107
Furniture and fixtures	1 629 698	428 654	(29 727)	(157 192)	1 871 433
Office equipment	6 525 488	976 940	(171 627)	(778 293)	6 552 508
Computer equipment	2 860 382	930 214	(259 664)	(498 779)	3 032 153
	35 054 211	**2 335 809**	**(461 018)**	**(1 918 801)**	**35 010 201**

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Other changes, movements	Depreciation	Total
Land	7 500 000	-	-	-	-	7 500 000
Buildings	17 114 726	-	(76 157)	22 389	(522 315)	16 538 643
Furniture and fixtures	1 813 429	-	(5 555)	-	(178 176)	1 629 698
Office equipment	6 394 778	806 850	(50 703)	-	(625 437)	6 525 488
Computer equipment	4 097 742	-	(267 617)	4	(969 747)	2 860 382
	36 920 675	**806 850**	**(400 032)**	**22 393**	**(2 295 675)**	**35 054 211**

Pledged as security

No assets are pledged as security.

Expenditure relating to repairs and maintenance of the building and other assets amounted to R3,154,981:(2024:R1,070,993).

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

2. Property, plant and equipment (continued)

Details of property

- Land	7 500 000
- Building carrying amount	16 054 107
Carrying amount	**23 554 107**

The 7,580 square meters property is located at 1 Quintin Brand,Persequor Technopark,Tshwane with tittle deed number T4934/2009. The property is revalued every 3 years and the last valuation was R26,170,000 at the end of March 2023.

3. Change in estimate

Property, plant and equipment

Management undertook a reassessment of the useful lives of assets that were approaching a nill carrying amount but were still in usable condition. The reassessment was performed on individual assets in each category and their usefull lives was adjusted by an average of 6 years.

The change in estimate was effected prospectively from the beginning of the financial year and the impact on depreciation per asset category is as follows:

Category	Original estimate	Revised depreciation	Increase (Reduction) in depreciation expense
Furniture and Fittings	23 796	6 472	(17 324)
Office equipment	232 852	374 124	141 272
Computer equipment	35 570	17 500	(18 070)
	292 218	**398 096**	**105 878**

Fully depreciated assets

Management furthermore undertook an assessment of assets that were fully depreciated but still in usable condition. Assets with the original total cost price of R278,553 and a combined carrying amount of less than R100 were identified to be in usable condition.Management decided to retain these assets on the asset register because their total cost of less than 1% of PPE is not considered material to change the final disclosed PPE amounts.

COUNCIL ON HIGHER EDUCATION

Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand

4. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Internally generated	7 181 750	(4 318 705)	2 863 045	7 181 750	(3 849 125)	3 332 625
Computer software	725 015	(184 274)	540 741	1 587 103	(726 460)	860 643
Total	**7 906 765**	**(4 502 979)**	**3 403 786**	**8 768 853**	**(4 575 585)**	**4 193 268**

Reconciliation of intangible assets - 2025

	Opening balance	Disposals	Amortisation	Total
Internally generated	3 332 625	-	(469 580)	2 863 045
Computer software	860 643	(184 056)	(135 846)	540 741
	4 193 268	**(184 056)**	**(605 426)**	**3 403 786**

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Internally generated	993 692	2 674 774	(335 841)	3 332 625
Computer software	1 012 963	-	(152 320)	860 643
	2 006 655	**2 674 774**	**(488 161)**	**4 193 268**

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Audited annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

4. Intangible assets (continued)

Internally Generated Intangible Assets

Internally generated assets relate to the development costs of the Higher Education Quality Committee (HEQC), Higher Education Quality Sub-Framework and the QA-Dashboards online systems. These systems are owned by the CHE and were developed to enhance the CHE process of receiving and processing applications from institutions for accreditation.The QA Dashboards is a digital track record of the Internal Quality Assurance functionality of all South African higher education institutions over time.These systems meet the definition of internally generated intangible assets according to GRAP 31 on intangibles.

5. Prepayments

	2025	2024
Opening balance	1 151 010	1 458 125
Additions during the year	2 608 354	1 065 257
Amounts realised to expenses during the year	(1 574 030)	(1 372 372)
	2 185 334	**1 151 010**

6. Receivables from exchange transactions

	2025	2024
Trade debtors	720 184	393 879
Deposits	13 515	13 515
Over payment to supplier	48 085	53 085
Other receivables	-	11 200
Staff loans	15 770	26 345
	797 554	**498 024**

Trade and other receivables pledged as security

Trade and other receivables were not pledged as security for any financial liability.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Fair value of trade and other receivables

The fair value of short-term receivables approximates the carrying amount of the balance due to their short-term maturity.

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2025 R645,432- (2024: R210,103) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2025	2024
1 month past due	24 513	-
2 months past due	255 416	-
3 months past due	365 503	210 103

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The CHE does not hold any collateral as security.

Trade receivables have not been discounted as the effect of discounting is not considered material.

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Notes to the Annual Financial Statements

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7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 692	89
Standard Bank: Current Account	175 619	(32 613)
Standard Bank: Private Accreditation Receiving Account	59 359	10 165
Reserve Bank -CPD	20 143 969	14 568 142
Credit Card	(18 489)	(5 774)
	20 362 150	**14 540 009**

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates.

The CHE holds a short-term investment account with the Reserve Bank ,Corporation for Public Deposits account where surplus cash is held during the year, earning interest rate of approximately 4.25% pa. This investment is accessible on a day's notice.

8. Revaluation reserve

Revaluation surplus relates to property,plant and equipment.

Opening balance	8 080 860	8 080 860

9. Exchange revenue

Accreditation fees	8 607 001	7 824 884
Conference fees	649 000	658 912
Interest received -investment	1 575 827	1 188 738
Other income	118 503	14 167
	10 950 331	**9 686 701**

10. Non exchange revenue

Operating grants		
DHET Grant	84 871 000	82 887 000
University of Johannesburg -QAF	3 586 419	5 965 934
INQAAHE	28 017	-
	88 485 436	**88 852 934**

Conditional grant

Balance unspent at beginning of year	-	289 905
Current-year receipts	3 614 436	5 676 029
Conditions met - transferred to revenue	(3 614 436)	(5 965 934)
	-	-

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

11. Investment revenue

Interest revenue		
Interest earned	1 575 827	1 188 738

Interest earned relates to surplus cash reserves deposited in short-term investments with effective interest received of approximately 4.25 %.

12. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Movement during the year

Balance at the beginning of the year	-	289 905
Additions during the year	3 614 436	5 676 029
Income recognition during the year	(3 614 436)	(5 965 934)
	-	-

Grant breakdown		
University of Johannesburg	3 586 419	5 676 029
INQAAHE	28 107	-
	3 614 526	**5 676 029**

Phase 2 of the QAF Implementation Preparation continued in the year under review as supported by the conditional UCDP grant from DHET in collaboration with the University of Johannesburg.The funding was utilised for various QAF activities during the year including capacity development workshops,development of various standards aswell as quality assurance manuals.

The CHE received funding from the International Network for Quality Assurance Agencies in Higher Education (INQAAHE) during the year for assistance towards the implementation of the project capacity building for a review of learning and teaching provision.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Total
Leave pay provision	1 880 364	360 990	(198 419)	2 042 935
Performance bonus	1 256 019	2 325 446	(1 256 019)	2 325 446
	3 136 383	**2 686 436**	**(1 454 438)**	**4 368 381**

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Total
Leave pay provision	1 991 590	198 913	(310 139)	1 880 364
Performance bonus	1 366 976	1 256 111	(1 367 068)	1 256 019
	3 358 566	**1 455 024**	**(1 677 207)**	**3 136 383**

Leave pay provision

Leave pay provision relates to the vesting leave pay to which employees may become entitled upon leaving the employment of CHE. The provision is utilised when employees are paid for their accumulated leave. There are no expected reimbursement of this provision.

Leave from the previous cycle not taken within six months after the end of the cycle is forfeited by the employee.

Performance bonus

Performance bonuses are payable to eligible employees after the finalisation of the moderation process and conclusion of external audit for the year under review.

14. Payables from exchange transactions

	2025	2024
Trade payables	5 793 559	3 267 272
Accreditation fees received in advance	4 282 930	3 046 011
Accrued expenses	1 461 174	1 239 652
Accrued bonus	7 692	6 460
	11 545 355	**7 559 395**

CHE pays all its trade and other payables within 30 days of receipt of invoice in accordance with the terms of the PFMA and Treasury Regulations.

The fair value of payables approximates the carrying amount due to their short-term nature.

15. Employee costs

	2025	2024
Basic	37 262 789	33 376 492
Medical aid - company contributions	682 345	696 996
UIF	206 584	195 260
Other short term costs - Social club	25 510	27 920
Defined contribution plans - Pension fund	4 245 022	3 938 943
Group Life and Pension Fund: Administration fees	1 743 612	1 762 180
Workmans compensation	41 106	39 149
Leave pay provision charge	162 571	198 913
Performance bonus provision	2 325 446	1 256 065
	46 694 985	**41 491 918**

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024 Restated
16. General expenses		
Consultancy services and Subcommittee members	1 749 067	2 364 285
Outsourced services	241 000	1 797 055
Assessment rates and municipal charges	882 643	831 039
Auditors' remuneration -Refer to Note 17	2 138 949	2 087 648
Bank charges	106 911	93 711
Cleaning	546 527	688 019
Peer academics	15 184 007	19 992 166
Consumables	67 459	58 975
Interest and penalty paid	5 473	86 695
Garden services	158 039	164 977
Insurance	261 888	262 736
Conferences and seminars	37 000	47 274
Bursaries	78 290	214 000
IT expenses	8 072 284	6 428 653
Promotional items	797 594	252 285
Levies	43 723	38 657
Magazines, books and periodicals	30 065	45 092
Recruitment costs	1 045 309	1 470 985
Postage and Courier	31 509	57 797
Printing and stationery	1 554 630	995 303
Diesel costs	50 000	153 000
Security services	653 116	576 859
Employee welfare	213 447	259 905
Subscriptions and Membership fees	110 945	99 496
Telephone,Cellphone and Data costs	892 544	977 491
Training	237 215	380 778
Travel - local and International	3 616 277	3 756 079
Electricity and Water	861 768	684 129
Lease rentals on operating lease	93 284	127 047
Honorarium	289 500	669 800
Venue, Catering and Conference hosting	2 126 340	2 350 131
Remuneration of Council and Committee members	2 043 088	2 266 961
Legal fees	1 112 873	667 926
Unauthorised expenditure	48 270	-
	45 381 034	**50 946 954**
17. Auditors' remuneration		
External auditors	1 011 821	1 001 147
Internal auditors	1 127 128	1 086 501
	2 138 949	**2 087 648**
18. Cash generated from operations		
Surplus	1 104 544	1 938 060
Adjustments for:		
Depreciation and amortisation	2 524 227	2 783 836
Loss on disposal of assets	575 996	307 874
Movements in provisions	1 231 998	(222 183)
Changes in working capital:		
Receivables from exchange transactions	(299 530)	(215 033)
Prepayments	(1 034 324)	307 115
Payables from exchange transactions	3 985 964	(4 337 351)
Unspent conditional grants and receipts	-	(289 905)
	8 088 875	**272 413**

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

19. Commitments

Operating leases- as lessee

Minimum lease payments due		
• Within one year	240 306	13 187
• In second to fith year	400 511	-
	640 817	**13 187**
Total capital commitments		
Already contracted for but not provided for	640 817	13 187

Operating lease payments represent rentals by the CHE for photocopying machines. These leases are negotiated for periods of 36 months. The operating lease liability at the end of the period is R640,817 (2024:R13,187).

Other Commitments

The CHE had no capital commitment for the year under review (2024:Nil).

Commitments for goods and services to be rendered to the CHE in the next financial year 2025-26 amounts to R6,427,265.This amount is broken down between Payroll R4,497,041,Open orders R84,504 and contracts R1,845,721.

The amount of R6,427,265 will not be used as a base to calculate the request for retention of cash surplus as per National Treasury instruction no 6 2017/18 because some amounts such as R1,845,721 for contracts do not meet the criteria as per National Treasury Instruction no 6 of 2017/18.

The full commitments including contracts for goods and services to be rendered to the CHE as at 31st March 2025 amount to R7,797,664 (2024:R8,499,471).

20. Related parties

Relationships	
Department	DHET
Public entities under DHET	SAQA
Controlling entity	University of Johannesburg
Senior Management and Council Members	Refer to note 21

Related party balances:

Transactions included in revenue		
DHET	84 871 000	82 887 000
University of Johannesburg	3 586 418	5 965 934

The CHE received the conditional UCDP grant from DHET through the University of Johannesburg for the Quality Assurance Framework (QAF) implementation preparation.

Transactions included in expenditure		
Human Sciences Research Council	-	1 609 055

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

21. Members of Key Management and Council Emoluments

Executive Management

2025

	Emoluments	Acting allowance	Performance bonus	Leave paid	Long service	Total
Chief Executive Officer	2 398 665	-	128 601	-	-	2 527 266
Chief Financial Officer	1 904 526	-	83 175	-	12 712	2 000 413
Director:Corporate Services	1 848 651	-	70 741	-	-	1 919 392
Director: M&E	1 617 666	-	80 398	-	12 712	1 710 776
Director: Accreditation	1 767 897	-	68 250	-	-	1 836 147
Director: QAF *	1 195 321	-	65 344	13 261	-	1 273 926
Director: HEQSF	1 457 562	-	57 510	-	-	1 515 072
Director: National Reviews and Standards	1 767 897	74 892	67 686	-	-	1 910 475
	13 958 185	**74 892**	**621 705**	**13 261**	**25 424**	**14 693 467**

* Retired December 2024

2024

	Emoluments	Acting allowance	Performance bonus	Leave paid	Total
Chief Executive Officer	2 256 153	-	127 859	-	2 384 012
Chief Financial Officer	1 790 589	-	82 973	-	1 873 562
Director: Corporate Services	1 738 656	-	74 923	-	1 813 579
Director: M&E	1 520 001	-	79 752	-	1 599 753
Director: Accreditation	1 663 581	-	-	-	1 663 581
Director QAF	1 497 837	-	69 583	-	1 567 420
Director: HEQSF	800 075	-	-	-	800 075
Director: HEQSF	457 186	-	-	62 170	519 356
Director: National Standards and Reviews	970 422	103 283	-	-	1 073 705
Director:National Standards and Reviews	289 776	-	-	126 044	415 820
	12 984 276	**103 283**	**435 090**	**188 214**	**13 710 863**

Council Members' Remuneration

2025

	Members' fees	Total
For services as Council and Committee members	2 043 088	2 043 088

2024

	Members' fees	Total
For services as Council and Committee members	2 266 961	2 266 961

22. Financial instruments disclosure

Categories of financial instruments

2025

Financial assets

	At cost	Total

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Notes to the Annual Financial Statements

Figures in Rand

22. Financial instruments disclosure (continued)

Loans to employees	15 770	15 770
Trade and other receivables from exchange transactions	768 269	768 269
Cash and cash equivalents	20 380 639	20 380 639
	21 164 678	**21 164 678**

Financial liabilities

	At cost	Total
Trade and other payables from exchange transactions	7 262 425	7 262 425
Bank overdraft	18 489	18 489
	7 280 914	**7 280 914**

2024

Financial assets

	At cost	Total
Loans to employees	26 345	26 345
Trade and other receivables from exchange transactions	458 164	458 164
Cash and cash equivalents	14 578 396	14 578 396
	15 062 905	**15 062 905**

Financial liabilities

	At cost	Total
Trade and other payables from exchange transactions	4 483 693	4 483 693
Bank overdraft	38 387	38 387
	4 522 080	**4 522 080**

23. Risk management

Financial risk management

Liquidity risk

The CHE is only exposed to liquidity risk with regards to the payment of its trade payables. These trade payables are all due within a short-term. The CHE manages its liquidity risk by holding sufficient cash in its bank account, supplemented by cash available in a Reserve Bank's corporation for public deposits account (CPD).

Interest rate risk

The CHE's income and operating cash flows are substantially independent of changes in the market interest rates.However the value of income earned on call account investment balances will be affected when there are fluctuations in the market interest rates.

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23. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The CHE only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2025	2024
Standard Bank: Current Accounts	234 978	10 165
Trade Debtors	781 571	393 879
Reserve Bank of South Africa: Corporation for Public Deposits	20 143 969	14 568 142

Trade Debtors age analysis as at 31 March 2025	Over 90 Days	60 Days	30 Days	Current	Total
	365 504	255 416	24 513	74 763	720 196

Trade Debtors age analysis as at 31 March 2024	Over 90 Days	60 Days	30 Days	Current	Total
	210 103	-	32 800	150 976	393 879

24. Contingent Liability

The CHE had unspent cash of R5,245,968 from the budget of the year under review. This unspent cash is ordinarily supposed to be transferred back to National Treasury according to section 53(3) of the PFMA. The CHE will request for the retention of these funds from National Treasury after the audit to address budget pressures that the CHE is facing for the 2025-26 financial year.

25. Contingent Asset

As at 31st March 2025, the CHE had outstanding insurance claims that were submitted during the year relating to lost and damaged laptops as well as mobile phones.The finalisation of these claims will be concluded in the 2025-26 financial year and the CHE is confident of a positive outcome from these claims.The total amount of these claims is R134,390.

26. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Due to the commitment of funding from DHET over the medium term expenditure framework (MTEF) period, the CHE will continue to operate for the foreseeable future and as at 31st March 2025, the total assets of the CHE exceeded its liabilities by R45,845,289.

27. BBBEE Status

As at 31st March 2025,the CHE was rated as non contributer in terms of the Broad Based Black Economic Empowerment (BBBEE) status.

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28. Prior period corrections

After finalisation of the 2024 financial statements, it was discovered that an invoice of R39,400 relating to services rendered in the year had not been accrued for in the financial statemens.This invoice were subsequently processed in the comparative year to record the understatement of general expenses in the 2024 financial year.

Travel related invoices amounting to R9,709 were issued and included in prior year general expenses but it was later discovered that a credit note was issued for these invoices.This overstatement of general expenses has now been corrected.

The correction of these errors resulted in the net adjustment to the comparative figures as follows:

	2025	2024
Statement of financial position		
Payables from exchange transactions (accrued expenses)	-	29 691
Net assets	-	(29 691)
Accumulated surplus	-	(29 691)
Statement of financial performance		
General expenses (promotional items)	-	29 691
Surplus for the year	-	(29 691)
Cashflow note 18 and 14		
Payables from exchange transactions	-	(29 691)

29. Prior-year reclassification

The following reclassification in the prior year to PPE was made.

Movement in PPE	Cost	Accumulated depreciation	Carrying amount
Building	(1 762 907)	(207 634)	(1 555 273)
Office Equipment	1 762 907	207 634	1 555 273
	-	-	-

Reclassification details;

a)Management decided to reclassify Air Conditioners that were previously classiffied under building to Office equipment.These assets were originally given the same lifespan as that of the main asset of building but after assesssing their performance over the years. Management decided to move them to Office Equipment which is deemed more appropriate to their nature.

b)The cost of these assets is R1,762,907 and their accumulated depreciation at the time of reclassifcation was R207,634

c)The reason for the reclassification was for better and more appropriate classifications in PPE as the aircons do not have the same lifespan as the building. The aircons typical lifespan is around 10 to 15 year after which they are disposed.

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